Third Informal Consultation Meeting on Financial Support for Biennial Transparency Reports

Date: February 24, 2022
(THURSDAY)
Time: 8:00-11:00
Eastern Standard Time
Outline

- UNDP-GEF operational modalities and procedures – efficiency and timeliness vis-à-vis the need to further support countries to prepare and submit their first BTR before December 31, 2024
State of Play: 24 Feb 2022

Frequency of submissions to UNFCCC (global)

NC every 4 years:

- NC1: 154 (+10.3)
- NC2: 145 (+6.4)
- NC3: 91 (+5)
- NC4: 16 (+3.1)
- NC5: 2 (+6)
- NC6: 1

BUR every 2 years:

- BUR1: 78 (+2.9)
- BUR2: 36 (+2.4)
- BUR3: 22 (+2)
- BUR4: 10

UNDP-GEF support:
250 out of 409 NCs
(61%)
92 out of 146 BURs
(63%)
**Project design**

- CO & IP Capacity assessments
- EA request
- UNDP ProDoc
- SES
- Gender Analysis and Action Plan
- GEF checklist for Audit risk review

**Execution modalities:**

- Full NIM – High risk
- DIM/Execution support services – exemption required
- Third Parties – resistance, limited or lack of options

**Requirements**

- no PPG funds
- Implementation modalities:
  - Full NIM - High risk
  - DIM/Execution support services – exemption required
  - Third Parties – resistance, limited or lack of options

**Challenges**

- Institutional/technical/human capacities
- BUR submission: 1.96 years after Project start date,
- At least 6 months to set-up PMU and start project activities,
- 6-12 months - Length of the Government endorsement process prior submission to the UNFCCC Secretariat

**GEF CEO Approval**

- Sep 2022 – Jun 2023

- 6-12 months for project preparation
  + 2-3 months for GEF review and approval

- Agency approval

- 4-6 months

- Project Start Date

- Jan 2023 – Dec 2023

- LPAC
- DoA clearance
- ProDoc signature

- **Project implementation**

- Less than 18 months to submit First BTR by Dec 2024

- Recruitment of key project staff
- Inception Workshop, annual status surveys
- Delivery and completion of project activities - TBWP

**Timeline**

- Mar 2022
- Sep 2022
- Jun 2023
- Jan 2023
- Dec 2023
- Mar 2024

BTR1
Project design

- CO & IP Capacity assessments
- EA request
- UNDP ProDoc
- SES
- Gender Analysis and Action Plan
- GEF checklist for Audit risk review

6 - 12 months for project preparation
+ 2 - 3 months for GEF review and approval

- no PPG funds

Implementation modalities:
- Full NIM - High risk
- DIM/Execution support services - exemption required
- Third Parties - resistance, limited or lack of options

Requirements

Challenges

GEF CEO Approval

Agency approval

4 - 6 months

Project Start Date

LPAC • DoA clearance • ProDoc signature

- Elections, • Government changes

Less than 18 months to submit First BTR by Dec 2024

- Institutional/technical/human capacities
- BUR submission: 1.96 years after Project start date,

- 3 - 6 months to set up PMU and start project activities,
- 6 - 12 months - Length of the Government endorsement process prior submission to the UNFCCC Secretariat

- Recruitment of key project staff
- Inception Workshop, annual status surveys
- Delivery and completion of project activities

Options to expedite the process:

- PPG budget allocated to Agencies; ppg budget allocated to Agencies; (or DMI if necessary) allowed for CC EAs;
- Multiple NCB/BI reports delivered under one project;
- Multiple NCB/BI reports delivered under one project;
- Execution support services delivered under one project;
- Ensure project design and approval phase overlap with at least last 6 months of the previous project implementation phase;
- Ensure project design and approval phase overlap with at least last 6 months of the previous project implementation phase;
- GEF support to Agencies till the national report is submitted by country to UNFCCC;
- GEF support to Agencies till the national report is submitted by country to UNFCCC;

Pre-filled EA request with standardized templates and resources will not be disbursed by Agencies till the national report is submitted by country to UNFCCC; New projects approved by the GEF even if a country has not yet submitted their NCB/BI reports to the UNFCCC; New projects approved by the GEF even if a country has not yet submitted their NCB/BI reports to the UNFCCC;
# List of Oversight tasks for 1 EA Project

<table>
<thead>
<tr>
<th>Stage</th>
<th>Oversight tasks</th>
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<tbody>
<tr>
<td>Corporate</td>
<td>GEF policy support, business plans, strategies. Portfolio management, financial management and data management at the portfolio level</td>
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<td>Outreach and knowledge sharing</td>
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<td>Support to evaluations</td>
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<td>Pre-Investment Screening Committee (PISC) package preparation</td>
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<td>PISC Package Quality Assurance</td>
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<td>PISC recommendation including agreement on implementation modality</td>
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<td>consult with appropriate stakeholders in-country, including GEF OFPs</td>
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<td>review options for co-financing and partnerships</td>
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<td>Securing GEF OFP LOE</td>
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<td>Conduct Partner Capacity Assessment (PCAT) and Harmonized Approach to Cash Transfers (HACT) and assess implications</td>
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<td>Oversight and QA of preparation of EA request, UNDP prodoc, TBWP and procurement plan (including procuring consultants and project developer when needed)</td>
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<td>Conduct Social and Environmental Safeguards Procedure (SESP)</td>
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<td>Safeguards and Gender QA for GEF compliance</td>
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<td>GEF Checklist for audit risk review (preparation, QA, clearance and signature)</td>
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<td>Financial and technical clearance of EA request and prodoc</td>
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<td>Completion of package for submission to GEF SEC with UNDP QA</td>
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<td>Respond to GEF SEC and Council review comments</td>
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<td>Technical and financial clearance of response to GEF SEC and Council review comments</td>
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<td>Advance EA request and prodocthrough GEF SEC review and engage with GEF to achieve approval by GEF council</td>
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<td>LPAC and Quality Appraisal process</td>
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<td>Implementation</td>
<td>Delegate authority for GEF project resources to Country Office (including NCE financial and technical clearance, DOA signed by CO, Reg Bureau, and Directorate Project Document Signature</td>
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<td>First Disbursement of GEF funds</td>
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<td>Inception Workshop (prepare documentation and presentations, participate in workshop, elaborate inception report, QA of inception report, and follow-up)</td>
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<td>Annual Work Plan review at CO level</td>
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<td>AWP: NCE technical and financial quality assurance</td>
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<td>AWP approval</td>
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<td>Periodic CO oversight and monitoring visits, consultations, interviews to validate, supervise and QA PMU/IP and field work</td>
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<td>Maintenance and archiving of records of all project-related documentation/deliverables.</td>
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<td>Financial auditing</td>
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<td>QA of annual status survey and end of project report</td>
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<td>Monitor and review project expenditure reports</td>
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<td>Prepare budget revisions when needed</td>
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<td>Risk management: manage and escalate risks/ critical issues as per UNDP ERM</td>
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<td>Risk-based second tier portfolio oversight and address escalated GEF project risks /critical issues through action plan - options for additional oversight/ suspension/ cancellation</td>
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<td>Project revisions: manage in-country consultations, prepare revision proposals, including addressing comments from QA</td>
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<td>Project revision QA and submission for approval by GEF SEC/ Council</td>
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<td>Project unfunded extension - consultation with government and participation in project board</td>
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<td>Project unfunded extension - preparation of documentation for request</td>
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<td>QA and technical and financial clearance of unfunded extension request</td>
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<td>Approval/ rejection of extension request</td>
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<td>Closure</td>
<td>operational and financial closure: undertake as per PPM requirements</td>
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<td>operational and financial closure: verification and reporting to GEF Sec and GEF trustee</td>
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GEF funds available for BTR and NC (national projects)

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<tr>
<th>Modality 1: up to $484,000 for stand-alone BTR</th>
<th>Modality 2: up to $517,000 for combined BTR and NC.</th>
<th>Modality 3: additional (top-up) of $200,000 maximum to an ongoing EA project</th>
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<td>3 countries in pipeline</td>
<td>4 countries in the pipeline</td>
<td>- Clarification needed on the process and requirements for the approval of the top-up amount.</td>
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<td>- Countries revising NC and BUR proposals to combined BTR/NC report difficulties to reduce the budget from $852K to $517 K USD.</td>
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<td>- Lack of experience with combined reports.</td>
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<td>- High transaction cost going through amendment of individual projects.</td>
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NC: up to $500K for:
- Countries that do not wish to submit NC and BTR together. In this case, NC and/or BTR may be subject to reduction of budget from the set-aside resources to avoid duplication of resources.
- Countries that have not ratified/acceded to the Paris Agreement.
Combined "BTR/NC+BTR" with Expedited Approval process, USD 1 M
+ decrease in the number of projects;
+ reduction of transaction cost (1 EA request/ProDoc instead of 2 or 3);
+ lower risk for countries in not meeting reporting requirements due to lengthy process of EA request/ProDoc development and delayed access to funds;
+ focus on project implementation oversight/quality assurance, rather than RM and new EA requests/ProDoc development;
+ higher PMC budget for countries.

Proposed alternative for GEF8
Alignment of the reporting timelines - to avoid duplication between NCs and BTRs, **reduce reporting burden on a country** and support the timely submission of reports

**Scenario A (if currently preparing NC):**

```
BTR

Combined BTR/NC

BTR

Combined BTR/NC

2022 → 2023 → 2024 → 2025 → 2026 → 2027 → 2028 → 2029 → 2030
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**Scenario B (if previous NC is already submitted):**

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Combined BTR/NC

BTR

Combined BTR/NC

BTR

2022 → 2023 → 2024 → 2025 → 2026 → 2027 → 2028 → 2029 → 2030
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