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**United Nations Development Programme
Project Document template for Adaptation Planning / NAP (National Adaptation Plan) projects
financed by the Green Climate Fund (GCF)**

June 2019

Project title: Preparation of a National Adaptation Plan (NAP) for Bhutan, with a focus on the water sector	
Country: The Kingdom of Bhutan	
Implementing Partner: UNDP	Management Arrangements : Direct Implementation Modality (DIM)
UNSDPF/Country Programme Outcome: UNSDPF Outcome 4/CPD Outcome 2: By 2023, Bhutan's vulnerable communities and its economy are more resilient to climate-induced and other disasters and biodiversity loss	
UNDP Strategic Plan Output: 2.3.1 Data and risk-informed development policies, plans, systems and financing incorporate integrated solutions to reduce disaster risks, enable climate change adaptation and mitigation, and prevent crisis	
UNDP Social and Environmental Screening Category: EXEMPT	UNDP Gender Marker for the project output: 2
Atlas Project ID (formerly Award ID): 00080724	Atlas Output ID (formerly Project ID): 00090309
UNDP-GEF PIMS ID number: 6076	GCF ID number: BTN-RS-002
Planned start date: June 2019	Planned end date: February 2023
PAC meeting date: 22 April 2019.	

Brief project description:

The Kingdom of Bhutan launched its NAP process in 2015 with the definition of a national NAP road-map and an update of the 2012 NAPA. This NAP project aims to build on Bhutan’s Nationally Determined Contribution (NDC) by accelerating the NDC vision to scale up adaptation in the medium- to long-term and by focusing on priority sectors in the NDC, such as water resources. While Bhutan has been budgeting national resources for adaptation through its Five-Year Plans and the Bhutan Trust Fund for Environmental Conservation, climate change spending still forms only two percent of the national budget, demonstrating the need for external funding as highlighted in the NDC. In addition to financial limitations, Bhutan faces barriers related to coordination, learning and awareness, technical capacity for climate information, systematic identification and appraisal of adaptation options, and monitoring and evaluation. In order to enhance adaptation planning, all of these challenges need addressing.

This proposed readiness request will support the Royal Government of Bhutan (RGoB) to advance its NAP process by building on existing capacities and enhancing institutions already in place for adaptation planning through the following outcomes:

- (1) Enhanced coordination, learning and knowledge management for an iterative NAP process;
- (2) Technical capacity enhanced for the generation of climate scenarios and impact assessment;
- (3) Vulnerability assessments undertaken and adaptation options appraised and prioritized; and
- (4) NAP formulated and capacity for implementation and monitoring established.

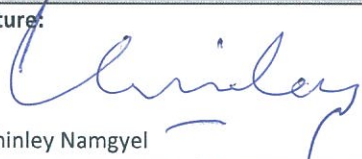


These national level outcomes include both a comprehensive component on water resources as well activities across other climate sensitive sectors in Bhutan. These outcomes will address identified barriers to adaptation planning in Bhutan through the formulation of a National Adaptation Plan and the strengthening of institutional frameworks and systems to enable long-term decision making for climate change adaptation.

This project will build on the strong synergies and existing UNDP and RGoB coordination with ongoing and past adaptation and readiness work in Bhutan, such as the GCF Readiness and Preparatory Support project “*Strengthening the Capacity of NDA to access resources from the Green Climate Fund*” (USD 400,000).”

The formulation and implementation of Bhutan’s NAP will be led by the **National Environment Commission Secretariat (NEC)**, through the Water Resources Coordination and Climate Change Divisions, in collaboration with the **Gross National Happiness Commission Secretariat (GNHC)** and other partners such as the Ministries of Agriculture and Forests, Economic Affairs, Health, Home and Culture Affairs, the National Centre for Hydrology and Meteorology, civil society organizations (CSOs), and RUB.

The **National Environment Commission Secretariat (NEC)** is the primary agency mandated to look after all issues related to environment and water in Bhutan, by the **National Environment Protection Act, 2007** and the **Water Act, 2011**. The NEC has also been identified as the lead agency for the NAP readiness support and development of country work Programme in order to ensure synergy between the two, particularly in prioritization of adaptation options.

FINANCING PLAN	
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UNDP TRAC resources	N/A
Cash co-financing to be administered by UNDP	N/A
(1) Total Budget administered by UNDP	USD 2,764,847.26

PARALLEL CO-FINANCING (all other co-financing (cash and in-kind) administered by other entities, non-cash co-financing administered by UNDP)		
UNDP	N/A	
Government	N/A	
(2) Total co-financing	N/A	
(3) Grand-Total Project Financing (1) + (2)	USD 2,764,847.26	
SIGNATURES		
Signature:  Mr. Thinley Namgyel Secretary, Gross National Happiness Commission	Agreed by Government	Date/Month/Year: 25/6/2019
Signature:  Mr. Sonam P. Wangdi Secretary, National Environment Commission		Date/Month/Year: 20/06/2019
Signature:  Ms. Azusa Kubota UNDP Resident Representative	Agreed by UNDP as the Delivery Partner	Date/Month/Year: 20/6/2019

I. TABLE OF CONTENTS

I.	Table of Contents.....	4
II.	Development Challenge.....	5
III.	Strategy.....	10
IV.	Results and Partnerships.....	12
V.	Project Management.....	18
VI.	Project Results Framework.....	20
VII.	Monitoring and Evaluation (M&E) Plan.....	26
VIII.	Governance and Management Arrangements.....	30
IX.	Financial Planning and Management.....	34
X.	Total Budget and Work Plan.....	36
XI.	Legal Context.....	41
XII.	Risk Management.....	41
XIII.	Mandatory Annexes.....	43
A.	GCF approved Readiness and Preparatory Support proposal for Adaptation Planning/NAP.....	43
B.	GCF approval letter.....	43
C.	Timetable of project implementation (GANTT chart).....	43
D.	Procurement Plan.....	43
E.	Terms of References for Project Board and Project Team/PMU.....	43
F.	UNDP Risk Log.....	43
G.	Additional agreements:.....	43
H.	Section 2 of the GCF Readiness Support Interim Progress Report Template.....	43
	Annex A: GCF Approved Readiness and Preparatory Support proposal for Adaptation Planning/NAP.....	43
	Annex B: GCF Approval Letter.....	44
	44
	Annex C: Timetable of Project Implementation (GANTT Chart).....	45
	Annex D: PROCUREMENT PLAN.....	47
	Annex E: Terms of References for Project Board and PMU.....	49
	Annex F: UNDP Risk Log.....	52
	Annex G: UNDP Project Quality Assurance Report.....	54
	Annex H: Section 2 of the Readiness Support Interim Progress Report Template.....	59

II. DEVELOPMENT CHALLENGE

1. The Kingdom of Bhutan is a small, land-locked, country situated in the Himalayas, with a population of 777,666¹ spread over 3.8 million hectares (ha). With a fragile mountain eco-system, forests account for 71 percent of land cover (2.7 million ha²), leaving only 14 percent (500,000 ha) for agricultural land. Although the agricultural land available is small, it is the lifeline of around 58 percent of the population³ and generates around 12 percent of GDP.⁴ Bhutan is a mountainous country with a stark variation in altitudes, from as high as 7,550 metres above mean sea level (msl) in the northern alpine region, to as low as 100 m above msl in the southern sub-tropical region⁵. This characteristic blesses Bhutan with abundant hydropower resources with a potential capacity of around 30,000 megawatts (MW).⁶ Electricity exports (mostly to India) accounted for 42 per cent of total export value and contributed 13 per cent of GDP in 2016.⁷
2. Bhutan's poverty rate reduced from 12 per cent in 2012 to 8.2 percent in 2017. However, the impressive poverty reduction progress of the past decade is hard won and could reverse due to the adverse impacts from climate change. Thirty percent of Bhutan's economic activity is highly susceptible to climate change. The projected climate changes in Bhutan include: (1) an increase in average temperatures, a consistent warming trend in the Himalayas, and one that is approximately three times the global average; (2) a decrease in precipitation during the dry season, and an increase during the wet season in the long term; (3) increased intensity of rainfall events, erratic rainfall patterns, and a shift in monsoon timing; (4) increased threats of hydro-meteorological and geological disasters due to climate risks, such as glacial lake outburst floods (GLOFs), landslides, earthquakes, river erosion, flashfloods, windstorms, and forest fires.
3. The hydropower, agriculture, and tourism sectors, which together account for almost a quarter of GDP, are all highly dependent on, and affected by, climate variability and natural hazards. Firstly, hydropower infrastructure is highly exposed to floods and climatic risks. Retreating glaciers could adversely affect these hydropower projects through disastrous flash floods downstream. Secondly, erratic timing of monsoons and prolonged drought have long-term adverse implications for agricultural productivity and food security. Farmers relying mainly on rain-fed agriculture are among the most vulnerable. A warmer climate could also lead to more and different type of pests and diseases; for example, potato tuber moths, which are pests of the subtropical region, have now been found in higher elevations in Bhutan.⁸ The tourism sector, which contributes around 6 percent of GDP⁹ is also vulnerable to adverse impacts from climate change, such as natural hazards.
4. Forest lands and biodiversity are also vulnerable due to the risk of forest fires. These forest fires, caused by drought and lightening, wildlife migration and reducing biodiversity, threaten Bhutan's complex and fragile ecosystems. These fires mainly occur during the dry, winter months (November to April). The risk of forest fires is likely to increase with the anticipated increases in temperatures.¹⁰
5. One of the most significant impacts of climate change in Bhutan is the formation of supra-glacial lakes due to the accelerated retreat of glaciers with increasing temperatures. Glaciers in Bhutan are receding at a rate of 30-

1 National Statistics Bureau, 2017. Bhutan at a Glance, (<http://www.nsb.gov.bt/publication/files/pub9wt9959wh.pdf>)

2 Land area data are from FAO Country Profile: Bhutan (<http://www.fao.org/countryprofiles/index/en/?iso3=BTN>)

3 Ministry of Labour and Human Resources, 2015, *Labour Force Survey Report 2015* (<http://www.molhr.gov.bt/molhr/wp-content/uploads/2016/05/LFS2015-Report-Final.pdf>)

4 IMF, 2016, *Article IV Consultation Report*

5 World Bank, 2016, *Managing Environment and Social Impacts of Hydropower in Bhutan*

6 *Ibid.*

7 National Statistics Bureau, 2017. *Statistical Yearbook of Bhutan 2017*.

8 Ministry of Agriculture and Forestry, 2016, *State of the Climate Change Report for the RNR Sector May 2016*

9 IMF, 2014, *Selected Issues Report*

¹⁰ *Ibid.*

60 meters per decade. The melting ice from these receding glaciers is increasing the volume of water in glacial lakes, raising the risk of Glacial Lake Outburst Floods (GLOF). These raise threats to life, livelihoods and development.¹¹

6. While Bhutan has a wealth of water resources (109,000 cubic meters), access to these water resources is difficult due to the highly dispersed nature of settlements, and their low population densities, rendering the per capita cost of delivering water services very high. Rivers are mainly used in Bhutan to produce hydroelectricity. Most of the existing hydropower plants in the country are run-off-the-river types, which means that electricity production fluctuates with seasonal variations in river discharge. Bhutan consequently finds itself exporting electricity cheaply during summer months and importing expensive electricity during the winter.¹²
7. The resultant water shortage affects agriculture, a primary economic activity in Bhutan, through its impact on irrigation, change in crop diversity, delayed sowing with shifting seasons, decrease in agricultural yield (loss of production and quality) as brought about by drought, loss of soil fertility due to erosion and loss of nutrient due to seepage, and increased risk from existing and new diseases and pests. Rice growing areas will also be heavily affected and with the possibility of increasing temperature, agro-ecological zones are expected to shift northward and to higher altitudes (GNHC, 2011).
8. Increased water security through integrated water resources management (IWRM) is thus defined as a priority adaptation need in the NDC. It has also been identified as a key, cross-cutting sector for adaptation in the country, calling for further water-specific risk assessments. Bhutan has identified the water sector as a national priority, and seeks to identify synergies and identify areas of cooperation in terms of water resources management and development among different sectors in the 12th Five Year Plan.
9. The NAP process serves both national and global objectives for Bhutan. As part of the implementation of the Paris Agreement, various outputs of the NAP process will contribute to Bhutan's obligations under the UNFCCC. It is expected that the NAP will serve as Bhutan's adaptation communications. Nationally, under the upcoming twelfth Five Year Plan, the National Key Result Areas on "*Carbon neutral, climate and disaster resilient development enhanced*" and "*sustainable water ensured*" means that agencies will gear their activities towards achieving these objectives via the NAP.
10. The Royal Government of Bhutan aims to prepare a National Adaptation Plan (NAP) which is **actionable and participatory in its implementation** and incorporates a seamless **monitoring and evaluation (M&E)** process both at the national and sub-national level. There will be a strong focus on **water as a multi-sectoral issue** with comprehensive risk assessments and management, which is one of the key enabling factors for hydropower and agricultural sectors. The anticipated impacts of this proposed project would be stronger integrated systems for planning, budgeting and monitoring as well as identification of programmes to reduce vulnerability to climate change and sustained livelihood improvement of the poor and vulnerable

NATIONAL ADAPTATION PLAN PROCESS OVERVIEW:

11. Bhutan's NAP process builds on the on-going work in country at a policy, planning, and implementation level, including the NAPA (submitted in 2006; updated in 2012), related projects, and the NDC. The NAP process itself has evolved through a series of workshops and stakeholder consultations (including government sectors, donor agencies and universities). The process is led by the National Environment Commission Secretariat (NECS).
12. The Royal Government of Bhutan (RGoB) officially launched the NAP process in May 2015 during a "Dialogue on Climate Resilient and Carbon Neutral Development" in Thimphu, which also acted as the launch of the NDC. It was recognised that a clear climate change policy should support the NAP process, and that the NAP process

¹¹ Asian Development Bank. Climate Change Country Risk Assessment. 2014. <https://www.adb.org/sites/default/files/linked-documents/cps-bhu-2014-2018-sd-04.pdf>

¹² Asian Development Bank, '[Water: Securing Bhutan's Future](#)'

should include an implementation strategy and timeline. The NEC conducted preliminary stocktaking for the NAP in June 2016 during a national workshop on “Climate Change Information and Tools for Vulnerability and Adaptation.” It has subsequently conducted a series of staggered meetings with sectors to identify priority needs.

13. Despite its status as an LDC, the RGoB has already budgeted its own limited resources towards climate change adaptation and mitigation. In the period of 2008-2013, approximately two percent of public spending was on climate change. In 2012-2013, of all climate change finance in country, 39 percent was from national sources, and 61 percent from external funding. External funding came from bilateral sources (India), and from multilateral sources (UN agencies, the Global Environment Facility and the World Bank). The importance of external funding to enable the formulation and implementation of the NAP process has been highlighted in the NDC. The Bhutan Trust Fund for Environment Conservation has been set up to provide funding for environmental conservation projects including, addressing climate change mitigation and adaptation. In addition, the INDC submitted to the UNFCCC in 2015 has indicated ten priority adaptation needs. The NAP Process will build on this foundation and catalyse the scaling up of adaptation implementation to address climate risk in the medium term, beyond the urgent and immediate needs indicated in the updated NAPA.
14. This proposal advances the NAP Process to the next stages by supporting the preparation of the NAP framework and strategy, the NAP Implementation Framework at both the national and sub-national levels, and a NAP Results Based Monitoring Plan. Outcomes and activities have been identified In line with the stocktaking and NAP roadmap outlined at the national level.

STRATEGIC DOCUMENTS AND PROCESSES:

15. Bhutan’s development process in general aims to encompass environmental priorities through its world-famous “Gross National Happiness” approach. The following additional complementary processes and policies will also be important to consider while advancing the NAP process:
 - a) **Bhutan 2020**, outlines the country’s vision document outlining development goals, objectives and targets with a twenty-year perspective to maximize GNH. As one of the four main GNH objectives, it enunciates that development pursuits are to be carried out within the limits of environmental sustainability and without impairing the ecological productivity and natural diversity, thus providing the overarching policy context for sustainable development implicitly encompassing one that is resilient to, and mitigates, climate change.
 - b) **The National Forest Policy**, first formulated in 1974 and subsequently revised in 1979, 1991, and most recently in 2012, serves as the main guiding policy framework for forest management and nature conservation. The new Forest Policy of 2012 recognizes the important role of sustainable forest management in CC mitigation and adaptation.
 - c) **National Environment Strategy (NES)**: First published in 1998, this identifies and describes the main avenues and approaches for sustainable development in Bhutan. The strategy is currently under review. In the absence of a separate CC policy, the revised NES will, among other things, focus on low-carbon and climate resilient development. Unlike prior NES versions, this will address both climate change mitigation and adaptation.
 - d) **Bhutan Water Vision and Policy**: Adopted in April 2003, this establishes Bhutan’s water vision and describes the approach and context of water resources management from a broad, multi-sectoral perspective with recognition of the responsibility of the various sectors in policy implementation. The policy advocates for integrated water resources management (IWRM) to address existing and emerging water issues, including those emanating from climate change.
 - e) The **National Environment Protection Act (NEPA), 2007**¹³ and the [Water Act, 2011](#), provide the necessary mandate to the NEC for taking the lead in adaptation planning.

¹³ NEC. <http://www.nec.gov.bt/nec1/index.php/water/>

- NEPA's fourth chapter ensures the "Protection of Environmental Quality" to "ensure reasonable amounts of water for environmental flows to protect the freshwater biodiversity and maintain ecosystem functions."
 - The **Water Act** states that, *inter alia*, the NEC coordinate national IWRM, and adopt strategies, plans and programmes for achieving this purpose. The [Water Regulation of Bhutan, 2014](#), was adopted by the NEC to ensure the effective enforcement of the objectives and purposes of this act.
 - The "[National Integrated Water Resources Management Plan](#)" (2016) aims to establish the framework and priorities for the implementation of integrated water resources management (IWRM) in Bhutan. The Plan is based on a comprehensive assessment of the current situation and future prospects in light of growing water demands and the threat from climate change. The Plan establishes the principles and mechanisms under which agencies involved in the water sector, together with river basin stakeholders, can coordinate their respective plans and activities, as well as collectively monitor progress toward attainment of Bhutan's IWRM objectives.
- f) The [Second National Communication to UNFCCC](#) has identified priority adaptation actions for different sectors including water and climate related disasters. These include (1) Conduct comprehensive water resources assessment to improve understanding of water resource availability and the effects of climate change in order to then develop appropriate adaptation measures (process was conducted in 4 *dzongkhags* (districts) through NAPA II¹⁴); (2) Increase resilience of water resources to the impacts of climate change; (3) Water Resources Management through adoption and implementation of IWRM and eco-efficiency by using river basin framework for planning (completed); (4) Strengthening Climate observation and network for early warning and forecasting of extreme events understanding climate change (underway through NAPA II); and (5) Mainstream CC & WRM into national plans and programmes (reflected in the upcoming 12th Five Year Plan).
- g) **National Adaptation Programme of Action for Climate Change (NAPA)**, was produced in 2006 and regarded Glacier Lake Outburst Floods as the highest priority climate hazard. The NAPA was reviewed and updated in 2012 to incorporate new climate hazards such as windstorms and cyclones and also to take stock of the implementation status of the priority projects;
- h) **Five-Year Plan (FYP)**: The Eleventh Five-Year Plan (2013-2018) was completed on 30th June, 2018. The overall goal of 11th FYP was "Self-reliance and Inclusive Green Socio-economic Development." It sought to promote carbon-neutral and environmentally sustainable development, and engendered mainstreaming of environment, climate change and disaster risk reduction as cross-cutting issues along with gender and poverty reduction. The Twelfth Five Year Plan (2018-2023) was recently approved by the new government. There are 17 National Key Result Areas in the 12th FYP. The NAP process can contribute to the National Key Result Area (NKRA) 6 "Carbon Neutral, Climate and Disaster Resilient Development" and NKRA 17: "Sustainable Water Ensured" This has been improved from the 11th FYP with NECS as the lead agency coordinating these NKRA's.
- i) In the **INDC**, Priority 1 is listed as "Increase resilience to the impacts of climate change on water security through Integrated Water Resource Management (IWRM) approaches including: Water resources monitoring, assessment, and mapping, Adoption and diffusion of appropriate technologies for water harvesting and efficient use, Climate proofing water distribution systems, Integrated watershed and wetland management."
- j) **Climate Change Policy of Bhutan**: The draft policy which is expected to be adopted in 2019, is a comprehensive national climate change policy following several regional consultations geared towards understanding gaps and issues arising from climate change impacts in Bhutan. It aims to build resilience to climate change through the National Adaptation Plan process as one of the measures.

COMPLEMENTARY INITIATIVES:

16. The NAP proposal also aims to complement existing projects and build on progress from other efforts in the country such as:

¹⁴ For more information on Bhutan's NAPA II, please refer to Section 14.

- a) The on-going **GEF-UNDP project, “Enhancing Sustainability and Climate Resilience of Forest and Agricultural Landscape and Community Livelihoods,”** is especially compatible through its Outcome 3 that focuses on improving community’s livelihoods through building climate resilient options by various means.
- b) Gross National Happiness Commission is developing a GCF readiness and preparatory support project, **“Strengthening the Capacity of NDA to access resources from the Green Climate Fund”** amounting to USD 400,000. The project will be used to strengthen the capacity of the NDA, including strengthening institutional capacity, supporting engagement with stakeholders at local and national level through development and strengthening of country coordination mechanism, and supporting oversight capacity.
 - The NEC will be the lead agency for both implementation of NAP readiness program as well as the development of a Country Work Program (CWP) which is supported under NDA strengthening. The prioritization exercise of adaptation options under the NAP will provide inputs to the CWP. In addition, a protocol for management of data and information will be developed under NAP to streamline and harmonize and standardize management of data and information. CWP will include all adaptation options and NDC priorities providing strategic guidance and priorities in the country.
 - The development of a CWP will comprise stakeholder consultation, stocktaking of all climate change related policies and initiatives, formation of taskforce, field visits and identification of strategic investment priorities. Therefore, information generated from the NAP process will be used as an input for the preparation of the CWP.
 - The stocktaking of climate change related policies and listings through consultation with relevant agencies such as National Environment Commission Secretariat, Ministry of Agriculture and Forests, Ministry of Economic Affairs, Ministry of Works and Human Settlement, will help feed into informing the NAP process. Additionally, there will be a joint planning exercise to ensure sequencing of activities to avoid any duplication and ensure synergies between the two projects.
- c) The **“National Irrigation Master Plan,” (2016)** will present a 15-year action plan and roadmap for the development of climate adaptive irrigation systems and irrigated agriculture in the country to help attain broad agriculture sector goals of food and nutrition security and enhanced rural incomes.
- d) The **NAPA II (2014 - 2018), “Addressing the Risks of Climate-induced Disasters through Enhanced National and Local Capacity for Effective Actions,”** aimed to build capacities at community, local and national levels to prepare for and respond to climate-induced hazards, thereby reducing potential casualties and loss of infrastructure, livelihoods and assets.
- e) The Climate Investment Funds’ **Pilot Program for Climate Resilience (PPCR)** assists Bhutan’s national government in integrating climate resilience into development planning across sectors and stakeholder groups. World Bank’s **Strategic Program for Climate Resilience (SPCR) (2017)** builds on ongoing initiatives and activities throughout Bhutan while providing a structure to incorporate resilience into development planning, putting in place a coordination mechanism and process of engagement on climate issues building on existing institutions, and developing a roadmap to build capacity and increase investment opportunities in the future.
 - Bhutan’s SPCR includes: an innovative eco-system based approaches to Integrated Flood-Based Management (IFBM) of river basins; Climate-Oriented Integrated Watershed Management Plans; Climate SMART Human Settlement planning; building a strong information base for weather and climate services for resilience; a robust and innovative Resource Mobilization Strategy, with non-traditional financing options and sustainability mechanisms; transformational capacity-building approaches; a strong Gender Equity and Social Development (GESI) component; and “Happiness” developmental performance reporting.
 - The focus of the SPCR is thus on select sectoral assessments, and priority areas, whereas the proposed NAP project aims to create a holistic and comprehensive picture of the water sector. The NAP project will draw on findings and recommendations from the assessments of the SPCR, which is being coordinating by the NDA. The project will aim to coordinate on activities and share findings through open communication.
 - As per the official SPCR documentation, they are also committed to complementing the ongoing NAP process: “Though similar in some ways to the NAP in addressing medium to long-term climate-resilience priorities, the SPCR will not substitute the NAP process. Rather, it seeks to complement the overall NAP objective and process with complementary Investments that effectively address Bhutan’s medium and long-term adaptation needs.” (Section 3, SPCR Final Document).
 - In particular, the SPCR highlights the following areas for coordination, which this proposed project will also target: (a) Multi-sector focus on water security issues, through their investments (described above).
(b). All six SPCR Investments have CSMI incorporated into their program activities and outcomes. For example: Investment “14” on Climate-SMART planning; the inter-woven 15 private sector activities on private sector integration; and, Investment “16” on climate curriculum development all prioritize

industry engagement. These private sector related Investments will all rely on the support of the BCCI, the Bhutanese Association of Women's Enterprises, and the Association of Bhutanese Industry.

The support requested through the Climate Technology Centre & Network (CTCN) is focused on reducing Green House Gases from transport sector, by improving the urban transport for municipalities in Bhutan through the development of a mobility plan, preparation of detailed project report for [Intelligent Transport System \(ITS\) and Capacity Building for reducing Green House Gases from transport sector](#) focused towards mitigation. This is different from this proposal which focuses on adaptation planning

17. The proposed project will ensure the participation of key multilateral agencies in Bhutan (i.e. World Bank and Asian Development Bank), bilateral donors (Japan International Cooperation Agency and European Union), and the Government of India. All these actors are already active in Bhutan, and will be included in the stakeholder engagement plans.

III. STRATEGY

18. **There are several barriers to the advancement of the NAP process in Bhutan.** This proposal seeks to address some of the main barriers which are described below.

COORDINATION:

19. There are several existing institutions and coordination mechanisms in Bhutan which form the basis of climate change adaptation planning in the country including the NCCC, C4, and MRGs. Thus far, these coordination structures are oriented towards coordination of immediate and urgent needs for climate change adaptation. Their cooperation for long term planning is inhibited by the lack of an agreed protocol or framework that defines the technical contribution and roles of each institution towards an iterative NAPs process – i.e. a process that will not be a one time plan, but will rather lay the architecture for long term adaptation planning. NAP process coordination structures have to take into account institutions that can support longer-term planning which may require participation of a broader set of institutions than is currently the norm.

20. In addition, there are gaps in coordinating relevant climate change information. Currently, several agencies and projects collect climate change adaptation relevant information (such as risk and vulnerability assessments), but there is no consolidated picture due to the lack of a common platform to share this information. There are no data sharing protocols in place to link information, therefore the existing data remains fragmented.

21. A comprehensive inventory of ongoing adaptation initiatives is not available (government, community-based organizations, and indigenous adaptation practices). This could help diverse departments and ministries incorporate adaptation into their planning. Lastly, sector specific information on adaptation is largely absent. For example, during the preparation of the National Integrated Water Resources Management Plan, one of the main challenges faced was lack of data and information on water resources at the local and community levels in both rural and urban landscapes.

22. *These issues will be addressed by setting knowledge management systems (such as the adaptation platform) and protocols in place, and developing a stakeholder engagement plan, which will outline specific roles and responsibilities on different aspects of adaptation planning (through activities in 1.1 and 1.3).*

LEARNING AND AWARENESS:

23. In order to truly grasp the complexity of adaptation planning, planners, civil servants, and government officials require a broad-based understanding of climate change adaptation issues. These do not refer to specialised technical skills required to model specific scenarios for example, but an understanding on how climate change adaptation issues touch upon all development interventions and the linkages between them. This broad-based learning is required for decision-makers to prioritise activities that are relevant to climate change adaptation. Such learning does not currently exist within government bodies in Bhutan at the scale that it should.

24. *This barrier will be addressed through the establishment of learning exchange programmes, trainings of civil servants, and peer-to-peer knowledge exchange opportunities (through activities in 1.2).* This will lead to improved climate risk informed planning and management.

TECHNICAL CAPACITY FOR CLIMATE INFORMATION:

25. Bhutanese research institutions and universities are not currently producing the quality and quantity of climate information and research required to advance adaptation planning. The research and information needed includes downscaled scenarios, climate modelling, hazard maps, impact assessments, and risk and vulnerability assessments. Through some of the NAPA projects, data from observation systems has been collected over the last few years, but this data needs to be interpreted. There is limited field-level sharing among scientific academic and research communities in Bhutan. Scientists, academics and researchers at the universities around Bhutan can play a major role in addressing gaps, creating some of the missing data and knowledge, and share it further with policy-makers. *These barriers will be addressed through the inclusion of activities from 2.1 and 2.2.*
26. Sector specific, climate vulnerability and risk data that is cross-referenced with dzongkhag level information does not exist. This is problematic for adaptation planning. In particular, the water sector, which has been identified as very vulnerable through the INDCs etc., has not been assessed comprehensively. *This will be addressed through activities in Outcome 2 & 3, through the preparation of capacity for local government/sector specific studies, and several other kinds of studies which can enable more informed decision making.*

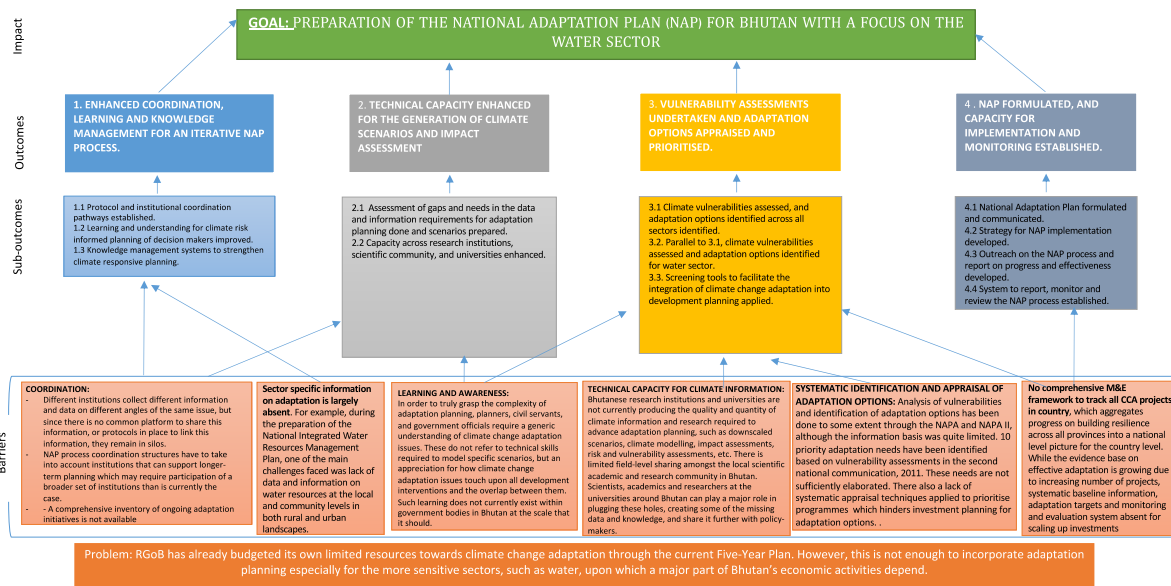
SYSTEMATIC IDENTIFICATION AND APPRAISAL OF ADAPTATION OPTIONS:

27. Analysis of vulnerabilities and identification of adaptation options was completed to some extent through the NAPA and NAPA II, although the information basis was quite limited. Ten priority adaptation needs have been identified based on vulnerability assessments in the second national communication from 2011. These needs are not sufficiently elaborated. These initiatives have laid the foundation for adaptation planning, however knowledge of which adaptation options and practices should be upscaled is extremely limited. There is also a lack of systematic appraisal techniques applied to prioritise programmes, hindering investment planning for adaptation options. For example, the Eleventh Five-Year Plan (2013-2018) lacked robust climate resilience options within key sector sectors such as hydropower, agriculture, and transport. Going forward, in the 12th FYP, there are initiatives in the agriculture, hydropower and transport sectors that also focuses on climate resilience options. In this regard, NAP complement these efforts in the 12th FYP. *This will further be addressed through the Outcome 3, where a systematic identification and appraisal of adaptation options will be conducted.*

MONITORING AND EVALUATION:

28. Bhutan is missing a comprehensive, result-based monitoring and evaluation (M&E) mechanism which tracks all adaptation projects and aggregates progress on building resilience across all provinces into a national level picture for the country level. While the evidence base on effective adaptation is growing due to increasing number of projects, systematic baseline information, adaptation targets and monitoring and evaluation system absent for scaling up investments. *This will be addressed through Outcome 4, where a comprehensive M&E framework will be established in conjunction with existing government tracking tools.*

Please see the diagram below for a graphical representation of the theory of change.



IV. RESULTS AND PARTNERSHIPS

EXPECTED RESULTS:

The proposed project aims to provide support to the RGoB to advance the NAP formulation and implementation process, as well as to put in place a robust implementation monitoring and evaluation system. The anticipated outcomes and their accompanying activities are designed to address key challenges that have been identified in part by the NDC, FYP, NAPA 2012, and National Integrated Water Resources Management Plan, and build in lessons learned from completed and ongoing projects in related areas.

OUTCOME 1: ENHANCED COORDINATION, LEARNING AND KNOWLEDGE MANAGEMENT FOR AN ITERATIVE NAP PROCESS.

This outcome is focused on building the groundwork and addressing challenges and gaps to in coordination and learning (Barriers 1 & 2) to advance the NAP process.

1.1. Protocol and institutional coordination pathways established.

This output will include two activities. First, *developing guidelines and a protocol to facilitate the NAP process for planners and anyone else engaged in the NAP formulation and implementation across institutions at all administrative levels and across sectors to provide guidance on the iterative nature of the process.* As the NAP formulation is a long-term iterative process, a protocol therefore is needed to inform all national coordinating agencies and will be part of the National CC Policy, which is currently being developed.

Secondly, *developing a stakeholder engagement plan for the NAP process in collaboration with the Climate Change Coordination Committee (C4), drawing upon stakeholder consultations already undertaken during the launch by the Prime Minister, Royal Government of Bhutan (RGoB) in March 2016, and the consultations conducted during the activities of the Readiness country programme through the NDA.* Stakeholders from the water sector, ministries in cross-cutting issues, sectoral ministry representatives, and representatives of grassroots CSOs, women's groups, DPOs, LG leaders will be included in the engagement plan. A joint planning exercise with the NDA project will ensure the different stakeholder engagement plans will be complementary to each other. In addition, all the reports taken from previous stakeholder consultations will help ensure that insights inform the work-planning and inception phase activities. A joint stakeholder consultation will be conducted which will

include the same stakeholders, along with members working on the NDA Readiness programme, and the Country Programme document led by the NEC.

1.2. Learning and understanding for climate risk informed planning of decision makers improved.

This output includes activities addressing the learning barriers of decision makers, which will collectively improve the capacity of different sets of actors who are engaged in adaptation planning and implementation. An important part of building capacity is to ensure the decision makers of the process are informed on adaptation planning.

Firstly, this means a proper understanding of the status quo. To this effect, this proposal includes the following activities:

- *Prepare a capacity and skills assessment of institutions at the policy, organizational and operational level that are relevant to the NAP process in generating climate information, risk and vulnerability assessments and adaptation analyses and effective knowledge management.*
- *Prepare a strategy to address and strengthen/implement the capacity and skills of institutions for generating relevant information in supporting the NAP process.* This will be undertaken by upgrading the basic capacity development plan for climate change adaptation developed under Bhutan's NAPA II Project and aspects of the SPCR & PPCR project are focusing on 3 institutions (Sherubtse, CST and CNR)to assess their capacity, human resource etc.

To this effect, the proposal identifies the following activities:

- *Undertake annual peer to peer exchange and technical trainings internationally, and within the broader Asia-Pacific region, to learn and share lessons on adaptation planning through the following:*
 1. **Regional and Global NAP Expo(s):** The NAP Expo is an outreach event organized by the Least Developed Countries Expert Group (LEG) under the UNFCCC, in collaboration with various bodies and organizations, to promote exchange of experiences and foster partnerships between a wide range of actors and stakeholders on how to advance National Adaptation Plans (NAPs). Attendance by relevant decision makers and policy officials will be an important component in peer-to-peer exchange as well as lesson sharing.
 2. **Regional Adaptation Forum(s):** Attendance at such international fora, akin to the **Asia Pacific Adaptation Forum** or the **Gobeshona Annual Conference for Research on Climate Change in Bangladesh**, which gather adaptation practitioners (at global, regional, national, and sub-national levels) provide a valuable platform for improving the understanding of climate risk informed planning, as evidenced by those in similar contexts.
 3. **Focused Peer-to-Peer Technical Trainings Overseas:** In order to plug the gaps in knowledge on technical activities, including how to incorporate vulnerability studies and assessments into government planning, methods of prioritization of adaptation options, and integration of CCA into budgeting and planning systems, the project proposes three sets of focused Peer-to Peer Technical Trainings Overseas where officials from relevant agencies will have the chance to learn with firsthand experience and exposure from similar and relevant stakeholders of other countries, and apply it to Bhutan's context. The trainings will incorporate hands-on trainings, visits, and exchanges.

The following tours will be planned with counterparts of countries in the larger Asia Pacific region (like Thailand or or the Philippines):

- a. In Year 1, there will be a "**Policy level**" focused training for approximately four or five members from technical agencies/ departments, GNHC, finance ministry, Department of Local Governments, C4 members.
- b. In Year 2, there will be a "**Vulnerability Assessments**" focused training for approximately four or five members from the technical agencies or departments, who will be engaged in vulnerability assessments and prioritization of adaptation options.
- c. In Year 3, there will be an "**Integration of CCA in Planning and Budgeting**" focused training for approximately four or five members from the GNHC, technical departments, and department of local governments.

Criteria for Selection: There will be balanced representation from district level administrations, and planners from most vulnerable areas, climate sensitive agencies and departments. The selections of the participants will be from agencies who will be part of the overall NAP process and majority of the trainings/capacity building will be provided to sectors and agencies implementing the projects.

To ensure **continuous learning and knowledge application**, there will be periodic follow ups through webinars and teleconferences. Upon returning, the attendees of the technical trainings will be included as facilitators of the NAP process, conduct consultations with local bodies, and review the NAP.

- *Deliver a module-based training programme in collaboration with Royal Institute of Management for both entry level and civil servants at all levels on climate change adaptation and development planning. Embed the training curriculum in national training units/organisations and collaborate with potential capacity building initiatives under the Paris Capacity building initiative. This activity will provide civil servants with the appreciation for how climate change adaptation issues touch upon all development interventions and the overlaps between them. The training will include a module on concerns of vulnerable groups (i.e. women, indigenous groups, people living with disabilities, etc).*

1.3. Knowledge management systems to strengthen climate responsive planning.

Presently, there is no comprehensive list of all adaptation related actions in country. The intention for this output is to create a “one stop platform” for all CCA efforts in Bhutan. This will facilitate open knowledge exchange, information transparency, and improved coordination efforts between different actors. To do so, the first step, will be to *develop a protocol for management of data and information for climate change adaptation (data production, collection, processing, storage and communication by harmonizing/standardizing indicators) in collaboration with NSB.* This will be achieved through a protocol manual and a workshop will all the relevant staff members.

The second step will be to *establish an adaptation platform for Information and knowledge management to support climate responsive planning and the NAP process.* This will be based on the protocol above and will include data storage and dissemination and integration with other existing environmental and socio-economic information systems. The adaptation platform here refers to both online (interactive) and instituted knowledge, information and experience sharing platform.

Such an adaptation platform would hold little functionality or benefits without the continuous and rigorous supply of climate information, and a dedicated base of users. Therefore, the next step will be to *support access to climate change information for sectors and stakeholders in partnerships with other institutions and programmes that also utilize climate information by strengthening their capacity in comprehending and using the available climate information.* This will be achieved through training workshops and by operationalising the protocol developed in the 1.3.1.

Lastly, an additional essential component is to link in-country government efforts with those of related actors. To this effect, the last step will be to *undertake structured dialogue with institutions working on localising SDGs to ensure that climate change risks for relevant SDGs goals and targets are included in the NAP stocktaking exercise and reflected on the platform.* UNDP and other UN agencies are partnering with the Government to localize SDGs through the Five-Year Plan process. The SDGs have been integrated into the 12th Five Year Plan through the 17 National Key Results Areas (GNHC is the lead agency in the formulation of the 12th FYP). The relevant national institutions include GNHC, Ministry of Agriculture and Forest, National Centre for Hydrology and Meteorology, Ministry of Home and Cultural Affairs (Department of Disaster Management), Ministry of Works and Human Settlement, Royal University of Bhutan, Ministry of Economic Affairs, Ministry of Health. Other agencies include national CSOs and NGOs such as the [Royal Society for Protection of Nature](#), and [TARAYANA Foundation](#). This would include a joint dialogue with the NEC, the GNHC and other relevant institutions working on SDGs, and identifying common entry points for collaboration.

OUTCOME 2: TECHNICAL CAPACITY ENHANCED FOR THE GENERATION OF CLIMATE SCENARIOS AND IMPACT ASSESSMENT

This outcome will build necessary foundations to support an iterative and dynamic NAP process. A disjointed information and knowledge database leads to an incomplete picture of climate change or adaptation at a national level in Bhutan (Barrier 3).

2.1. Assessment of gaps and needs in the data and information requirements for adaptation planning and scenarios prepared.

Firstly, this will include a *stocktaking of existing information on climate change risks, impacts of climate change on sectors, and scenario models at required scale*, to get a sense of the existing basis of climate risk. The studies mentioned in the baseline are scattered, and not at the level or quality required. Secondly, the project will *compile, synthesize and downscale existing data and information on global, regional, and existing climate scenarios and projections for Bhutan and its twenty Dzongkhags.* It is essential to get downscaled Dzongkhag level scenarios. The third step will be to *prepare socio-economic scenarios that include macroeconomic modelling at the national and sub-national level for Bhutan to inform V&A and CC risk assessments.*

The focus areas of the stocktaking under this proposed project will be water resources, and 3-4 other climate sensitive sectors as pertinent (energy, infrastructure, agriculture, health, forest, biodiversity, or glaciers). The corresponding activity in the Country Work Programme through the Readiness project, will focus on sectors which remain uncovered by this project, and potentially on mitigation-related issues.

Next, it will be essential to *identify and adapt appropriate climate impact modelling tools and conduct climate risk and impact assessment of key sectors at national level using top down models*. There are several tools available for impact assessment of sectors as well as for VNA. Bottom up approaches are being carried out in other initiatives such TNC, LoCAL, PVA GCCA and the findings of which will be interfaced with the top down models. The idea is to identify or develop the ideal one for Bhutan which will need be modified as and when new tools become available. Initially, through the Second National Communication, Bhutan has used DSSAT (simulating agricultural crop growth), Holdridge life zone eco system mapping, WEAP (Water Evaluation And Planning System), Customized GIS model, etc. These tools will be customised in combination with bottom up tools to conduct targeted assessments on: traditional and indigenous knowledge, vulnerable communities, and vulnerable ecosystems. This activity will conduct targeted assessments on (1) Traditional and indigenous knowledge; (2) Vulnerable communities; (3) Vulnerable ecosystems.¹⁵

Gender and climate change overall assessment as well as more detailed assessment in up-to two sectors will be undertaken in technical collaboration with the NDCs and Gender programme under the LECB second phase and is costed under that programme.

2.2 Capacity across research institutions, scientific community, and universities enhanced.

Scientific knowledge which is not produced locally, and not scaled at all appropriate levels, is a hindrance for informed decision making. To address the third barrier, the following set of activities will be implemented:

- *Forge partnerships with international, national and sub-national training institutions, research institutes and universities for peer to peer learning and knowledge transfer*. This will be achieved through consultation meetings with universities and research departments and the scoping of joint areas of cooperation and research capacities. This could include the set up of regional research conferences, faculty exchanges,
- *Design and implement a training programme in partnership with international and regional scientific institutions to enhance the capacity of national scientific and technical communities on scenario development, impact modelling, and targeted assessments*, based on the findings of the capacity and skills assessment from 2.1.1 including both classroom and on-the-job training for three institutions: RUB, UWICE and Royal Thimphu College. This activity will work with all institutions related to adaptation namely, the National Centre for Hydrology and Metrology, various institutions within the Royal University of Bhutan, Renewable Natural Resources Research and Development Centres, Ugyen Wangchuck Institute for Conservation and Environmental Research, CSO research institution, Khesar Gyalpo University of Medical Sciences of Bhutan, which has mandate to conduct research in agriculture, health, civil engineering, geology, hydro-met, technologies, etc. This activity will be achieved through the design of a comprehensive curriculum, the training of trainers, and the development of a participants' manual. This training will include gender components developed in relation to all the topics in the curriculum.
- Based on the above stocktaking exercise from 2.1, *develop a strategy and roadmap for climate research to outline the required information including scientific observation to support adaptation planning in collaboration with a national network of research institutions*. A strategy and roadmap will be developed to continue building on the progress of the climate research conducted so far.

OUTCOME 3: VULNERABILITY ASSESSMENTS UNDERTAKEN AND ADAPTATION OPTIONS PRIORITISED.

This outcome will help address the barrier of the lack of sector specific adaptation information, especially the water sector which is particularly vulnerable, through the following outputs:

3.1. Climate vulnerabilities assessed, and adaptation options identified across all sectors identified.

The first activity will be to *build on the second national communication findings, undertake vulnerability assessments of 3-4 key sectors that particularly pertains to or have linkages to the water sector and appraise adaptation interventions*. Sectors to be considered include infrastructure, energy, agriculture, health, forest, biodiversity and glaciers with timelines for implementation and appropriate consideration or urban and rural considerations, delivering sector-wise vulnerability assessment reports. This will

¹⁵ Gender assessments will be conducted in parallel as part of NDC projects.

be followed by *providing training for sector planners and decision-makers through specialised trainings on vulnerability assessment through Training Curriculum developed in partnership with regional institutions/think tanks.*

3.2. Parallel to 3.1, climate vulnerabilities assessed, and adaptation options identified for water sector.

Water resources lack the appropriate strategy for CCA. To address this, the following set of activities will be conducted:

- *Undertake a detailed national impact assessment of climate change on water resources and implications for water as a key factor for drinking, sanitation, energy and food.*
- *Prepare an assessment of potential climate change impacts on the urban water supply, sanitation and storm water system for four major urban centres (Thimphu, Phuentsholing, Gelephu, Samdrupjongkhar) Deliverable: Report on impacts of climate change on 4 urban centres.*
- *Identify adaptation options in the water sector and water-dependent sectors – taking into account cross-sectoral issues such as the nexus between water, energy and food. Adaptation options to be surveyed include both eco-system based adaptation and physical infrastructure and potential for PPP.*
- *Prepare a set of project ideas with 1-2 detailed project/programme concepts based on prioritised adaptation options to be submitted to climate funds such as GCF.*

3.3. Screening tools to facilitate the integration of climate change adaptation into development planning applied.

Presently, there is no method to cost CCA projects which is applied in Bhutan. The following activities address this gap:

- *Develop a screening guideline for climate change adaptation to be utilized by relevant line agency planners and budget staff. The screening guideline will focus on distinction between business as usual development projects and additional climate change adaptation interventions and will support development of business cases for adaptation interventions.*
- *Fine tune an adaptation costing framework (including costing and appraisal options), which will extend to climate change adaptation by modifying existing methodology under application for conducting an ongoing biodiversity and climate expenditure review by the BIOFIN project.*
- *Prepare and deliver face-to-face training packages to users for application of the CCA screening guideline and climate expenditure methodology in routine planning tasks such as preparation of sector, national and subnational plans and budgets, with the TWGs.*
- *Develop a mechanism and guideline for synergizing approaches for adaptation planning across different cross cutting issues and thematic areas such as biodiversity, desertification, and water under the MEAs.*

OUTCOME 4: NAP FORMULATED, AND CAPACITY FOR IMPLEMENTATION AND MONITORING ESTABLISHED.

This outcome will build on all previous outcomes, to provide necessary capacity for responsible agencies to use available tools and methodology to review adaptation intervention in key sectors and formulate a NAP.

4.1. National Adaptation Plan formulated and communicated.

This output will include the following set of activities:

- *Constitute a multi-disciplinary team to draft the National Adaptation Plan.*
- *Constitute a peer review group and advisory group for the NAP.*
- *Organise consultation meetings at the national and sub-national level in collaboration with MRGs*
- *Prepare a draft National Adaptation Plan including Implementation and Financing Strategy. This will include undertaking sectoral consultations and peer review by the advisory group. The Financing Strategy will Plan and execute concurrently, similar activities within this proposed project such as Activity 3.3.3 on developing the adaptation costing framework, and Activity 3.2.4 on developing project ideas to be submitted to climate funds such as GCF. The financing strategy will be developed keeping in mind domestic and international sources of funding, as well as other related bilateral sources. Once the project is approved, an advisory group will be constituted with members from GNHC, NEC, MoHCA, MoF, MoWHS MoAF, and NCHM. This advisory group will enable the focus of this activity to reach its target audience i.e., ministries that will implement the NAP), local government, and financing agencies*
- *Final draft of the National Adaptation Plan will be reviewed and approved by the Climate Change Coordination Committee (C4) and National Climate Change Committee (NCCC). The*

final NAP will also inform and serve as the adaptation communication under the Paris Agreement.

4.2. Strategy for NAP implementation developed.

- *Develop a medium-term National Adaptation Plan Implementation Strategy as part of the NAP document. This will also inform the National Key Result Area 6 of the 12th FYP (2018-2023) viz. Carbon Neutral, Climate and Disaster Resilient Development and NKRA 17: “sustainable water ensured”.*

4.3 Outreach on the NAP process and report on progress and effectiveness developed.

This output is to ensure that all relevant and concerned parties are aware of the NAP document and its contents, through the following activities:

- *A NAP National launch workshop will be organized to communicate and disseminate the NAP to all stakeholders (nationally and internationally, including the UNFCCC.)*
- *Annual consultation workshops will be held to share information on the progress in the formulation and implementation of the NAP to gather feedback to improve the process. The participation of representatives of vulnerable groups (women, indigenous groups, people living with disabilities, etc.) will be ensured by providing support for their attendance.*

4.4 System to report, monitor and review the NAP process established.

This is to ensure a detailed tracking of all CCA projects, along with updates, and resource allocations. This output focuses on taking the NAP into implementation through prioritization of climate change adaptation into national and subnational planning and budgeting. The participatory and results-based M&E framework will be prepared as a part of the NAP to monitor its implementation. The M&E system will be nested in the existing Government Performance Management System (GPMS). Stakeholder consultation will be organized throughout the M&E process. Annual progress reports will be disseminated to share lessons learned, identify gaps, and provide recommendations.

- *Develop a M&E framework for assessing “climate resilience” to inform and assist integration of CC adaptation into development planning (Five Year Plans).*
- *Develop and integrate M&E programme for the implementation of the NAP process. This will be done with the help of ((to be identified) national and international institutions (for example: WRI, IIED/ICCAD). Presently, there is a [Government Performance Management System](#), but that system does not include any parameters which are relevant to track CCA activities in country. This activity will aim to include M&E of the implementation of the NAP process. Based on the NAP M&E Framework, it will prepare an “Annual NAP Implementation Progress” in 2021, 2022, and 2023 to include assessment of NAP progress, effectiveness, and any potential gaps with support from relevant experts. The information from provincial level will be collected as per this framework and aggregated to get a national level picture on adaptation. Lastly, an adaptation criteria-based system will be developed to report, monitor and review the process to ensure sustainability and iterative integration of adaptation in planning by aligning formulation and review of the NAP with the national development and planning process. Usually, such systems only track expenditure by ministries, but we could try adding criteria for adaptation relevant expenditure, however, this system will ensure they do so for adaptation planning related expenses as well.*
- *Based on the NAP M&E Framework, prepare an Annual NAP Implementation Progress in 2021, 2022 and 2023 to include assessment of NAP progress, effectiveness, and any potential gaps with support from relevant experts.*
- *Adaptation criteria to be developed and applied within the government performance management system to report and adaptation relevant investments and expenditure. This will contribute to aligning formulation and review of the NAP with the national development planning and investment process.*

V. PROJECT MANAGEMENT

1. The project will be implemented following UNDP's Direct Implementation Modality (DIM), according to the Readiness and Preparatory Support Grant Framework Agreement between UNDP and the GCF.
2. The project will be implemented over a period of four years. A **Project Board** (PB) will be established to provide high-level guidance and oversight to the project. The PB will be co-chaired by the Secretary of the NECS (Government) and UNDP and made up of senior representatives from the GNHC, DLG, NCHM, and other key national implementing agencies. The PB will be responsible for high-level decisions and policy guidance required for the implementation of the project, including recommendations and approval of project plans, budget and revisions. The PB's decisions are to be made in accordance to standards that ensure efficiency, cost-effectiveness, transparency, effective institutional coordination, and harmony with the overall development policies and priorities of the Royal Government of Bhutan, UNDP and their development partners.
3. The **Project Management Unit** (PMU) will be housed at UNDP Bhutan. One project personnel member will be placed within the NEC, to ensure seamless communication, coordination, planning and technical inputs. The PMU will be responsible for the overall coordination with the various national agencies for the delivery of project outputs in a timely and effective manner. It will facilitate project-related planning activities such as preparation of annual work plans and be responsible for overall project monitoring and reporting. As part of the PMU, a **project manager** will be recruited according to UNDP policies to ensure best value for money. The Project Manager will be responsible for the day-to-day management of the project on behalf of the Implementing Partner, for facilitating the preparation of the annual work plans, approved by the PB and reviewed by UNDP, in consultation with relevant stakeholders, as well as for ensuring that the project produces the results (outputs) specified in the project document, to the required standard of quality and within the specified constraints of time and cost. During daily project operations, the PMU will appraise all decisions to the NECS and UNDP and all decisions will be made jointly by the two agencies. The Project Manager function will end when the final project terminal evaluation report and other documentation required by the GCF and UNDP has been completed and submitted to UNDP.
4. The PMU will be made up of the following positions:
 - **Technical coordinator/Project Manager** for coordination, monitoring and reporting of project activities
 - **Project Associate** for project administration and day-to-day support to the project manager for the full duration of the project;
5. A **NAP Technical Working Group** (NTWG) will be created comprising relevant members from the UNDP, NECS, GNHC, NCHM, MoHCA, MOAF and other stakeholders of the project. The NTWG will be the technical team who will oversee the drafting of the NAP document. The team will be engaged to provide data and information, identify and appraise adaptation options for the various sectors and prepare the NAP document.
6. Project technical support will be provided by the NEC, NCHM, MoAF, LGs and related agencies including all key stakeholders including civil society organisations. In addition, technical assistance will be provided upon demand by the UNDP's National Adaptation Plan - Global Support Programme, in partnership with UNEP, by extending the support provided already, by delivering additional technical support to overcome capacity gaps, in line with the objectives of the programme.
7. Local stakeholders and community members also have a key role in the implementation and monitoring of the project. During the inception phase of the project, NEC in collaboration with UNDP, LGs and other relevant government agencies will consult with all stakeholders, including vulnerable community members, NGOs, civil society, women organizations, etc., to facilitate an understanding of the roles, functions, and responsibilities within the Project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Project's Logical Framework (indicators, means of verification, assumptions) will be reviewed and the quarterly and annual plans will be refined engaging the communities from the targeted audience. The stakeholders will also be engaged during the mid-term and final evaluations to assess the progress

of the project and enable adaptive project management in response to the needs and priorities of the communities.

8. Agreement on intellectual property rights and use of logo on the project's deliverables and disclosure of information: To accord proper acknowledgement to the GCF for providing grant funding, the GCF logo will appear together with the UNDP, NEC, and RGOB logos on all promotional materials, other written materials like publications developed by the project, and project hardware. Any citation on publications regarding projects funded by the GCF will also accord proper acknowledgement to the GCF. Information will be disclosed in accordance with relevant policies notably the UNDP Disclosure Policy¹⁶ and the relevant GCF policy and RGoB's rules and regulations.
9. Disclosure of information: Information will be disclosed in accordance with relevant policies notably the UNDP Disclosure Policy¹⁷ and the GCF Disclosure Policy.¹⁸

16 See http://www.undp.org/content/undp/en/home/operations/transparency/information_disclosurepolicy/

17 See http://www.undp.org/content/undp/en/home/operations/transparency/information_disclosurepolicy/

18 See: https://www.greenclimate.fund/documents/20182/184476/GCF_B.12_24_-_Comprehensive_Information_Disclosure_Policy_of_the_Fund.pdf/f551e954-baa9-4e0d-bec7-352194b49bcb

VI. PROJECT RESULTS FRAMEWORK

As per section VII below, the Project Board will review and agree on the results framework and finalize the indicators, means of verification and monitoring plan during the inception workshop and in line with the GCF interim report format (Annex H).

OUTCOMES	BASELINE	TARGET	ACTIVITIES <i>Please including key outputs or deliverables where applicable</i>
1. Enhanced coordination, learning and knowledge management for an iterative NAP process			
1.1 Protocol and institutional coordination pathways established.	<i>Scattered policies and organizational mandates, impacting CCA in different ways.</i>	<i>Clear and concise pathways of communication, reporting, and organizational structures for CCA based decision making.</i>	<p>1.1.1 Develop guidelines and a protocol to facilitate process for planners and anyone else engaged in the NAP formulation and implementation across institutions at all administrative levels and across sectors to provide guidance on the iterative nature of the process. <u>Deliverable:</u> Recruit the NAP PMU, Assemble NAP-TWG (NTWG) team and board (Y1, Month 1-3); Prepare the NAP project work plan (Y1, Month 2); Prepare a draft of the guidelines and protocol and share with all stakeholders. (Y1, Months 3-4).</p> <p>1.1.2 Develop a stakeholder engagement plan for the NAP process in collaboration with the Climate change coordination committee (C4), drawing upon stakeholder consultations already undertaken during the launch by the Prime Minister, Royal Government of Bhutan (RGoB) in March 2016, and the consultations conducted during the activities of the Readiness NDA¹⁹. <u>Deliverable:</u> Stakeholder mapping and engagement plan developed; Workshop with stakeholders to raise awareness, present NAP project workplan, present draft guidelines and protocol, and elicit feedback. (Y1, Months 4 - 8); Seek endorsement of guidelines through C4.</p>
1.2 Learning and understanding for climate risk informed planning of decision makers improved	<i>Unclear understanding of skills necessary for CCA policy decision making.</i> <i>Government and official staff not</i>	<i>A cadre of trained staff in C4 & NEC who can effectively advance the NAP process.</i> <i>Opportunities to improve capacities</i>	<p>1.2.1 Prepare a capacity and skills assessment of institutions at the policy, organizational and operational level that are relevant to the NAP process in generating climate information, risk and vulnerability assessments and adaptation analyses and effective knowledge management. <u>Deliverable:</u> A report on the existing capacities and skills, and a gap analysis (Y1, Months 4 – 8)</p> <p>1.2.2 Prepare a strategy to address and strengthen/implement the capacity and skills of institutions for generating relevant information in supporting the NAP process. This will be undertaken by upgrading the basic capacity development plan for climate change adaptation developed under Bhutan’s NAPA II Project. <u>Deliverable:</u> Strategy (clearly defined) with recommendations which the NEC & C4 can incorporate to address the gaps identified in 1.2.1. (Y1, Months 9-10)</p>

¹⁹ Activity 1.2 “1.2. Supporting ongoing engagement of stakeholders at national and sub-national level” in the Readiness Proposal, “Strengthening the Capacity of NDA to access resources from the Green Climate Fund”

	<p><i>trained in scientific and technical skills for CCA decision making.</i></p>	<p><i>within governmental organizations through engaging similar decision makers in other countries with similar contexts.</i></p>	<p>1.2.3 Undertake annual peer to peer exchange and Peer-to Peer Technical Trainings internationally, and within the broader Asia-Pacific region, to learn and share lessons on adaptation planning through the following:</p> <ul style="list-style-type: none"> - Participation at Regional and Global NAP Expo(s) and at Regional Adaptation Forum(s) (At least 4 Events over Y1, Y2,Y3,Y4) - Peer-to Peer Technical Trainings on policies, vulnerability assessments, and integration of CCA in planning and budgeting (3 trainings – 1 on each topic) <p><u>Deliverable:</u> A report on lessons learned and recommendations for Bhutan from each forum/expo/training (Y1, Y2, Y3, Y4 - Month 10);</p> <p>1.2.4 Deliver modules within the training programme of the Royal Institute of Management, Bhutan to target both entry level and civil servants at all levels on climate change adaptation and development planning. Collaborate with other national training units/organisations to deliver training modules and collaborate with potential capacity building initiatives under the Paris Capacity building initiative.</p> <p><u>Deliverable:</u> Training Modules developed; Training of Trainers conducted; Pilot class applications formulated and rolled out (Y2, Months 13-18)</p>
<p>1.3 Knowledge management systems to strengthen climate responsive planning.</p>	<p><i>No comprehensive list of all adaptation related actions in country.</i></p> <p><i>Activities in parallel on similar themes with organizations working on SDGs.</i></p>	<p><i>A “one stop shop” for all CCA efforts for Bhutan.</i></p> <p><i>Complementary initiatives with organizations working to incorporate SDGs.</i></p>	<p>1.3.1 Develop a protocol for management of data and information for cc adaptation (data production, collection, processing, storage and communication by harmonizing/standardizing indicators).</p> <p><u>Deliverable:</u> Protocol Manual; Workshop with relevant staff members (Y1, Month 10-12)</p> <p>1.3.2 Establish an adaptation platform for Information and knowledge management to support climate responsive planning and the NAP process. This will be based on the data and knowledge management protocol and will include data storage and dissemination and integration with other existing environmental and socio-economic information systems.</p> <p><u>Deliverable:</u> Website or software developed as adaptation platform (Y2, Months 13 – 36)</p> <p>1.3.3 Support access to climate change information for sectors and stakeholders in partnerships with other institutions and programmes that also utilize climate information by strengthening their capacity in comprehending and using the available climate information.</p> <p><u>Deliverable:</u> Training Workshops and hardware and software components to enable access to the information (Y2, Month 22)</p> <p>1.3.4 Undertake structured dialogue with institutions working on localising SDGs to ensure that climate change risks for relevant SDGs goals and targets are included in the NAP stocktaking exercise.</p> <p><u>Deliverable:</u> Joint dialogue with NEC and GNHC and other relevant institutions working on SDGs conducted, feedback on adaptation planning stocktaking report elicited; At least two to three entry points identified to work on with those orgs/ report. (Y1, Month 11-12)</p>

<p>2 Technical capacity enhanced for the generation of climate scenarios and impact assessment</p>			
<p>2.1 Assessment of gaps and needs in the data and information requirements for adaptation planning done and scenarios prepared</p>	<p><i>Disjointed information and knowledge database, the collective knowledge is not creating a complete picture of climate change or adaptation at a national level in Bhutan.</i></p>	<p><i>Coherent knowledge base on CCA at a national level, with clear gaps identified, and methods to close them.</i></p>	<p>2.1.1 Conduct a stocktaking of existing information and data gaps on climate change risks, impacts of climate change on sectors, and existing scenarios available. <u>Deliverable:</u> Stocktaking report on climate information for adaptation planning completed (Q4, Y1: Months 10-12)</p> <p>2.1.2 Compile and synthesize existing global, regional, and existing climate scenarios and projections for Bhutan and its twenty Dzongkhags. <u>Deliverable:</u> A suite of downscaled climate scenarios prepared covering national and dzongkhags. (Y1, Months 12-18)</p> <p>2.1.3 Prepare socio-economic scenarios that include macroeconomic modelling at the national and sub-national level for Bhutan to inform V&A and CC risk assessment. <u>Deliverable:</u> Report covering socio economic scenarios and vision document (Y2, Months 13-16)</p> <p>2.1.4 Identify and adapt appropriate climate impact modelling tools and conduct climate risk and impact assessment of key sectors at national level using a combination of top-down models and bottom-up participatory tools. Conduct targeted assessments on: (i) Traditional and indigenous knowledge (ii) Vulnerable communities (iii) Vulnerable ecosystems Gender assessments will be conducted in parallel as part of NDC Implementation Support programme. <u>Deliverable:</u> Climate impact modeling tools adapted/developed and 3 Reports on Traditional and indigenous knowledge, Vulnerable communities, and Vulnerable ecosystems. (Q1, Y2: Months 13-15)</p>
<p>2.2 Capacity across research institutions, scientific community, and universities enhanced.</p>	<p><i>Scientific CC knowledge not produced locally, and not scaled at all appropriate levels.</i></p>	<p><i>Local knowledge networks which are proficient in producing localised, and Bhutan context specific CC information.</i></p>	<p>2.2.1 Forge partnerships with international, national and sub-national training institutions, research institutes and universities for peer to peer learning and knowledge transfer. <u>Deliverable:</u> Consultation meetings with universities and research departments completed; Scoping of joint areas of cooperation, and research capacities; At least 2 MoUs signed. (Y2, Months 16-18)</p> <p>2.2.2 Design and implement a training programme in partnership with international and regional scientific institutions to enhance the capacity of national scientific and technical communities, on scenario development, impact modelling and targeted assessments incorporating gender components and including both classroom and on-the-job training for three institutions: RUB, UWICE and Royal Thimphu College (This activity is complementary to 2.1.1 - 2.1.4) <u>Deliverable:</u> Curriculum; Training of Trainers; Participants Manual (Y2, Months 19 – 24)</p>

			<p>2.2.3 Develop a strategy and roadmap for climate research to outline the required information requirements including scientific observation to support adaptation planning in collaboration with a national network of research institutions.</p> <p><u>Deliverable:</u> Strategy and roadmap developed. (Y2, Month 22)</p>
3 Vulnerability assessments undertaken and adaptation options appraised and prioritised			
3.1 Climate vulnerabilities assessed, and adaptation options identified across all sectors identified.	<i>No sector specific adaptation information.</i>	<i>Sector specific CCA options exist.</i>	<p>3.1.1 Building on the second national communication findings, undertake vulnerability assessments of 3-4 key sectors and appraise adaptation interventions. Sectors/issues to be considered include infrastructure, energy, agriculture, health, forest, biodiversity and glaciers with timelines for implementation and appropriate consideration or urban and rural considerations.</p> <p><u>Deliverable:</u> Sector-wise vulnerability assessment reports (Y3, Months 28 – 33)</p> <p>3.1.2 Provide training for sector planners and decision-makers through specialised trainings on vulnerability assessment</p> <p><u>Deliverable:</u> Training Curriculum developed in partnership with regional institutions/think tanks (Y1, Q2, Month 10; Training of Trainers conducted (Y2, Month 13);</p>
3.2 Parallel to 3.1, climate vulnerabilities assessed and adaptation options identified for water sector.	<i>Water resources lacking the appropriate strategy for CCA.</i>	<i>Options exist for tackling CCA in the water sector.</i>	<p>3.2.1 Undertake a detailed national impact assessment of climate change on water resources and implications for water as a key factor for drinking, sanitation, energy and food.</p> <p><u>Deliverable:</u> Report on projections of water availability under climate change and expected impact on water resources (Q4, Y3))</p> <p>3.2.2 Prepare an assessment of potential climate change impacts on the urban water supply, sanitation and storm water system for four major urban centres (Thimphu, Phuentsholing, Gelephu, Samdrupjongkhar) <u>Deliverable:</u> Report on impacts of climate change on 4 urban centers (Y3, Months 34-36)</p> <p>3.2.3 Identify adaptation options in the water sector and water dependent sectors – taking cross-sectoral <u>issues into account and examining</u> the nexus between sectors such as water, energy and food. Adaptation options to be surveyed include both ecosystem based adaptation and physical infrastructure and potential for Public Private Partnership.</p> <p><u>Deliverable:</u> Report on adaptation options on the water, energy, food and climate nexus. (Y3, Months 31 – 33)</p> <p>3.2.4 Prepare a set of project ideas with 1-2 detailed project/programme concepts based on prioritised adaptation options to be submitted to climate funds such as GCF.</p> <p><u>Deliverable:</u> 1-2 projects/programmes prepared. (Y2 – Y3, Months 13 – 33)</p>

<p>3.3 Screening tools to facilitate the integration of climate change adaptation into development planning applied.</p>	<p><i>No method to cost CCA projects.</i></p>	<p><i>Formalised set of tools and guidelines to estimate financial costs and implications of CCA projects.</i></p>	<p>3.3.1 Develop a screening guideline for climate change adaptation for utilization by relevant line agency planners and budget staff. The screening guideline will focus on distinction between business as usual development projects and additional climate change adaptation interventions and will support development of business cases for adaptation interventions. <u>Deliverable:</u> Report with guidelines (Q2, Y1: Month 4-6)</p> <p>3.3.2 Prepare and deliver face-to-face training packages to users for application of the CCA screening guideline and climate expenditure methodology in routine planning tasks such as preparation of sector, national and sub-national plans and budgets, and targeted training for NAP-TW <u>Deliverable:</u> Training packages for CCA prepared; Training packages delivered in collaboration with local institutions(Y2: M10 -15)</p> <p>3.3.3 Fine tune an adaptation costing framework (including costing and appraisal options), which will extend to climate change adaptation by modifying existing methodology under application for conducting an ongoing biodiversity and climate expenditure review by the BIOFIN project. <u>Deliverable:</u> Costing framework for the NAP elaborated with estimates (Y2 – 24-28)</p> <p>3.3.4 Develop a mechanism and guideline for synergizing approaches for adaptation planning across different cross cutting issues and thematic areas such as biodiversity, desertification and water under the MEAs. <u>Deliverable:</u> Guideline developed for cross sectoral collaboration and synergizing approaches for adaptation planning (Y2- Y3: M28 -32)</p>
<p>4. NAP formulated, and capacity for implementation and monitoring established.</p>			
<p>4.1 National Adaptation Plan formulated and communicated.</p>	<p><i>No existing NAP draft.</i></p>	<p><i>Draft of NAP formulated.</i></p>	<p>4.1.1 Constitute a multi-disciplinary team to draft the National Adaptation Plan. <u>Deliverable:</u> Terms of Reference drafted for the team. Members formally nominated and assigned by the relevant sectoral ministries. Writers recruited to support the team and compile the NAP. (Y1, Month 10 - 12)</p> <p>4.1.2 Constitute a peer review group and advisory group. <u>Deliverable:</u> Selection criteria developed for team members; Terms of Reference drafted; Contracts awarded. (Y1, Month 10 - 12)</p> <p>4.1.3 Organise consultation meetings at the national and sub-national level in collaboration with MRGs <u>Deliverable:</u> Report formulated (Y2, Month 20)</p> <p>4.1.4 Prepare a draft National Adaptation Plan including Implementation and Financing Strategy. Undertake sectoral consultations and peer review by the advisory group. <u>Deliverable:</u> Draft of a NAP. (Y3, Months 25 – 27)</p>

			<p>4.1.5 Final draft of the National Adaptation Plan will be reviewed and approved by the Climate Change Coordination Committee (C4) and National Climate Change Committee (NCCC). The final NAP will also inform and serve the adaptation communication under the Paris Agreement.</p> <p><u>Deliverable:</u> A NAP document finalized. (Y3, Month 36)</p>
4.2 Strategy for NAP implementation developed.	<i>NAP's implementation strategy not created.</i>	<i>NAP's implementation strategy created.</i>	<p>4.2.1 Develop a medium-term National Adaptation Plan Implementation Strategy as part of the NAP document. This will also inform the National Key Result Area 6 of the upcoming 12th FYP (2018-2023) viz. <i>Carbon Neutral, Climate and Disaster Resilient Development</i>.</p> <p><u>Deliverable:</u> Report of Implementation Strategy developed (Y4, Months 37 – 39)</p>
4.3 Outreach on the NAP process and report on progress and effectiveness developed.	<i>Relevant agencies and divisions unaware of the NAP and its contents.</i>	<i>All relevant and concerned parties are aware of the NAP and its contents.</i>	<p>4.3.1 A NAP National launch workshop will be organized to communicate and disseminate the NAP to all stakeholders (nationally and internationally, including the UNFCCC.)</p> <p><u>Deliverable:</u> Workshop organized; NAP Submission to UNFCCC Website. (Y2, Month 40)</p> <p>4.3.2 Annual consultation workshops will be held to share information on the progress in the formulation and implementation of the NAP to gather feedback to improve the process.</p> <p><u>Deliverable:</u> 4 workshops in Q3 or 4 of each year, since this is annual. (Y2, Month 42)</p>
4.4 System to report, monitor and review the NAP process established.	<i>Limited GPMS system to track progress, but not for CCA specifically.</i>	<i>Detailed tracking of all CCA projects, along with updates, and resource allocations.</i>	<p>4.4.1 Develop a M&E framework for assessing “climate resilience” to inform and assist integration of CC adaptation into development planning (Five Year Plans).</p> <p><u>Deliverable:</u> M&E framework with and index and set of indicators for Bhutan’s resilience to CC impacts (Y4, Month 40-48)</p> <p>4.4.2 Develop and integrate a monitoring and evaluation (M&E) program for the implementation of the NAP process.</p> <p><u>Deliverable:</u> M&E protocol for assessing progress, effectiveness and gaps in the NAP process in Bhutan, after the tools in Outcomes 1 & 2 are completed.</p> <p>4.4.3 Based on the NAP M&E Framework, prepare an Annual NAP Implementation Progress in 2018, 2019 and 2020 to include assessment of NAP progress, effectiveness, and any potential gaps with support from relevant experts.</p> <p><u>Deliverable:</u> Annual NAP Implementation Progress Report (Y4, M44, 45)</p> <p>4.4.4 Adaptation criteria to be developed and applied within the government performance management system to report and adaptation relevant investments and expenditure. This will contribute to aligning formulation and review of the NAP with the national development planning and investment process.</p> <p><u>Deliverable:</u> Criteria prepared and agreed with Finance Departments and Line ministries, (Y3, M32-48)</p>

VII. MONITORING AND EVALUATION (M&E) PLAN

10. The project results as outlined in the project results framework will be monitored and reported bi-annually and evaluated periodically during project implementation to ensure the project effectively achieves these results.
11. Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the [UNDP POPP](#) and [UNDP Evaluation Policy](#). While these UNDP requirements are not outlined in this project document, the UNDP Country Office will work with the relevant project stakeholders to ensure UNDP M&E requirements are met in a timely fashion and to high quality standards. Additional mandatory GCF-specific M&E requirements will be undertaken in accordance with relevant GCF policies.
12. In addition to these mandatory UNDP and GCF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed during the Project Inception Workshop and will be detailed in the Inception Workshop Report. This will include the exact role of project target groups and other stakeholders in project M&E activities including national/regional institutes assigned to undertake project monitoring.

M&E oversight and monitoring responsibilities:

13. **Project Manager:** The Project Manager is responsible for day-to-day project management and regular monitoring of project results and risks, including social and environmental risks. The Project Manager will ensure that all project personnel maintain a high level of transparency, responsibility and accountability in M&E and reporting of project results. The Project Manager will inform the Project Board, NECS, GNHCS, the UNDP Country Office and the UNDP-GEF Regional Technical Advisor of any delays or difficulties as they arise during implementation so that appropriate support and corrective measures can be adopted.
14. The Project Manager will develop annual work plans to support the efficient implementation of the project. The Project Manager will ensure that the standard UNDP and GCF M&E requirements are fulfilled to the highest quality. This includes, but is not limited to, ensuring the results framework indicators are monitored in time for evidence-based reporting in the Bi-Annual Project Report, and that the monitoring of risks and the various plans/strategies developed to support project implementation occur on a regular basis.
15. **Project Board:** The Project Board will take corrective action as needed to ensure the project achieves the desired results. The Project Board will hold project reviews to assess the performance of the project and appraise the Annual Work Plan for the following year. In the project's final year, the Project Board will hold an end-of-project review to capture lessons learned and discuss opportunities for scaling up and to highlight project results and lessons learned with relevant audiences. This final review meeting will also discuss the findings outlined in the project terminal evaluation report and the management response.
16. **UNDP Country Office:** The UNDP Country Office will support the Project Manager as needed, including through annual supervision missions. The annual supervision missions will take place according to the schedule outlined in the annual work plan. Supervision mission reports will be circulated to the project team and Project Board within one month of the mission. The UNDP Country Office will initiate and organize key M&E activities including the Bi-Annual Project Report, and the independent terminal evaluation. The UNDP Country Office will also ensure that the standard UNDP and GCF M&E requirements are fulfilled to the highest quality.
17. The UNDP Country Office is responsible for complying with all UNDP project-level M&E requirements as outlined in the [UNDP POPP](#). This includes ensuring the UNDP Quality Assurance Assessment during implementation is undertaken annually; the regular updating of the ATLAS risk log; and, the updating of the UNDP gender marker on an annual basis based on gender mainstreaming progress reported in the Bi-Annual Project Report and the

UNDP ROAR. Any quality concerns flagged during these M&E activities (e.g. Bi-Annual Project Report quality assessment ratings) must be addressed by the UNDP Country Office and the Project Manager.

18. The UNDP Country Office will support GCF staff (or their designate) during any missions undertaken in the country, and support any ad-hoc checks or ex post evaluations that may be required by the GCF.
19. The UNDP Country Office will retain all project records for this project for up to seven years after project financial closure in order to support any ex-post reviews and evaluations undertaken by the UNDP Independent Evaluation Office (IEO) and/or the GCF.
20. UNDP-Global Environmental Finance Unit (UNDP-GEF): Additional M&E and implementation oversight, quality assurance and troubleshooting support will be provided by the UNDP-GEF Regional Technical Advisor and the UNDP-GEF Directorate as needed.
21. **Audit:** The project will be audited according to UNDP Financial Regulations and Rules and applicable audit policies on DIM implemented projects.²⁰ Additional audits may be undertaken at the request of the GCF.

Additional GCF monitoring and reporting requirements:

22. Inception Workshop and Report: A project inception workshop will:
 - Re-orient project stakeholders to the project strategy and discuss any changes in the overall context that influence project strategy and implementation;
 - Discuss the roles and responsibilities of the project team, including reporting and communication lines and conflict resolution mechanisms;
 - Review the results framework and finalize the indicators, means of verification and monitoring plan;
 - Discuss reporting, monitoring and evaluation roles and responsibilities and finalize the M&E budget; identify national/regional institutes to be involved in project-level M&E;
 - Identify how project M&E can support national monitoring of SDG indicators as relevant;
 - Update and review responsibilities for monitoring the various project plans and strategies, including the risk log; Environmental and Social Management Plan and other safeguard requirements; the gender action plan; and other relevant strategies;
 - Review financial reporting procedures and mandatory requirements, and agree on the arrangements for the annual audit; and
 - Plan and schedule Project Board meetings and finalize the first year annual work plan.
23. The inception report must be submitted to the GCF within one month of the inception workshop. The inception report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and approved by the Project Board.
24. GCF Readiness Support Interim Progress Report (due every six months): The Project Manager, the UNDP Country Office, and the UNDP-GEF Regional Technical Advisor will provide objective input to the progress report.
25. The Bi-annual Project Report submitted to the GCF will also be shared with the Project Board. The UNDP Country Office will coordinate the input of other stakeholders to the report as appropriate. The quality rating of the previous year's report will be used to inform the preparation of the subsequent report.
26. GCF Bi-annual Project Report (due 31st January and 31st July): The Project Manager, the UNDP Country Office, and the UNDP-GEF Regional Technical Advisor will provide objective input to the bi-annual project report covering the calendar year for each year of project implementation. The Project Manager will ensure that the

²⁰ See guidance here: <https://info.undp.org/global/popp/frm/pages/financial-management-and-execution-modalities.aspx>

indicators included in the project results framework are monitored annually in advance so that progress can be included in the report. The APR will include reporting of: environmental and social risks and related management plans, gender, co-financing and financial commitments, amongst other issues. The bi-annual project report will be due for submission to the GCF in January and July of each year for the duration of the project. Upon project completion, a last project report (considered the end of project report) will be due for submission within 3 months after the project completion date.

27. The Bi-annual Project Report submitted to the GCF will also be shared with the Project Board. The UNDP Country Office will coordinate the input of other stakeholders to the report as appropriate. The quality rating of the previous year's report will be used to inform the preparation of the subsequent report
28. Lessons learned and knowledge generation: Results from the project will be disseminated within and beyond the project intervention area through existing information sharing networks and forums. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to the project. The project will identify, analyse and share lessons learned that might be beneficial to the design and implementation of similar projects and disseminate these lessons widely. There will be continuous information exchange between this project and other projects of similar focus in the same country, region and globally.
29. Final Independent Evaluation Report: The final evaluation will take place upon completion of all major project outputs and activities. The final evaluation process will begin at least three months before operational closure of the project allowing the evaluation mission to proceed while the project team is still in place, yet ensuring the project is close enough to completion for the evaluation team to reach conclusions on key aspects such as project sustainability. The Final Independent Evaluation report is due for submission to the GCF within 6 months after the project completion date.
30. The Project Manager will remain on contract until the final evaluation report and management response have been finalized. The terms of reference, the evaluation process and the final evaluation report will follow the standard templates and guidance prepared by the UNDP IEO available on the [UNDP Evaluation Resource Center](#). As noted in this guidance, the evaluation will be 'independent, impartial and rigorous'. The consultants that will be hired, using project funds, to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. Additional quality assurance support is available from the UNDP-GEF Directorate. The final evaluation report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and will be approved by the Project Board. The final evaluation report will be publicly available in English on the UNDP ERC.
31. The UNDP Country Office will include the planned project evaluations in the UNDP Country Office evaluation plan, and will upload the evaluation reports in English and the corresponding management response to the UNDP Evaluation Resource Centre (ERC).
32. Final Report: The project's final Project Report along with the terminal evaluation (TE) report and corresponding management response will serve as the final project report package. The final project report package shall be discussed with the Project Board during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up.

Mandatory GCF M&E Requirements and M&E Budget:

GCF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget ²¹ (US\$)		Time frame
		GCF grant	Co-financing	
Inception Workshop	UNDP Country Office	USD 3,500	None	May 2019
Inception Report	Project Manager	No additional costs besides Project Manager's time.	None	No more than 1 month after Inception Workshop
Standard UNDP monitoring and reporting requirements as outlined in the UNDP POPP	UNDP Country Office	No additional costs besides CO time.	None	Quarterly, annually
Risk Management	Project Manager Country Office	No additional costs besides Project Manager's time.	None	Quarterly, annually
Monitoring of indicators in project results framework (including hiring of external experts, project surveys, data analysis etc...)	Project Manager	USD 1,000/year	None	Annually
GCF Bi-Annual Project Report	Project Manager and UNDP Country Office and UNDP-GEF Unit	No additional costs besides Project Manager's time.	None	Annually
DIM Audit as per UNDP audit policies	UNDP Country Office	USD 12,000 total (3,000/yr)	None	Annually or other frequency as per UNDP Audit policies
Lessons learned, case studies, and knowledge generation	Project Manager	USD 5,000 total (approx.)	None	Throughout the project period as needed
Monitoring of environmental and social risks, and corresponding management plans as relevant	Project Manager UNDP CO	No additional costs besides Project Manager and CO time.	None	On-going
Project Board meetings	Project Board UNDP Country Office Project Manager	No additional costs besides Project Manager and CO time.	None	At minimum annually

²¹ Excluding project team staff time and UNDP staff time and travel expenses.

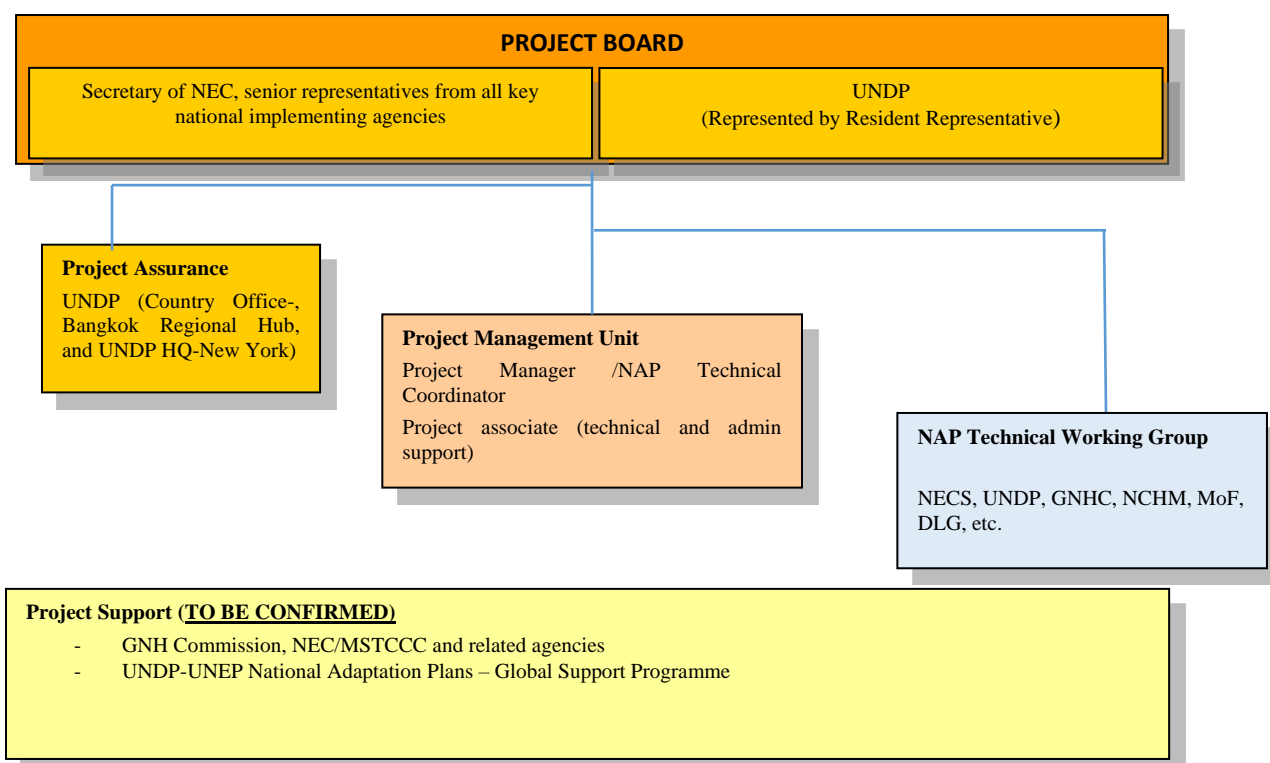
GCF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget ²¹ (US\$)		Time frame
		GCF grant	Co-financing	
Supervision missions	UNDP Country Office	None ²²	None	To be determined as needed.
Oversight missions	UNDP-GEF Unit	None ²³	None	Troubleshooting as needed.
GCF learning missions/site visits	UNDP Country Office and Project Manager and UNDP-GEF Unit	None	None	To be determined.
Final independent evaluation and management response	UNDP Country Office and Project team and UNDP-GEF Unit	USD 10,000	None	No later than February 2023
Translation of evaluation reports into English	UNDP Country Office	None planned.	None	As required. GCF will only accept reports in English.
TOTAL indicative COST Excluding project team staff time, and UNDP staff and travel expenses		USD 34,500		

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

33. **Roles and responsibilities of the project's governance mechanism:** The project will be implemented following UNDP's Direct Implementation Modality (DIM), according to the Readiness and Preparatory Support Grant Framework Agreement between the GCF and UNDP.
34. The **Project Management Unit** will carry out project implementation (the makeup of the Project Management Unit is detailed above under Section V.). The management arrangements for this project are summarized in the chart below:

²²The costs of UNDP Country Office and UNDP-GEF Unit's participation and time are charged to the GCF Agency Fee.

²³The costs of UNDP Country Office and UNDP-GEF Unit's participation and time are charged to the GCF Agency Fee.



35. The project will be implemented over a period of four years. A **Project Board (PB)** will be established to provide high-level guidance and oversight to the project. The PB will be co-chaired by the Secretary of the NECS (Government) and UNDP and made up of senior representatives from the GNHC, DLG (MOhCA), NCHM and MoAF, other key national implementing agencies. The PB will be responsible for high-level decisions and policy guidance required for the implementation of the project, including recommendations and approval of project plans, budget and revisions. The PB's decisions are to be made in accordance to standards that ensure efficiency, cost-effectiveness, transparency, effective institutional coordination, and harmony with the overall development policies and priorities of the Royal Government of Bhutan, UNDP and their development partners. The Project Board will meet at least once per year.

36. Specific responsibilities of the Project Board include:

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the project manager;
- Provide guidance on new project risks, and agree on possible countermeasures and management actions to address specific risks;
- Agree on project manager's tolerances as required;
- Review the project progress, and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- Appraise the bi-annual project implementation report, including the quality assessment rating report; make recommendations for the workplan;
- Provide ad hoc direction and advice for exceptional situations when the project manager's tolerances are exceeded; and
- Assess and decide to proceed on project changes through appropriate revisions.

37. In order to ensure UNDP’s ultimate accountability, Project Board decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition. In case a consensus cannot be reached within the Board, final decision shall rest with the UNDP Programme Manager.
38. The **NAP Technical Working Group** is also detailed above under Section V.
39. **Local stakeholders and community members** have a key role in the implementation and monitoring of the project. During the inception phase of the project, the GNHC and NEC working together with UNDP, will consult with all stakeholders, including vulnerable community members, NGOs, Community Based Organization, civil society, women organizations, etc., to facilitate an understanding of the roles, functions, and responsibilities within the Project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The project Logic Framework (indicators, means of verification, assumptions) will be reviewed and the quarterly and annual plans will be refined engaging the communities from the targeted counties. The stakeholders will also be engaged during the mid-term and final evaluations to assess the progress of the project and enable adaptive project management in response to the needs and priorities of the communities.
40. **Project Assurance:** UNDP provides a three – tier oversight and quality assurance role involving UNDP staff in Country Offices and at regional and headquarters levels. The quality assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. Project Assurance must be independent of the Project Management function; the Project Board cannot delegate any of its quality assurance responsibilities to the Project Manager. The project assurance role is covered by the accredited entity fee provided by the GCF. As a Delivery Partner to the GCF, UNDP is required to deliver GCF-specific oversight and quality assurance services including: (i) Day-to-day oversight supervision, (ii) Oversight of project completion, (iii) Oversight of project reporting.
41. UNDP has been selected by the Government to act as the Delivery Partner for this NAP project. UNDP delivers the following GCF-specific oversight and quality assurance services: (i) day to day project oversight supervision covering the start-up and implementation; (ii) oversight of project completion; and (iii) oversight of project reporting. A detailed list of the services is presented in the table below:

Function	Detailed description of activity	Typical GCF fee breakdown
Day-to-day oversight supervision	<ol style="list-style-type: none"> 1. Project start-up: <ul style="list-style-type: none"> • In the case of readiness proposals, if needed assist the NDA and/or government partners prepare all the necessary documentation for approval of a readiness grant proposal • Prepare the Project Document with the government counterparts • Technical and financial clearance for the Project Document • Organize Local Project Appraisal Committee • Project document signature • Ensure quick project start and first disbursement • Hire project management unit staff • Coordinate/prepare the project inception workshop • Oversee finalization of the project inception workshop report 2. Project implementation: <ul style="list-style-type: none"> • <u>Project Board</u>: Coordinate/prepare/attend annual Project Board Meetings • <u>Annual work plans</u>: Quality assurance of annual work plans prepared by the project team; issue UNDP annual work plan; strict monitoring of the 	70%

Function	Detailed description of activity	Typical GCF fee breakdown
	<p>implementation of the work plan and the project timetable according to the approved readiness proposal</p> <ul style="list-style-type: none"> • <u>Prepare GCF/UNDP bi-annual project report</u>: review input provided by Project Manager/team; provide specialized technical support and complete required sections • <u>Portfolio Report (readiness)</u>: Prepare and review a Portfolio Report of all readiness activities done by UNDP in line with Clause 9.02 of the Readiness Framework Agreement. • <u>Procurement plan</u>: Monitor the implementation of the project procurement plan • <u>Supervision missions</u>: Participate in and support in-country GCF visits/learning mission/site visits; conduct annual supervision/oversight site missions • <u>Risk management and troubleshooting</u>: Ensure that risks are properly managed, and that the risk log in Atlas (UNDP financial management system) is regularly updated; Troubleshooting project missions from the regional technical advisors or management and programme support unit staff as and when necessary (i.e. high risk, slow performing projects) • <u>Project budget</u>: Provide quality assurance of project budget and financial transactions according to UNDP and GCF policies • <u>Performance management of staff</u>: where UNDP supervises or co-supervises project staff • <u>Corporate level policy functions</u>: Overall fiduciary and financial policies, accountability and oversight; Treasury Functions including banking information and arrangements and cash management; Travel services, asset management, and procurement policies and support; Management and oversight of the audit exercise for all GCF projects; Information Systems and Technology provision, maintenance and support; Legal advice and contracting/procurement support policy advice; Strategic Human Resources Management and related entitlement administration; Office of Audit and Investigations oversight/investigations into allegations of misconduct, corruption, wrongdoing and fraud; and social and environmental compliance unit and grievance mechanism. 	
Oversight of project completion	<ul style="list-style-type: none"> • Initiate, coordinate, finalize the Project Completion Report, Final Independent Evaluation Report and management response • Quality assurance of final evaluation report and management response • Independent Evaluation Office assessment of final evaluation reports; evaluation guidance and standard setting • Quality assurance of final cumulative budget implementation and reporting to the GCF • Return of any un-spent GCF resources to the GCF 	10%
Oversight of project reporting	<ul style="list-style-type: none"> • Technical review of project reports: quality assurance and technical inputs in relevant project reports • Quality assurance of the GCF bi-annual project report • Preparation and certification of UNDP annual financial statements and donor reports • Prepare and submit fund specific financial reports 	20%
	TOTAL	100%

42. The project will benefit from the wide experience of the NAP-GSP team in the different countries it supports, and from its pools of experts (Climate Information and Science Experts, Climate Change/Environment Economists, Public Finance Specialists, Private Sector Experts, Climate Policy Specialists, etc.), which will provide technical assistance whenever requested.

IX. FINANCIAL PLANNING AND MANAGEMENT

The total cost of the project is USD **2,764,847.26**. This is financed through a GCF grant. UNDP, as the GCF Accredited Agency, is responsible for the oversight and quality assurance of the execution of GCF resources and the cash co-financing transferred to UNDP bank account only.

Description	Scheduled date	GCF Project Funds
<i>For Year 1 Activities</i>	June-2019	608,779.95
<i>For Year 2 Activities</i>	Jan-2020	916,067.41
<i>For Year 3 Activities</i>	Jan-2021	1,060,384.95
<i>For Year 4 Activities</i>	Jan-2022	179,614.95
Total		2,764,847.26

43. GCF Disbursement schedule: Disbursement request will be managed at portfolio level by UNDP-GEF MPSU in NY, as agreed in the “Framework Readiness and Preparatory Support Grant Agreement” between GCF and UNDP. Under Clause 4 of said Framework Agreement, “the Delivery Partner shall be entitled to submit two Requests for Disbursement each year. Each such Request for Disbursement must be submitted to the Fund within 30 days of receipt by the Fund of the Portfolio Report referred to in Section 9.02.
44. Budget Revision and Tolerance: 10% of the total overall projected costs can be reallocated among the budget account categories within the same project output. Any budget reallocation involving a major change in the project’s scope, structure, design or objectives or any other change that substantially alters the purpose or benefit of the project requires the GCF’s prior written consent.
45. As outlined in the UNDP POPP, the project board will agree on a budget tolerance level for each plan under the overall annual work plan allowing the project manager to expend up to the tolerance level beyond the approved project budget amount for the year without requiring a revision from the Project Board (within the GCF requirements noted above). Should such deviation occur, the Project Manager and UNDP Country office will seek the approval of the UNDP-GEF Unit.
46. Any over expenditure incurred beyond the available GCF grant amount will be absorbed by non-GCF resources (e.g. UNDP TRAC or cash co-financing).
47. Refund to GCF: Unspent GCF resources must be returned to the GCF. Should a refund of unspent funds to the GCF be necessary, this will be managed directly by the UNDP-GEF Unit in New York.
48. Project Closure: Project closure will be conducted as per UNDP requirements outlined in the UNDP POPP.²⁴ On an exceptional basis only, a no-cost extension beyond the initial duration of the project will be sought from in-country UNDP colleagues and then the UNDP-Global Environmental Finance Executive Coordinator.

²⁴ see <https://info.undp.org/global/popp/ppm/Pages/Closing-a-Project.aspx>

49. Operational completion: The project will be operationally completed when the last UNDP-financed inputs have been provided and the related activities have been completed. This includes the final clearance of the Final Independent Evaluation Report (that will be available in English) and the corresponding management response, and the end-of-project review Project Board meeting. The Implementing Partner through a Project Board decision will notify the UNDP Country Office when operational closure has been completed.
50. Transfer or disposal of assets: In consultation with the Partners and other parties of the project, UNDP programme manager (UNDP Resident Representative) is responsible for deciding on the transfer or other disposal of assets. Transfer or disposal of assets is recommended to be reviewed and endorsed by the project board following UNDP rules and regulations. Assets may be transferred to the government for project activities managed by a national institution at any time during the life of a project. In all cases of transfer, a transfer document must be prepared and kept on file²⁵.
51. Financial completion: The project will be financially closed when the following conditions have been met: a) The project is operationally completed or has been cancelled; b) UNDP has closed the accounts for the project; c) UNDP has certified a final Combined Delivery Report (which serves as final budget revision).
52. The project is required to be financially completed within 12 months of operational closure or after the date of cancellation. Between operational and financial closure, the UNDP CO will identify and settle all financial obligations and prepare a final expenditure report. The UNDP Country Office will send the final signed closure documents including confirmation of final cumulative expenditure and unspent balance to the UNDP-GEF Unit for confirmation before the project will be financially closed in Atlas by the UNDP Country Office.

²⁵ See

https://popp.undp.org/layouts/15/WopiFrame.aspx?sourcedoc=/UNDP_POPP_DOCUMENT_LIBRARY/Public/PPM_Project%20Management_Closing.docx&action=default.

X. TOTAL BUDGET AND WORK PLAN

Atlas Proposal or Award ID:	00080724	Atlas Primary Output or Project ID:	00090309
Atlas Proposal or Award Title	Preparation of a National Adaptation Plan (NAP) for Bhutan, with a focus on the water sector		
Atlas Business Unit	BTN10		
UNDP GEF PIMS NO	6076		

GCF Outcome	Resp. Party	Fund ID	Donor Code/Name	ATLAS Account code	Budgetary Categories Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Amount Year 4 (USD)	Total	Budget Note
OUTCOME 1. Enhanced coordination, learning and knowledge management for an iterative NAP process	UNDP	66001	12526 Green Climate Fund	71300	Local Consultants	24,000.00	0.00	0.00	0.00	24,000.00	1
				71400	Contractual Services - Individ	4,967.20	4,967.20	4,967.20	4,967.20	19,868.80	2
				71200	International Consultants	20,000.00	0.00	0.00	0.00	20,000.00	3
				71600	Travel	19,400.00	0.00	0.00	0.00	19,400.00	4
				72100	Contractual Services - Companies	0.00	150,000.00	0.00	0.00	150,000.00	5
				72800	Information Technology Equipmnt	8,500.00	8,500.00	8,500.00	8,000.00	33,500.00	6
				75700	Training, Workshops and Confer	56,190.00	210,285.00	48,000.00	18,000.00	332,475.00	7
TOTAL OUTCOME 1						133,057.20	373,752.20	61,467.20	30,967.20	599,243.80	
OUTCOME 2: Technical capacity enhanced for the generation of climate scenarios and impact assessment	UNDP	66001	12526 Green Climate Fund	71300	Local Consultants	57,000.00	99,000.00	0.00	0.00	156,000.00	8
				71400	Contractual Services - Individ	4,967.20	4,967.20	4,967.20	4,967.20	19,868.80	2
				72100	Contractual Services - Companies	260,000.00	117,702.46	0.00	0.00	377,702.46	9
				71200	International Consultants	0.00	54,000.00	0.00	0.00	54,000.00	10
				71600	Travel	11,500.00	1,400.00	0.00	0.00	12,900.00	11
				75700	Training, Workshops and Confer	18,000.00	18,000.00	0.00	0.00	36,000.00	12

	TOTAL OUTCOME 2				351,467.20	295,069.66	4,967.20	4,967.20	656,471.26		
OUTCOME 3: Vulnerability assessments undertaken and adaptation options prioritised	UNDP	66001	12526 Green Climate Fund	71300	Local Consultants	13,500.00	13,500.00	36,000.00	0.00	63,000.00	13
				71200	International Consultants	0.00	30,000.00	90,000.00	0.00	120,000.00	14
				71400	Contractual Services - Individ	4,967.20	4,967.20	4,967.20	4,967.20	19,868.80	2
				72100	Contractual Services - Companies	0.00	0.00	721,000.00	0.00	721,000.00	15
				71600	Travel	5,000.00	7,500.00	7,500.00	5,000.00	25,000.00	16
				74200	Audio Visual & Print Prod Costs	0.00	1,000.00	800.00	800.00	2,600.00	17
				75700	Training, Workshops and Confer	10,080.00	90,120.00	12,600.00	15,330.00	128,130.00	18
				74500	Miscellaneous Expenses	6,433.00	6,433.00	6,433.00	6,433.00	25,732.00	19
	TOTAL OUTCOME 3				39,980.20	153,520.20	879,300.20	32,530.20	1,105,330.80		
OUTCOME 4: NAP formulated, and capacity for implementation and monitoring established	UNDP	66001	12526 Green Climate Fund	72100	Contractual Services - Companies	37,500.00	37,500.00	37,500.00	37,500.00	150,000.00	20
				71400	Contractual Services - Individ	4,967.20	4,967.20	4,967.20	4,967.20	19,868.80	2
				71200	International Consultants	0.00	0.00	18,000.00	10,000.00	28,000.00	21
				71300	Local Consultants	0.00	0.00	3,000.00	6,000.00	9,000.00	22
				71600	Travel	4,810.00	6,930.00	6,930.00	9,430.00	28,100.00	23
				74200	Audio Visual & Print Prod Costs	3,100.00	6,650.00	6,575.00	6,575.00	22,900.00	24
				75700	Training, Workshops and Confer	1,890.00	5,670.00	5,670.00	4,670.00	17,900.00	25
	TOTAL OUTCOME 4				52,267.20	61,717.20	82,642.20	79,142.20	275,768.80		
Project Management Unit	UNDP	66001	12526 Green Climate Fund	71400	Contractual Services - Individ	22,883.15	22,883.15	22,883.15	22,883.15	91,532.60	26
				71600	Travel	3,000.00	3,000.00	3,000.00	3,000.00	12,000.00	27
				72800	Information Technology Equipmnt	1,875.00	1,875.00	1,875.00	1,875.00	7,500.00	28

				72500	Supplies	1,250.00	1,250.00	1,250.00	1,250.00	5,000.00	29
				74100	Professional Services	3,000.00	3,000.00	3,000.00	3,000.00	12,000.00	30
				TOTAL PMU		32,008.15	32,008.15	32,008.15	32,008.15	128,032.60	
Total OUTCOMES (1+2+3+4)						576,771.80	884,059.26	1,028,376.80	147,606.80	2,636,814.66	
Total Project Costs (1+2+3+4+PMC)						608,779.95	916,067.41	1,060,384.95	179,614.95	2,764,847.26	

Budget notes	
1	National expert for 1.1 (Guidelines, protocol, and stakeholder mapping) @ \$24,000 (\$250 x 96 days) (Y1);
2	80% of Pro rata costs of the Project Manager (NAP Technical Coordinator for technical support @ 24,835.98/year) split across outputs 1-4 and across 4 years
3	Estimated lump sum amount for an International Expert (IC) to conduct the institutional capacity and skills assessments for government departments (sectors) (1.2.1) @ \$20,000 (Y1) for an estimated period of 40 days @ \$500/day.
4	Estimated lump sum for travel costs for international consultants and where relevant, in-country travel costs for consultations and workshops also. Breakdown: \$ 12,600 & \$ 5,400 (for 1.1) in Y1; \$1,400 for 1.1.2 (Y1) = \$ 19,400
5	Institutional contract for regional institute (for example, ICIMOD) for developing knowledge systems (1.3) and providing the V&A tools, including mentoring of national sector experts on V&A through the process of identification of adaptation options, appraisal and prioritization for \$150,000 (Y2).
6	Acquisition of laptops, software licenses, external hard drives, printers and other supporting equipment, as needed - total cost for 4 year is \$ 33,500
7	Estimated lump sum costs to assist in delivery of: (1) Attendance at NAP expo and regional forum for 3 persons each year, all four years. And peer to peer focused study tour training overseas for 15 individuals (5 per year) over the first three years (1.2.3) @ \$162,000, inclusive of airfare, DSA, meeting & training cost (Y1, Y2, Y3, Y4) and printing and venue costs for Y1 - \$8,190; (2) Training programme with RIM @ \$150,000 (Y2), \$12,285 for printing venue etc (Y2).
8	Estimated lump sum costs to hire the following national experts: (1) 1 National expert for the stocktaking (2.1.1) @ \$ 30,000 (300 days @\$100/day) (Y1); (2) National expert (economist) to support preparation for socio-economic scenarios for \$300/day x 180 days = 54,000 (Y1 - Y2); (3) National Expert for impact modelling, downscaling scenarios and assessments of indigenous knowledge, vulnerable communities and ecosystems at \$300 x 140 days = \$42,000 (2.3.3) (Y2); (4) National Consultant on data analysis @ \$30,000 (\$150/day x 200 days) (Y2).

9	Estimated lump sum amounts for: (1) A National Institute/University (grant) to establish scientific training research network for 2.2.1 - \$57,702.46 (Y2); (2) An international institute (versed in climate science, scenario development, and same as capacity assessment in 1.3), to prepare a training programme to enhance the capacity of national scientific and technical communities, on scenario development, impact modelling and targeted assessments incorporating gender components and including both classroom and on-the-job training for three institutions: RUB, UWICE and Royal Thimphu College, determined on a competitive basis for \$120,000 for (Y2) (2.2.2) Institutional contract for \$200,000 to prepare downscaled scenarios and impact modeling (2.1).
10	International expert (economist) to prepare socio-economic scenarios based on climate projections 54,000 (\$600/day x 90 days) (Y2)
11	Travel for national expert for 2.1.1 is \$ 2,100 (21 pax x 100) (Y1) + travel for intl consultant for 2.3.2 is \$ 9,400 (Y1) + travel for 2.3.3 local consultant in Y2 is \$ 1,400
12	local workshops for 2.3 - \$36,000 (Y1 - Y2) for 35 pax each.
13	Estimated costs of 3 national consultants (210 days at USD 300/day): I) to support the delivering of Output 3 including (3.2) prepare reviews and appraisals of adaptation options in the following sectors: infrastructure and disaster, agriculture, biodiversity and forestry, health, and energy (2 consultants x 60 days x \$300) (Y3)
	II) \$300/day x 90 days for national consultant to support the face to face training package for senior govt officials on the costing framework (Y1-Y2) \$ 27,000
14	IC (climate finance) for screening guidelines, costing framework, and training package development- 60,000 (100 days x \$600/day) (Y2 and Y3) IC for 3.2.1 to conduct water assessments (100 days * \$600/day)
15	Estimated lump sum cost of hiring a firm to develop methodology for identification of adaptation options, conduct detailed assessment for 3.2.1 and 3.2.2 (Y3) & \$721,000, including 4 urban centers & inventory. This will also include field surveys.
16	Estimated travel costs for international consultants and where relevant, in-country travel costs for associated with consultation and workshop \$20,000 (Y1-Y4) + \$ 5,000 (Y2-Y3) for IC on costing framework
17	Costs associated with the production and distribution of communication mediums (newsletters, brochures, fact sheets, etc.), outreach, lessons learnt and best practice, as well as training knowledge/modules and translation/interpretation - total \$ 2,600 across 4 years
18	Estimated lump sum costs associated with the preparation and organization of workshops for 3.3.1 on screening appraisals, national consultation workshops to review the draft NAP to ensure that relevant stakeholder are involved and consulted. This also includes cost for delivering face to face training in 3.3.3. The costs also include expenses related to material production and printing, venue and supplemental meeting needs and translation/interpretation. In the first year: 2 national workshops and 4 subnational with maximum participants @35 per event. In the second year 2 and subsequent years 2 national and 2 sub national annually, for a total of 20 workshops. 8 national workshops (over 4 years) @ \$3,000 each = \$24,000 12 subnational workshops (over 4 years) @ \$2,200 each = \$26,400 - Venue and other training costs for sector planners @ \$75,000 (Y2) + Y4 printing venue etc. @ \$2,730.
19	Estimated equivalent to 1% of the total project budget. The contingency budget must be used for any unforeseen programme (output level) cost, such as FX gain and loss, courier service etc., which is unrelated to implementation/service fee. Any use of contingency must be reported to and agreed by the GCF Secretariat in writing (email is sufficient) in advance with sufficient justifications.
20	Estimate lump sum amount of \$100,000 for International institutes (for example, WRI,IIED/ICCAD) and \$50,000 for National Institute (to be identified, relevant to M&E) split across 4 years for: (1) developing an M&E framework, index and set of indicators for Bhutan's resilience to CC impacts

	(2) M&E protocol for assessing progress, effectiveness and gaps in the NAP process in Bhutan (3) Annual NAP Implementation Progress Report.
21	\$10,000 is estimated lump sum costs of an international consultant with expertise in project evaluation to prepare Project Terminal Evaluation Report + a consultant for drafting team for 4.1 (compiling the NAP) for 30 days @ \$600/day (Y3)
22	National consultant for the draft of NAP (30 days @ \$300/day) (Y3 and Y4)
23	Estimated travel costs for international consultants and where relevant, in-country travel costs associated with consultation and workshop. Estimated cost per mission/trip at approx. \$3,000 each. Y1 - one trip with consultation workshop in Thimphu Y2 and Y3 - one visit plus in country field mission and consultation each year Y4 - two missions and in country consultations
24	Costs associated with the production and distribution of communication mediums (newsletters, brochures, fact sheets, etc.), outreach, lessons learnt and best practice, as well as training knowledge/modules and translation/interpretation. \$22,900 split across 4 years
25	Estimated costs associated with the preparation of consultation workshops to review progress of project implementation as well as NAP process. The costs also include expenses related to material production and printing, venue and supplemental meeting needs and translation/interpretation. 35 participants max. per workshop (estimated lump sum cost). Four workshops per year, approximately.
26	These are costs for the PMU which include pro-rated costs for project personnel: 20% of the Project Manager (\$24,835.98/year) who will also work as the NAP Technical Coordinator and 100% of 1 Project Associate (\$17,915.97/year) - across 4 years
27	Travel for project management staff to support project implementation and monitoring @ \$3,000/year
28	Acquisition of laptops, software licenses, external hard drives, printers and other supporting equipment, as needed.
29	Office supplies to support necessary management functions and for the printing of documents for various project management activities, communication, monitoring and reporting documents and other informative documents for dissemination to key stakeholders, as appropriate
30	The project will be audited according to UNDP Financial Regulations and Rules and applicable audit policies on DIM implemented projects. Additional audit may be undertaken at the request of the GCF. External audit firm will be hired competitively.

XI. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of the Kingdom of Bhutan and UNDP, signed on 14 July, 1978. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by UNDP Bhutan Country Office (“Implementing Partner”) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

53. Any designations on maps or other references employed in this project document do not imply the expression of any opinion whatsoever on the part of UNDP concerning the legal status of any country, territory, city or area or its authorities, or concerning the delimitation of its frontiers or boundaries.

XII. RISK MANAGEMENT

UNDP (DIM)

54. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
55. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the USD **2,764,847.26**²⁶ [UNDP funds received pursuant to the Project Document]²⁷ are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed *via* http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
56. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
57. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
58. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
59. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient:
 - a. Consistent with the Article III of the SBAA [*or the Supplemental Provisions to the Project Document*], the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP’s property in such responsible party’s, subcontractor’s and sub-recipient’s custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:

²⁶ To be used where UNDP is the Implementing Partner

²⁷ To be used where the UN, a UN fund/programme or a specialized agency is the Implementing Partner

- i. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - ii. assume all risks and liabilities related to such responsible party's, subcontractor's and sub-recipient's security, and the full implementation of the security plan.
- b. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party's, subcontractor's and sub-recipient's obligations under this Project Document.
- c. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
- d. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
- e. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.
- f. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

- g. UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement.

Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

- h. Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the

selection process or in contract execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.

- i. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
- j. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled “Risk Management” are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled “Risk Management Standard Clauses” are adequately reflected, *mutatis mutandis*, in all its sub-contracts or sub-agreements entered into further to this Project Document.

XIII. MANDATORY ANNEXES

The following documents are mandatory annexes and must be included as part of the final project document package. Links can be provided to these documents if they have been posted to the UNDP GEF PIMS and open.undp.org.

- A. GCF approved Readiness and Preparatory Support proposal for Adaptation Planning/NAP
- B. GCF approval letter
- C. Timetable of project implementation (GANTT chart)
- D. Procurement Plan
- E. Terms of References for Project Board and Project Team/PMU
- F. UNDP Risk Log
- G. Additional agreements:
 - o UNDP Project Quality Assurance Report
- H. Section 2 of the GCF Readiness Support Interim Progress Report Template

ANNEX A: GCF APPROVED READINESS AND PREPARATORY SUPPORT PROPOSAL FOR ADAPTATION PLANNING/NAP

ANNEX B: GCF APPROVAL LETTER



GREEN
CLIMATE
FUND

Mr. Thinley Namgyel
Secretary
Gross National Happiness Commission (GNHC)
Post Box 127, Tashichhodzong, Thimphu
Kingdom of Bhutan

COUNTRY PROGRAMMING

Date : 14 January 2019
Reference : DCP/2019/005
Page : 1 of 1

Subject: Notification of Approval on Readiness and Preparatory Support Programme Proposal for the Green Climate Fund

Dear Mr. Namgyel,

I am pleased to inform you that the Green Climate Fund (GCF) Secretariat has approved the Readiness Proposal for the Kingdom of Bhutan, initially submitted on 8 September 2017. This proposal is in accordance with the terms of the Framework Readiness and Preparatory Support Grant Agreement between the Green Climate Fund and the United Nations Development Programme (UNDP), dated 2 September 2016 as the delivery partner, and amended and restated on 6 March 2018.

The above-mentioned proposal was approved on 23 December 2018 for the amount of USD 2,999,859 for preparation of the National Adaptation Plan (NAP) for Bhutan with a focus on implementation of comprehensive risk management in the water sector. A copy of the proposal is attached for your reference.

Kindly note that UNDP will send a request for disbursements to the Secretariat so you will be able to begin the implementation.

Please contact us if you have any other questions about your approved proposal or next steps.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Pa Dusman Jarju'.

Mr. Pa Dusman Jarju
Director

Enclosure: Readiness Proposal of the Kingdom of Bhutan

cc: Mr. Pradeep Kurukulasuriya, Head- Climate Change Adaptation at Global Environmental Finance Unit, UNDP

Green Climate Fund
Songdo International Business District
G-Tower, 175 Art Center-daero
Yeonsu-gu, Incheon 22004
Republic of Korea

ANNEX C: TIMETABLE OF PROJECT IMPLEMENTATION (GANTT CHART)

	Year1				Year2				Year3				Year4			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Outcome 1: ENHANCED COORDINATION, LEARNING AND KNOWLEDGE MANAGEMENT FOR AN ITERATIVE NAP PROCESS.																
1.1 Protocol and institutional coordination pathways established.																
1.2 Learning and understanding for climate risk informed planning of decision makers improved.																
1.3 Knowledge management systems to strengthen climate responsive planning.																
Outcome2: TECHNICAL CAPACITY ENHANCED FOR THE GENERATION OF CLIMATE SCENARIOS AND IMPACT ASSESSMENT																
2.1 Assessment of gaps and needs in the data and information requirements for adaptation planning done and scenarios prepared.																
2.2 Capacity across research institutions,																

scientific community, and universities enhanced.																			
Outcome3: VULNERABILITY ASSESSMENTS UNDERTAKEN AND ADAPTATION OPTIONS PRIORITISED.																			
3.1 Climate vulnerabilities assessed, and adaptation options identified across all sectors identified.																			
3.2. Parallel to 3.1, climate vulnerabilities assessed and adaptation options identified for water sector.																			
3.3. Screening tools to facilitate the integration of climate change adaptation into development planning applied.																			
Outcome4:NAP FORMULATED, AND CAPACITY FOR IMPLEMENTATION AND MONITORING ESTABLISHED.																			
4.1 National Adaptation Plan formulated and communicated.																			
4.2 Strategy for NAP implementation developed.																			
4.3 Outreach on the NAP process and report on progress and effectiveness developed,																			

4.4 System to report, monitor and review the NAP process established.																				
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ANNEX D: PROCUREMENT PLAN

5.2. Procurement Plan					
ITEM	ITEM DESCRIPTION	ESTIMATED COST (US \$)	PROCUREMENT METHOD	ESTIMATED START DATE	PROJECTED CONTRACTING DATE
Goods and Non-consulting Services					
Service Contract - Individual	Project Manager (NAP Technical Coordinator providing technical support)	99,343.92	Test & interview - Competitive Sourcing	Y1/Q1	Y1/Q1
Service Contract - Individual	Project Associate	71,663.88	Test & interview - Competitive Sourcing	Y1/Q1	Y1/Q1
Contractual Services - Company	Institutional Contract - Capacity and Skills Assessments on Climate Science	120,000.00	Local Advertisement - Competitive Sourcing	Y1/Q2	Y1/Q2
				Y2/Q2	Y2/Q2
Contractual Services - Company	Institutional contract for downscale scenarios and impact modeling	200,000.00	Local Advertisement - Competitive Sourcing	Y1/Q4	Y1/Q4
				Y2/Q1	Y2/Q1
Trainings, Workshops and Conferences	Venue and associated cost related to Peer-to-Peer training for C4 committee and participation to the NAP Expo and regional forum	170,190.00	Desk Review - Competitive Sourcing	Y1/Q2	Y1/Q2
Trainings, Workshops and Conferences	Venue and associated cost related to Training programme with RUB	162,285.00	Desk Review - Competitive Sourcing	Y2/Q2	Y2/Q2
Trainings, Workshops and Conferences	Venue and associated cost related to Sector Planners Training	128,130.00	Desk Review - Competitive Sourcing	Y2/Q2	Y2/Q2
Contractual Services - Company	Institutional Contract - National Institute/University for Research Network	57,702.46	Local Advertisement	Y2/Q2	Y2/Q2
Contractual Services - Company	Institutional Contract - Regional Institute - Developing Knowledge Systems, V&A tools and monitoring	150,000.00	Local Advertisement - Request for proposal	Y2/Q2	Y2/Q2
Information Technology Equipment	Laptops, software licenses, external hard drives, printers and other supporting equipment	41,000.00	Desk Review - Competitive Sourcing	Y1/Q1	Y1/Q1
Trainings, Workshops and Conferences	Venue and associated cost related to workshops on Current climate and future climate change, and socio-economic scenarios	36,000.00	Desk Review - Competitive Sourcing	Y2/Q1	Y2/Q1
Contractual Services - Company	Firm to conduct detailed assessment (4 urban centres)	721,000.00	Local Advertisement - Request for proposal	Y3/Q1	Y3/Q1
Audio Visual & Printing Cost	Production and distribution of communication mediums	25,500.00		Y1/Q2	Y1/Q2
				Y2/Q1	Y2/Q1

			Desk Review - Competitive Sourcing	Y3/Q1	Y3/Q1
				Y4/Q1	Y4/Q1
Contractual Services - Company	International Institutes for developing the M&E framework.	100,000.00	Local Advertisement	Y1/Q2	Y1/Q2
				Y2/Q1	Y2/Q1
				Y3/Q1	Y3/Q1
				Y4/Q1	Y4/Q1
Contractual Services - Company	National institutes for developing an M&E framework, index and set of indicators for Bhutan's resilience to CC impacts.	50,000.00	Local Advertisement	Y1/Q2	Y1/Q2
				Y2/Q1	Y2/Q1
				Y3/Q1	Y3/Q1
				Y4/Q1	Y4/Q1
Trainings, Workshops and Conferences	Consultation workshops to review progress of project implementation as well as NAP process	17,900.00	Desk Review - Competitive Sourcing	Y1/Q3	Y1/Q3
				Y2/Q3	Y2/Q3
				Y3/Q3	Y3/Q3
				Y4/Q3	Y4/Q3
Supplies	Office supplies	5,000.00	Micro purchasing	Y1/Q1	Y1/Q1
				Y2/Q1	Y2/Q1
				Y3/Q1	Y3/Q1
				Y4/Q1	Y4/Q1
Contractual Services - Company	A firm to conduct audit	12,000.00	Local Advertisement	Y3/Q3	Y3/Q3
SUB-TOTAL (US \$)		2,167,715.26			
Consultancy Services					
National Consultant	National Expert on Policy and Mandate for NAP process	24,000.00	Desk Review - Competitive Sourcing	Y1/Q1	Y1/Q1
National Consultant	National Consultant for draft of NAP	9,000.00	Desk Review - Competitive Sourcing	Y1/Q1	Y1/Q1
International Consultant	Expert on Institutional Capacity building and skills assessment for governmental departments	20,000.00	Desk Review - Competitive Sourcing	Y1/Q2	Y1/Q2
National Consultant	National Expert on Stocktaking	30,000.00	Desk Review - Competitive Sourcing	Y1/Q4	Y1/Q4
National Consultant	Climate Economist	54,000.00	Desk Review - Competitive Sourcing	Y1/Q4	Y1/Q4
National Consultant	National Expert for impact modelling, downscaling scenarios and assessments of indigenous knowledge, vulnerable communities and ecosystems	42,000.00	Desk Review - Competitive Sourcing	Y2/Q1	Y2/Q1
National Consultant	Data Analysis Consultant	30,000.00	Desk Review - Competitive Sourcing	Y2/Q1	Y2/Q1
International Consultant	Expert in Socio-economic scenarios (Climate Projections)	54,000.00	Desk Review - Competitive Sourcing	Y2/Q2	Y2/Q2
National Consultant	Two National Sectorial Expert	36,000.00	Desk Review - Competitive Sourcing	Y3/Q1	Y3/Q1

International Consultant	Expert in Formulation and Communication of the National Adaptation Plan (Sectorial)	18,000.00	Desk Review - Competitive Sourcing	Y3/Q1	Y3/Q1
National Consultant	Expert in CCA Integration, costing framework, and NAP Implementation and Monitoring	27,000.00	Desk Review - Competitive Sourcing	Y1/Q4	Y1/Q4
International Consultant	Water and Adaptation Consultant	60,000.00	Desk Review - Competitive Sourcing	Y3/Q1	Y3/Q1
International Consultant	Costing Framework for Adaptation Consultant	60,000.00	Desk Review - Competitive Sourcing	Y2/Q3	Y2/Q3
				Y3/Q2	Y3/Q2
International Consultant	Expert in Project Evaluation	10,000.00	Desk Review - Competitive Sourcing	Y4/Q4	Y4/Q4
SUB-TOTAL (US \$)		474,000.00			
TOTAL COST (US \$)		2,641,715.26			

ANNEX E: TERMS OF REFERENCES FOR PROJECT BOARD AND PMU

Project Board

1. The Project Board for the UNDP/GCF project “Preparation of a National Adaptation Plan (NAP) for Bhutan with a Focus on the Water Sector”) will be established to provide high-level guidance to the project. The PB will be co-chaired by the Secretary of the NECS (Government) and UNDP and made up of senior representatives from the GNHC, DLG, NCHM and other key national implementing agencies. The PB will be responsible for high-level decisions and policy guidance required for the implementation of the project, including recommendations and approval of project plans, budget and revisions. The PB’s decisions are to be made in accordance to standards that ensure efficiency, cost-effectiveness, transparency, effective institutional coordination, and harmony with the overall development policies and priorities of the Royal Government of Bhutan, UNDP and their development partners.

These terms of reference, together with national law and the Project Document constitute the regulatory framework for the activities of the Project Board.

All Project Board members act on an institutional representation basis and receive no remuneration for their contributions to the Project Board.

2. PROJECT BOARD TASKS

The main tasks of the Project Board include the following:

1. Review and approve annual workplans of the project.
2. General project guidance.
3. Formulation and review of the project management strategy and identification of project priorities.
4. Take corrective action as needed to ensure the project achieves the desired results. The Project Board will hold project reviews to assess the performance of the project and appraise the Annual Work Plan for the following year. In the project’s final year, the Project Board will hold an end-of-project review to capture lessons learned and discuss opportunities for

scaling up and to highlight project results and lessons learned with relevant audiences. This final review meeting will also discuss the findings outlined in the project terminal evaluation report and the management response.

5. Supervision of project implementation.
6. Assessment of the Project Manager's and/or any Project Board Member proposals on any amendments to the project activities differing from those specified in the Project Document.
7. Coordination of the project implementation activities with related national and international projects and programs.
8. Review, discussion and approval of Project Budgets and Annual Work Plans as well as Project Manager's implementation reports.
9. Support to the Project Management Unit in seeking support and linking to other initiatives.
10. Support to the dissemination of information on the project goals, activities, outcomes and lessons learned.
11. Support to the organizations of events by the institutions and organizations represented in the Project Board, related to project's activities.
12. Provide suggestions and advice on cooperation between the project and national and local authorities, private institutions and NGOs.

3. PROJECT BOARD MEMBERS AND STRUCTURE

1. The members of the Project Board are identified in the Project Document and are submitted to the representative of UNDP in the Project Board for information.
2. The members of the Project Board may be changed by decision of the Project Board in accordance with its regular procedures.
3. All Project Board members and observers are entitled to receive full information on the project, and to take part in the Project Board discussions.
4. The representative of UNDP acts as co-chair of the Project Board.
5. The Project Manager participates as an observer at Project Board meetings and acts as its secretary. In case of absence of the Project Manager, his/her functions can be performed by another member of the PMU or by one member of the Project Board designed by those present at the meeting.
6. Project Board members can delegate their attendance to Project Board meetings to any other person, provided this is notified to the Project Manager in writing and at least 1 week prior to the session.

4. ORGANIZATION OF PROJECT BOARD ACTIVITIES

1. Project Board activities are coordinated by its Chairpersons, or another Project Board member appointed by the Chairpersons.
2. Project Board sessions are held at least once annually. Additional Project Board sessions can be conveyed by the Chairperson or at the written request of at least one of the Project Board members.
3. The Project Board meeting agenda and its related documents must be distributed at least 1 week in advance.
4. Project Board decisions are taken by consensus. In the rare case, consensus cannot be reached by the Board, UNDP's final vote will be considered to ensure fiduciary compliance only.
5. The Project Board secretary (Project Manager) is responsible for drafting of agenda, organizing the session, sending information to Project Board members and observers, preparation and distribution of the documents for discussion, and preparation of draft minutes.
6. Minutes should be prepared after every Project Board session, signed by Project Board secretary and pre-approved by the Project Board Chairperson. A copy of the pre-approved minutes of the meeting should be sent to Project Board members within 2 weeks after the meeting. Minutes should be approved by the Project Board at its subsequent meeting.
7. The Project Board Chairperson is entitled to instruct the Project Board secretary to organize an extraordinary virtual Project Board session on urgent issues that need immediate approval. The Project Board secretary will send the necessary documents for examination and discussion to all Project Board members and observers. In this case, Project Board members and observers could send their opinion and position on the issues submitted to approval through a letter or e-mail message to the Project Board secretary. The absence of such reply is considered as consent with the proposals. Within one week, the Project Board secretary should summarize the replies received and submit the final decision to the Project Board Chairperson for final approval.
8. Project Board members are not entitled to receive extra remuneration or material benefits from any activities financed under the project.

5. TERMINATION OF PROJECT BOARD MEMBERSHIP

A question on termination of membership of any Project Board member should be raised by the Project Board Chairperson to the plenary in the following cases:

- a) If the member could no longer perform his/her duties, as set forth in the present ToR;
- b) If the member has been absent in more than two consecutive Project Board sessions;
- c) If the member has concluded his/ her relationship with the organization he/she represented at the Project Board.

Project Management Unit

1. Project Manager/NAP Technical Coordinator

The **Project Manager**, of the National Project Management Unit, will be responsible for day-to-day project management and regular monitoring of project results and risks, including social and environmental risks. The project manager will ensure that all project personnel maintain a high level of transparency, responsibility and accountability in M&E and reporting of project results. The key functions of the Project Manager are the following:

1. Overall operational management and delivery of the work-plan for successful implementation;
2. Supervision and coordination of all consultants and cooperation with different partners and teams to ensure delivery of project outputs;
3. Knowledge building and capacity enhancement services;
4. Financial Management, procurement and disbursement;
5. Provide policy support to the project;
6. Manage partnerships with external agencies.

Under these key functions, the Project Manager's responsibilities will include (but are not limited to):

- Overall management of the project implementation, team and tracking of timeline and budget. Review and oversight of financial progress reports and payment requests.
- Coordinate with NAP Technical Working Group (TWG) and Project Board regarding Project Board meetings and inputs to project implementation.
- Support preparation and implementation of peer-to-peer technical trainings, training modules, and training of trainers in collaboration with Royal Institute of Management and other stakeholders.
- Coordination of workshops and meetings throughout the NAP process and delivery of training.
- Contribution to and review of stocktaking of existing climate information for adaptation planning and compilation of climate scenarios and socio-economic data.
- Conduct consultations with international, national, and sub-national training and research institutions to develop peer-to-peer learning and knowledge transfer MoUs and curriculum for training programmes.
- Oversee sector-wise vulnerability assessment reports.
- Contribute to preparing report on water availability and climate risks to water infrastructure as well as report on the water, energy, food, and climate nexus in Bhutan.
- Provide technical inputs to consultants preparing a set of project ideas with costing for submission to international climate funds.
- Review NAP drafts and coordinate inputs, reviewer edits, and finalization process.
- Coordinate NAP launch workshop.
- Oversee development of M&E program for NAP process.
- Oversee development of terms of reference and procurement process for NAP drafting team and other consultants hired during the project. Ensure the timely issuance of contracts and assurance of other eligible entitlements of the project personnel, experts, and consultants by overseeing annual recruitment and procurement plans.
- Develop biannual reports for the project to the GCF and provide regular support to monitoring and evaluation processes, in coordination with country office, NAP-GSP and UNDP-GEF personnel.
- Capture lessons-learned and case studies from the project; contribute to public news coverage and knowledge products.

2. Project Associate:

The Project Associate will provide assistance in day-to-day operations of the project as related to missions, organization of workshops, meetings, financial support and budgets. Responsibilities include (but not limited to):

- Provide logistical support to the team and ICs in organizing training events, workshops and global meetings.
- Comply and verify budget and accounting data by researching files, calculating costs, and estimating anticipated expenses.
- Prepare financial status reports, progress reports, and others
- Prepare financial reports and documents as per specified formats, project, programme plans and general reference documents and general administrative/financial or specialized tasks related to the project which may be of a confidential nature within the assigned area of responsibility.
- Assist international, short-term consultants by organizing their travel schedules, arranging meetings with different stakeholders and booking hotel accommodations.
- Draft necessary correspondence with local and international agencies and stakeholders.
- Assist in the timely issuance of contracts and assurance of other eligible entitlements of the project personnel, experts, and consultants by preparing annual recruitment plans.
- Provide other substantive support to the team for overall implementation

ANNEX F: UNDP RISK LOG

Risks and Assumptions:

As per standard UNDP requirements, the Project Manager will monitor risks quarterly and report on the status of risks to the UNDP Country Office. The UNDP Country Office will record progress in the UNDP ATLAS risk log. Risks will be reported as critical when the impact and probability are high (i.e. when impact is rated as 5, and when impact is rated as 4 and probability is rated at 3 or higher).

#	Description of the risk	Potential consequence	Countermeasures/ Mngt response	Type (Risk category)	Probability & Impact (1-5)
1	Problems related to involvement and cooperation of stakeholders to provide the project team with data	Incomplete data collection	Clear commitment will be obtained from across government agencies to contribute to data collection and dissemination of data	Political and organisational	P=3
		Delay in the completion of the outputs			I=5
2	Governments will not have funds to sustain the national arrangements, once the project ends	Endangered project sustainability	Outcome 3 of the project will involve formulating mechanisms for scaling up investments and addressing financial gaps. This will guide:	Financial	
			Awareness raising among decision-makers;		P=2
			Securing Ministry of finance as a key government partner;		I=5
			Outreach to potential donors and private sector investors;		
3	Conflicts among stakeholders as	Uncoordinated approach to	Stakeholder involvement detailed clearly in stakeholder involvement		P=2

	regards roles in the project.	tackling climate change	plan and stakeholders are held to their roles.	Political and organisational	
		Threat to successful project implementation.	A timeline will be developed for the NAP process and updates communicated to stakeholders;		I=3
			A monitoring process will contribute evidence to report and respond to challenges identified during implementation monitoring the progress of implementation.		
4	Lack of political will to support the project	Endangered project sustainability	Awareness-raising among the key decision-makers.	Political and strategic	P=2
			Develop leadership/ champions for change.		
			The stakeholder involvement plan, which will be developed, will set out measures to maintain support at the highest-level; and support will be given to the Government of Côte d'Ivoire to organise consultations on project progress at key stages in order to maintain government ownership and interest in the project. Collaboration with other cooperation projects will also help to maintain political visibility at country-level.		I=4
			Support will be given to government to organise consultations on project progress at key stages in order to maintain government ownership and interest in the project. Collaboration with other cooperation projects which will help to maintain political visibility.		
5	Poor coordination.	Leading to delays in deliverables	Clear Project Management arrangements finalized in the inception phase, including a comprehensive budget and work plan with clear roles, responsibilities, tasks and timeframes for implementation.	Political	P=3 I=3
6	Limited capacity within relevant ministries/ insufficient qualified human capacity.	May limit/delay project implementation/ completion.	A major part of the project is to strengthen institutional and regulatory capacity, building on existing country-based initiatives, for example those with national climate change learning strategies already in place.	Political, strategic	P=3 I=2
7	Excluding any potentially affected stakeholders from fully participating in		The project implementing team will conduct real-time monitoring and evaluation of each stakeholder engagement activity to ensure that these processes are fully inclusive. Management processes (e.g. budgets and work plans) will be adjusted		P = 2 I = 2

decisions that may affect them	should country circumstances prevent any affected stakeholder groups from engaging in the process.
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ANNEX G: UNDP PROJECT QUALITY ASSURANCE REPORT

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL				
OVERALL PROJECT				
EXEMPLARY (5) ●●●●●	HIGHLY SATISFACTORY (4) ●●●●○	SATISFACTORY (3) ●●●○○	NEEDS IMPROVEMENT (2) ●●○○○	INADEQUATE (1) ●○○○○
At least four criteria are rated Exemplary, and all criteria are rated High or Exemplary.	All criteria are rated Satisfactory or higher, and at least four criteria are rated High or Exemplary.	At least six criteria are rated Satisfactory or higher, and only one may be rated Needs Improvement. The SES criterion must be rated Satisfactory or above.	At least three criteria are rated Satisfactory or higher, and only four criteria may be rated Needs Improvement.	One or more criteria are rated Inadequate, or five or more criteria are rated Needs Improvement.
DECISION				
<ul style="list-style-type: none"> • APPROVE – the project is of sufficient quality to continue as planned. Any management actions must be addressed in a timely manner. • APPROVE WITH QUALIFICATIONS – the project has issues that must be addressed before the project document can be approved. Any management actions must be addressed in a timely manner. • DISAPPROVE – the project has significant issues that should prevent the project from being approved as drafted. 				
RATING CRITERIA				
STRATEGIC				
1. Does the project’s Theory of Change specify how it will contribute to higher level change? (Select the option from 1-3 that best reflects the project): <ul style="list-style-type: none"> • 3: The project has a theory of change with explicit assumptions and clear change pathway describing how the project will contribute to outcome level change as specified in the programme/CPD, backed by credible evidence of what works effectively in this context. The project document clearly describes why the project’s strategy is the best approach at this point in time. • 2: The project has a theory of change. It has an explicit change pathway that explains how the project intends to contribute to outcome-level change and why the project strategy is the best approach at this point in time, but is backed by limited evidence. • 1: The project does not have a theory of change, but the project document may describe in generic terms how the project will contribute to development results, without specifying the key assumptions. It does not make an explicit link to the programme/CPD’s theory of change. <p><i>*Note: Management Action or strong management justification must be given for a score of 1</i></p>	3	2	1	
	Evidence			
	2. Is the project aligned with the thematic focus of the UNDP Strategic Plan? (select the option from 1-3 that best reflects the project):	3	2	1
Evidence				

<ul style="list-style-type: none"> • 3: The project responds to one of the three areas of development work²⁸ as specified in the Strategic Plan; it addresses at least one of the proposed new and emerging areas²⁹; an issues-based analysis has been incorporated into the project design; and the project's RRF includes all the relevant SP output indicators. (<i>all must be true to select this option</i>) • 2: The project responds to one of the three areas of development work¹ as specified in the Strategic Plan. The project's RRF includes at least one SP output indicator, if relevant. (<i>both must be true to select this option</i>) • 1: While the project may respond to one of the three areas of development work¹ as specified in the Strategic Plan, it is based on a sectoral approach without addressing the complexity of the development issue. None of the relevant SP indicators are included in the RRF. This answer is also selected if the project does not respond to any of the three areas of development work in the Strategic Plan. 	
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RELEVANT

3. Does the project have strategies to effectively identify, engage and ensure the meaningful participation of targeted groups/geographic areas with a priority focus on the excluded and marginalized? (select the option from 1-3 that best reflects this project): <ul style="list-style-type: none"> • 3: The target groups/geographic areas are appropriately specified, prioritising the excluded and/or marginalised. Beneficiaries will be identified through a rigorous process based on evidence (if applicable). The project has an explicit strategy to identify, engage and ensure the meaningful participation of specified target groups/geographic areas throughout the project, including through monitoring and decision-making (such as representation on the project board) (<i>all must be true to select this option</i>) • 2: The target groups/geographic areas are appropriately specified, prioritising the excluded and/or marginalised. The project document states how beneficiaries will be identified, engaged and how meaningful participation will be ensured throughout the project. (<i>both must be true to select this option</i>) • 1: The target groups/geographic areas are not specified, or do not prioritize excluded and/or marginalised populations. The project does not have a written strategy to identify or engage or ensure the meaningful participation of the target groups/geographic areas throughout the project. <p><i>*Note: Management Action must be taken for a score of 1, or select not applicable.</i></p>	3	2
	1	
	Evidence	

4. Have knowledge, good practices, and past lessons learned of UNDP and others informed the project design? (select the option from 1-3 that best reflects this project): <ul style="list-style-type: none"> • 3: Knowledge and lessons learned (gained e.g. through peer assist sessions) backed by credible evidence from evaluation, corporate policies/strategies, and monitoring have been explicitly used, with appropriate referencing, to develop the project's theory of change and justify the approach used by the project over alternatives. • 2: The project design mentions knowledge and lessons learned backed by evidence/sources, which inform the project's theory of change but have not been used/are not sufficient to justify the approach selected over alternatives. • 1: There is only scant or no mention of knowledge and lessons learned informing the project design. Any references that are made are not backed by evidence. <p><i>*Note: Management Action or strong management justification must be given for a score of 1</i></p>	3	2
	1	
	Evidence	

5. Does the project use gender analysis in the project design and does the project respond to this gender analysis with concrete measures to address gender inequities and empower women? (select the option from 1-3 that best reflects this project): <ul style="list-style-type: none"> • 3: A <u>participatory</u> gender analysis on the project has been conducted. This analysis reflects on the different needs, roles and access to/control over resources of women and men, and it is fully integrated into the project document. The project establishes concrete priorities to address gender inequalities in its strategy. The results framework includes outputs and activities that specifically respond to this gender analysis, with indicators that measure and monitor results contributing to gender equality. (<i>all must be true to select this option</i>) • 2: A gender analysis on the project has been conducted. This analysis reflects on the different needs, roles and access to/control over resources of women and men. Gender concerns are integrated in the development challenge and strategy sections of the project document. The results framework includes outputs and activities that specifically respond to this gender analysis, with indicators that measure and monitor results contributing to gender equality. (<i>all must be true to select this option</i>) • 1: The project design may or may not mention information and/or data on the differential impact of the project's development situation on gender relations, women and men, but the constraints have not been clearly identified and interventions have not been considered. <p><i>*Note: Management Action or strong management justification must be given for a score of 1</i></p>	3	2
	1	
	Evidence	

²⁸ 1. Sustainable development pathways; 2. Inclusive and effective democratic governance; 3. Resilience building

²⁹ sustainable production technologies, access to modern energy services and energy efficiency, natural resources management, extractive industries, urbanization, citizen security, social protection, and risk management for resilience

<p>6. Does UNDP have a clear advantage to engage in the role envisioned by the project vis-à-vis national partners, other development partners, and other actors? (select from options 1-3 that best reflects this project):</p> <ul style="list-style-type: none"> 3: An analysis has been conducted on the role of other partners in the area where the project intends to work, and credible evidence supports the proposed engagement of UNDP and partners through the project. It is clear how results achieved by relevant partners will contribute to outcome level change complementing the project's intended results. If relevant, options for south-south and triangular cooperation have been considered, as appropriate. <i>(all must be true to select this option)</i> 2: Some analysis has been conducted on the role of other partners where the project intends to work, and relatively limited evidence supports the proposed engagement of and division of labour between UNDP and partners through the project. Options for south-south and triangular cooperation may not have not been fully developed during project design, even if relevant opportunities have been identified. 1: No clear analysis has been conducted on the role of other partners in the area that the project intends to work, and relatively limited evidence supports the proposed engagement of UNDP and partners through the project. There is risk that the project overlaps and/or does not coordinate with partners' interventions in this area. Options for south-south and triangular cooperation have not been considered, despite its potential relevance. <p><i>*Note: Management Action or strong management justification must be given for a score of 1</i></p>		2
	1	
	Evidence	
SOCIAL & ENVIRONMENTAL STANDARDS		
<p>7. Does the project seek to further the realization of human rights using a human rights based approach? (select from options 1-3 that best reflects this project):</p> <ul style="list-style-type: none"> 3: Credible evidence that the project aims to further the realization of human rights, upholding the relevant international and national laws and standards in the area of the project. Any potential adverse impacts on enjoyment of human rights were rigorously identified and assessed as relevant, with appropriate mitigation and management measures incorporated into project design and budget. <i>(all must be true to select this option)</i> 2: Some evidence that the project aims to further the realization of human rights. Potential adverse impacts on enjoyment of human rights were identified and assessed as relevant, and appropriate mitigation and management measures incorporated into the project design and budget. 1: No evidence that the project aims to further the realization of human rights. Limited or no evidence that potential adverse impacts on enjoyment of human rights were considered. <p><i>*Note: Management action or strong management justification must be given for a score of 1</i></p>	3	2
	1	
	Evidence	
<p>8. Did the project consider potential environmental opportunities and adverse impacts, applying a precautionary approach? (select from options 1-3 that best reflects this project):</p> <ul style="list-style-type: none"> 3: Credible evidence that opportunities to enhance environmental sustainability and integrate poverty-environment linkages were fully considered as relevant, and integrated in project strategy and design. Credible evidence that potential adverse environmental impacts have been identified and rigorously assessed with appropriate management and mitigation measures incorporated into project design and budget. <i>(all must be true to select this option)</i>. 2: No evidence that opportunities to strengthen environmental sustainability and poverty-environment linkages were considered. Credible evidence that potential adverse environmental impacts have been identified and assessed, if relevant, and appropriate management and mitigation measures incorporated into project design and budget. 1: No evidence that opportunities to strengthen environmental sustainability and poverty-environment linkages were considered. Limited or no evidence that potential adverse environmental impacts were adequately considered. <p><i>*Note: Management action or strong management justification must be given for a score of 1</i></p>	3	2
	1	
	Evidence	
<p>9. Has the Social and Environmental Screening Procedure (SESP) been conducted to identify potential social and environmental impacts and risks? The SESP is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences and/or communication materials and information dissemination. [if yes, upload the completed checklist. If SESP is not required, provide the reason for the exemption in the evidence section.]</p>	Yes	No
MANAGEMENT & MONITORING		
<p>10. Does the project have a strong results framework? (select from options 1-3 that best reflects this project):</p>	3	2
	1	

<ul style="list-style-type: none"> • 3: The project’s selection of outputs and activities are at an appropriate level and relate in a clear way to the project’s theory of change. Outputs are accompanied by SMART, results-oriented indicators that measure all of the key expected changes identified in the theory of change, each with credible data sources, and populated baselines and targets, including gender sensitive, sex-disaggregated indicators where appropriate. <i>(all must be true to select this option)</i> • 2: The project’s selection of outputs and activities are at an appropriate level, but may not cover all aspects of the project’s theory of change. Outputs are accompanied by SMART, results-oriented indicators, but baselines, targets and data sources may not yet be fully specified. Some use of gender sensitive, sex-disaggregated indicators, as appropriate. <i>(all must be true to select this option)</i> • 1: The results framework does not meet all of the conditions specified in selection “2” above. This includes: the project’s selection of outputs and activities are not at an appropriate level and do not relate in a clear way to the project’s theory of change; outputs are not accompanied by SMART, results-oriented indicators that measure the expected change, and have not been populated with baselines and targets; data sources are not specified, and/or no gender sensitive, sex-disaggregation of indicators. <p>*Note: Management Action or strong management justification must be given for a score of 1</p>	Evidence	
11. Is there a comprehensive and costed M&E plan in place with specified data collection sources and methods to support evidence-based management, monitoring and evaluation of the project?	Yes (3)	No (1)
12. Is the project’s governance mechanism clearly defined in the project document, including planned composition of the project board? (select from options 1-3 that best reflects this project): <ul style="list-style-type: none"> • 3: The project’s governance mechanism is fully defined in the project composition. Individuals have been specified for each position in the governance mechanism (especially all members of the project board.) Project Board members have agreed on their roles and responsibilities as specified in the terms of reference. The ToR of the project board has been attached to the project document. <i>(all must be true to select this option)</i>. • 2: The project’s governance mechanism is defined in the project document; specific institutions are noted as holding key governance roles, but individuals may not have been specified yet. The prodoc lists the most important responsibilities of the project board, project director/manager and quality assurance roles. <i>(all must be true to select this option)</i> • 1: The project’s governance mechanism is loosely defined in the project document, only mentioning key roles that will need to be filled at a later date. No information on the responsibilities of key positions in the governance mechanism is provided. <p>*Note: Management Action or strong management justification must be given for a score of 1</p>	3	2
	1	
	Evidence	
13. Have the project risks been identified with clear plans stated to manage and mitigate each risks? (select from options 1-3 that best reflects this project): <ul style="list-style-type: none"> • 3: Project risks related to the achievement of results are fully described in the project risk log, based on comprehensive analysis drawing on the theory of change, Social and Environmental Standards and screening, situation analysis, capacity assessments and other analysis. Clear and complete plan in place to manage and mitigate each risk. <i>(both must be true to select this option)</i> • 2: Project risks related to the achievement of results identified in the initial project risk log with mitigation measures identified for each risk. • 1: Some risks may be identified in the initial project risk log, but no evidence of analysis and no clear risk mitigation measures identified. This option is also selected if risks are not clearly identified and no initial risk log is included with the project document. <p>*Note: Management Action must be taken for a score of 1</p>	3	2
	1	
	Evidence	
EFFICIENT		
14. Have specific measures for ensuring cost-efficient use of resources been explicitly mentioned as part of the project design? This can include: i) using the theory of change analysis to explore different options of achieving the maximum results with the resources available; ii) using a portfolio management approach to improve cost effectiveness through synergies with other interventions; iii) through joint operations (e.g., monitoring or procurement) with other partners.	Yes (3)	No (1)
15. Are explicit plans in place to ensure the project links up with other relevant on-going projects and initiatives, whether led by UNDP, national or other partners, to achieve more efficient results (including, for example, through sharing resources or coordinating delivery?)	Yes (3)	No (1)

	3	2
16. Is the budget justified and supported with valid estimates?	1	
<ul style="list-style-type: none"> 3: The project’s budget is at the activity level with funding sources, and is specified for the duration of the project period in a multi-year budget. Costs are supported with valid estimates using benchmarks from similar projects or activities. Cost implications from inflation and foreign exchange exposure have been estimated and incorporated in the budget. 2: The project’s budget is at the activity level with funding sources, when possible, and is specified for the duration of the project in a multi-year budget. Costs are supported with valid estimates based on prevailing rates. 1: The project’s budget is not specified at the activity level, and/or may not be captured in a multi-year budget. 	Evidence	
17. Is the Country Office fully recovering the costs involved with project implementation?	3	2
	1	
<ul style="list-style-type: none"> 3: The budget fully covers all project costs that are attributable to the project, including programme management and development effectiveness services related to strategic country programme planning, quality assurance, pipeline development, policy advocacy services, finance, procurement, human resources, administration, issuance of contracts, security, travel, assets, general services, information and communications based on full costing in accordance with prevailing UNDP policies (i.e., UPL, LPL.) 2: The budget covers significant project costs that are attributable to the project based on prevailing UNDP policies (i.e., UPL, LPL) as relevant. 1: The budget does not adequately cover project costs that are attributable to the project, and UNDP is cross-subsidizing the project. <p>*Note: Management Action must be given for a score of 1. The budget must be revised to fully reflect the costs of implementation before the project commences.</p>	Evidence	
EFFECTIVE		
18. Is the chosen implementation modality most appropriate? (select from options 1-3 that best reflects this project):	3	2
	1	
<ul style="list-style-type: none"> 3: The required implementing partner assessments (capacity assessment, HACT micro assessment) have been conducted, and there is evidence that options for implementation modalities have been thoroughly considered. There is a strong justification for choosing the selected modality, based on the development context. <i>(both must be true to select this option)</i> 2: The required implementing partner assessments (capacity assessment, HACT micro assessment) have been conducted and the implementation modality chosen is consistent with the results of the assessments. 1: The required assessments have not been conducted, but there may be evidence that options for implementation modalities have been considered. <p>*Note: Management Action or strong management justification must be given for a score of 1</p>	Evidence	
19. Have targeted groups, prioritizing marginalized and excluded populations that will be affected by the project, been engaged in the design of the project in a way that addresses any underlying causes of exclusion and discrimination?	3	2
	1	
<ul style="list-style-type: none"> 3: Credible evidence that all targeted groups, prioritising marginalized and excluded populations that will be involved in or affected by the project, have been actively engaged in the design of the project. Their views, rights and any constraints have been analysed and incorporated into the root cause analysis of the theory of change which seeks to address any underlying causes of exclusion and discrimination and the selection of project interventions. 2: Some evidence that key targeted groups, prioritising marginalized and excluded populations that will be involved in the project, have been engaged in the design of the project. Some evidence that their views, rights and any constraints have been analysed and incorporated into the root cause analysis of the theory of change and the selection of project interventions. 1: No evidence of engagement with marginalized and excluded populations that will be involved in the project during project design. No evidence that the views, rights and constraints of populations have been incorporated into the project. 	Evidence	
20. Does the project conduct regular monitoring activities, have explicit plans for evaluation, and include other lesson learning (e.g. through After Action Reviews or Lessons Learned Workshops), timed to inform course corrections if needed during project implementation?	Yes (3)	No (1)
21. The gender marker for all project outputs are scored at GEN2 or GEN3, indicating that gender has been fully mainstreamed into all project outputs at a minimum.	Yes (3)	No (1)
*Note: Management Action or strong management justification must be given for a score of “no”	Evidence	

22. Is there a realistic multi-year work plan and budget to ensure outputs are delivered on time and within allotted resources? (select from options 1-3 that best reflects this project): <ul style="list-style-type: none"> • 3: The project has a realistic work plan & budget covering the duration of the project <i>at the activity</i> level to ensure outputs are delivered on time and within the allotted resources. • 2: The project has a work plan & budget covering the duration of the project at the output level. • 1: The project does not yet have a work plan & budget covering the duration of the project. 	3	2
	1	
	Evidence	
SUSTAINABILITY & NATIONAL OWNERSHIP		
23. Have national partners led, or proactively engaged in, the design of the project? (select from options 1-3 that best reflects this project): <ul style="list-style-type: none"> • 3: National partners have full ownership of the project and led the process of the development of the project jointly with UNDP. • 2: The project has been developed by UNDP in close consultation with national partners. • 1: The project has been developed by UNDP with limited or no engagement with national partners. 	3	2
	1	
	Evidence	
24. Are key institutions and systems identified, and is there a strategy for strengthening specific/ comprehensive capacities based on capacity assessments conducted? (select from options 0-4 that best reflects this project): <ul style="list-style-type: none"> • 3: The project has a comprehensive strategy for strengthening specific capacities of national institutions based on a systematic and detailed capacity assessment that has been completed. This strategy includes an approach to regularly monitor national capacities using clear indicators and rigorous methods of data collection, and adjust the strategy to strengthen national capacities accordingly. • 2.5: A capacity assessment has been completed. The project document has identified activities that will be undertaken to strengthen capacity of national institutions, but these activities are not part of a comprehensive strategy to monitor and strengthen national capacities. • 2: A capacity assessment is planned after the start of the project. There are plans to develop a strategy to strengthen specific capacities of national institutions based on the results of the capacity assessment. • 1.5: There is mention in the project document of capacities of national institutions to be strengthened through the project, but no capacity assessments or specific strategy development are planned. • 1: Capacity assessments have not been carried out and are not foreseen. There is no strategy for strengthening specific capacities of national institutions. 	3	2.5
	2	1.5
	1	
	Evidence	
25. Is there is a clear strategy embedded in the project specifying how the project will use national systems (i.e., procurement, monitoring, evaluations, etc.,) to the extent possible?	Yes (3)	No (1)
26. Is there a clear transition arrangement/ phase-out plan developed with key stakeholders in order to sustain or scale up results (including resource mobilisation strategy)?	Yes (3)	No (1)

ANNEX H: SECTION 2 OF THE READINESS SUPPORT INTERIM PROGRESS REPORT TEMPLATE

SECTION 2 of the GCF READINESS SUPPORT INTERIM PROGRESS REPORT TEMPLATE

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: Click or tap to enter a date. To: Click or tap to enter a date.

Outcome 1:

Outcome narrative: Please provide a brief summary of the outcome achieved.

Outputs	Baseline summary	Activities	Targets achieved	Indicators	Milestones and deliverables achieved ³⁰	Variance explanation	Qualitative assessment of activities undertaken	Planned activities and corresponding deliverables/milestones for the next reporting period
	Please provide a brief summary of the baseline scenario at the proposal stage.		Please rate the status of targets achieved through activities undertaken during the reporting period, against the baseline and the proposed targets in the proposal.	Based on your approved proposal, please outline the key indicators.	Please state the milestones and deliverables achieved as agreed in Grant Agreement.	In this column, identify and explain the reasons for the difference, if any, between a planned activity and the corresponding actual activity that took place during the reporting period.	In this column, summarize some of the qualitative results achieved through activities undertaken during the reporting period.	Please highlight activities, deliverables and milestones planned for the next reporting period and indicate any modifications that might be made from the original implementation plan. Also, indicate any corrective actions that need to be taken up to address impediments that emerged in the reporting period.
1.1								
1.2								
1.3								