



Economic Relations Division
Ministry of Finance



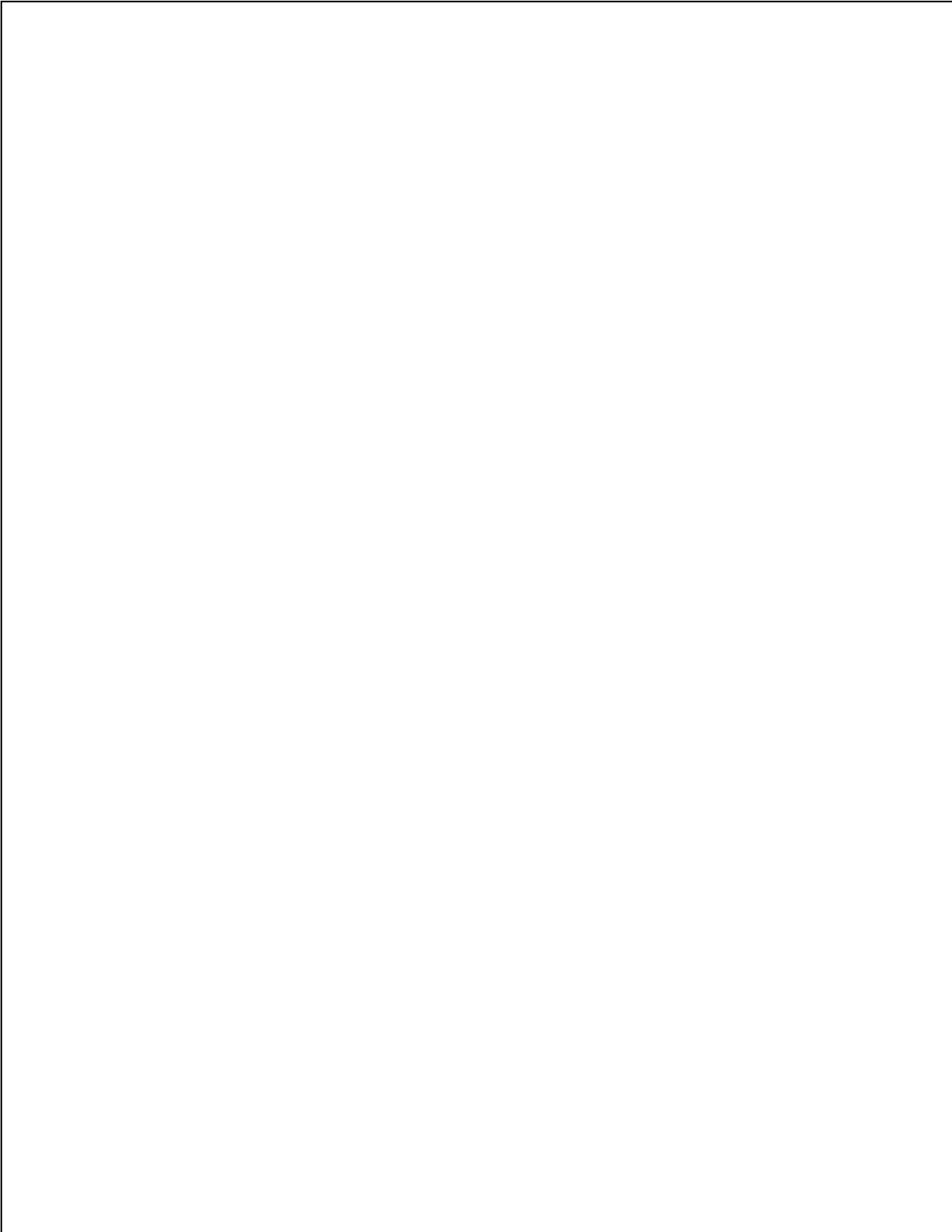
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giz Deutsche Gesellschaft
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Zusammenarbeit (GIZ) GmbH

Information Booklet

Green Climate Fund



NATIONAL
DESIGNATED
AUTHORITY
OF
BANGLADESH
TO
THE GREEN
CLIMATE FUND



Economic Relations Division
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Green Climate Fund

NOVEMBER, 2015

The Green Climate Fund

The Green Climate Fund (GCF) was founded in 2010 within the framework of the United Nations Framework Convention on Climate Change (UNFCCC). It is a mechanism to raise funds internationally and transfer money from the developed to the developing countries, to assist these countries in adaptation to the adverse effects of climate change and engage in mitigation practices to counter climate change. It has set an ambitious goal to mobilize

from public and private sources a combined USD 100 billion annually by 2020 to help developing countries reduce emissions and cope with climate change. All developing countries that are party to the convention are eligible to receive resources from the GCF. The fund will support projects, programmes, policies and other activities in developing country parties using thematic funding windows.

The GCF Board

The Fund is governed and supervised by 24 board members divided equally between developed and developing countries with full responsibility for funding decisions and that receives the guidance of the yearly Conference of Parties (COP).

The GCF Secretariat

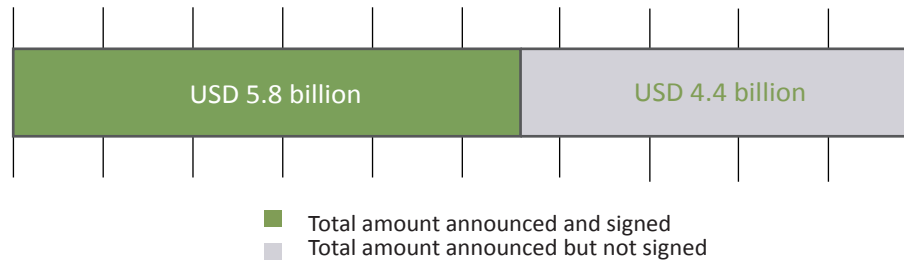
The Fund's operations are carried out by the Secretariat. On October 2013 the GCF Board approved the establishment of the Green Climate Fund Secretariat as a fully independent Secretariat. At its June 2013 meeting, the Board selected Ms. H la Cheikhrouhou as the Fund's inaugural Executive Director.

The GCF Headquarter

At its October 2012 meeting, the Board took a consensus decision to select Songdo, Incheon City, Republic of Korea as the host city of the Green Climate Fund.

Fund Pledge Update

A total of 37 governments have made a pledge to the Green Climate Fund (GCF) to date, including 8 representing developing countries. The objective is for all pledges to be converted into contribution agreements within one year from the time at which they are made.



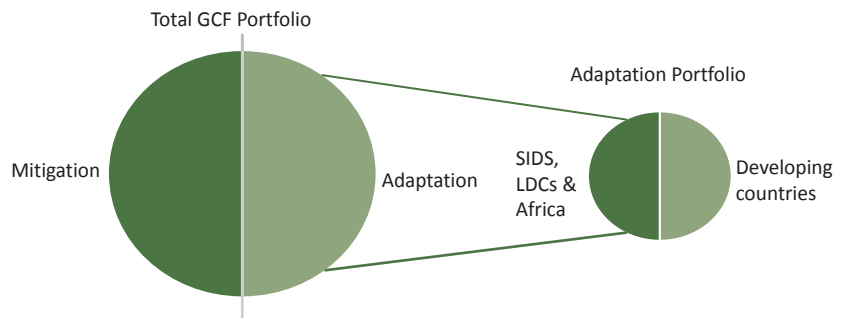
“Bangladesh is committed to take a low carbon development pathway and a number of initiatives to achieve this are already underway” Mr. Mohammad Mejbahuddin, Senior Secretary, ERD and NDA of Bangladesh



GCF Allocation Framework

The fund has allocated 50% of financing for mitigation and 50% for adaptation activities. Of the 50% allocated to adaptation, 50% is specifically earmarked for

the least developing countries (LDCs), Small Island Developing States (SIDS) and Africa.



Accessing the Fund

Organizations both national and international can access funds from the GCF once they are accredited or qualified for sufficient fiduciary capacity showing they can be trusted with donors’ funding. There are two ways to access the fund:

(a) Direct access track for subnational, national and regional applicant entities. These organizations are called National Implementing Entities (NIEs). The GCF's country driven approach especially encourages national

organizations to apply for direct access to its funds

(b) International access track for international entities, including United Nations agencies, Multi-lateral Development Banks (MDB), international financial institutions and regional institutions, also called Multi-lateral Implementing Entities (MIE). International organizations operating in Bangladesh such as UNDP, KfW, World Bank, ADB, AFD have been accredited as MIEs.

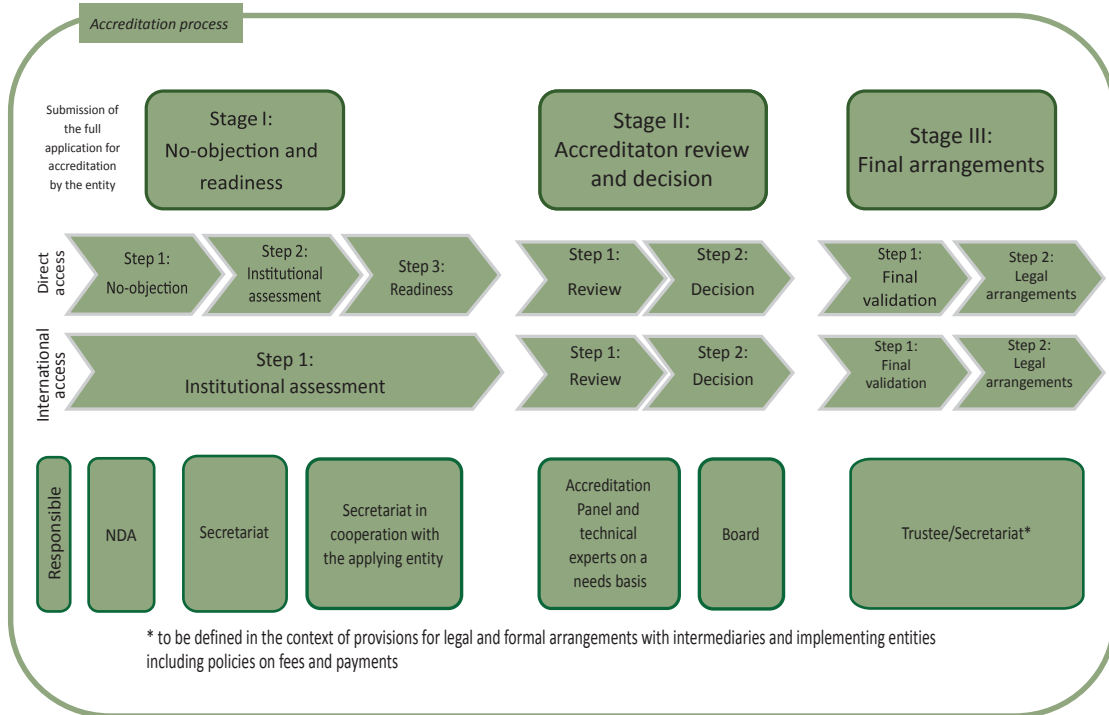
Overview of the accreditation process

The process of accreditation involves the following steps:

(a) Stage I: No-objection and readiness;

(b) Stage II: Accreditation review and decision; and

(c) Stage III: Final arrangements.



As of 16 October, 2015

Funding Proposal received: 37
29 from public sector, 8 from private sector, value: USD 1.5 billion

Funding proposals under consideration for GCF's 11th Board meeting: 8
6 from public sector, 2 private sector, value: USD 168 million

Source: GCF

Size of projects

	Total Project Costs
Micro	Up to and including US\$10 million
Small	Above US\$10 million and up to and including US\$50 million
Medium	Above US\$50 million and up to and including US\$250 million
Large	Above US\$250 million

National Designated Authority

To facilitate direct access to the Fund the GCF Board requires countries to appoint a National Designated Authority (NDA) or a focal point. For Bangladesh, the NDA is the the Senior Secretary of Economic Relations Division (ERD) of Ministry of Finance , and the NDA Secretariat is ERD. The NDA will nominate the National Implementing Entities (NIE) and will facilitate communication, of the

nominations, of the entities, to the Fund. The NDA will recommend funding proposals for projects and programmes to the GCF Board, which are developed in the context of national climate strategies and plans. Proposals need to be prepared through a broad based multi-stakeholder consultation process.

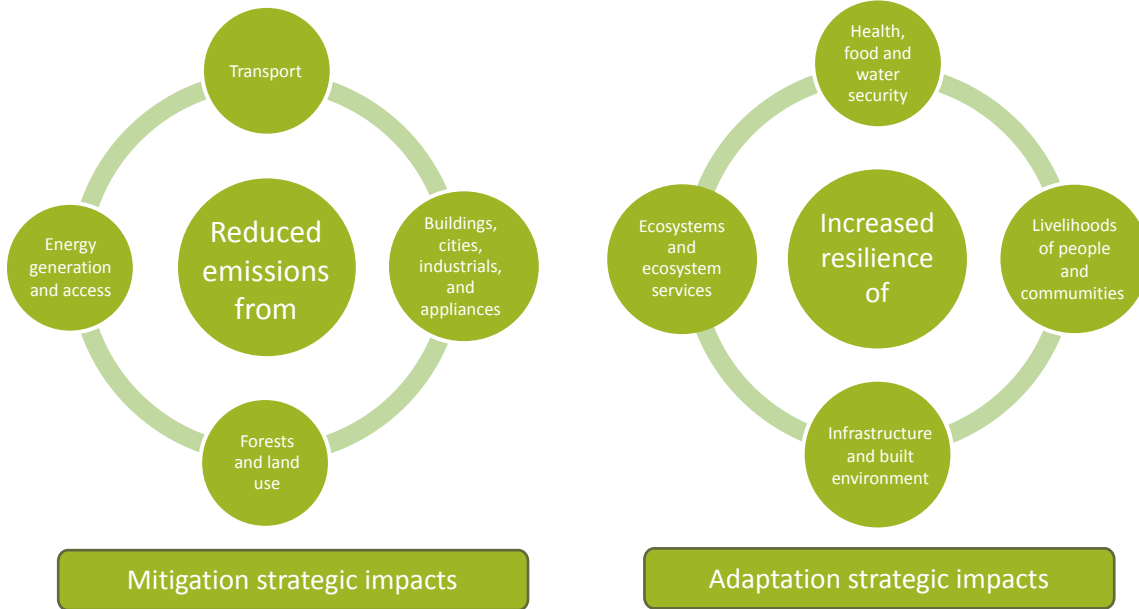


"... gaining direct access to the GCF is a priority of Bangladesh "
 Mr. Md. Ashadul Islam, Additional Secretary, ERD

GCF's Investment Criteria

Criteria	Description
Impact potential	Potential of the programme/project to contribute to the achievement of the Fund's objective and result areas, i.e. transformational change
Paradigm shift potential	Degree to which the proposed activity can catalyze impact beyond a one-off project or programme investment
Sustainable development potential	Wider benefits and priorities, including environmental, social and economic co-benefits as well as gender-sensitive development impact
Responsive to recipient needs	Vulnerability and financing needs of the beneficiary country and population in the targeted group
Promote country ownership	Beneficiary country ownership of and capacity to implement a funded project or programme (policies, climate strategies and institutions)
Efficiency and effectiveness	Economic and, if appropriate, financial soundness of the programme/project, and for mitigation specific programmes/projects, cost-effectiveness and co-financing

GCF Result Management Framework



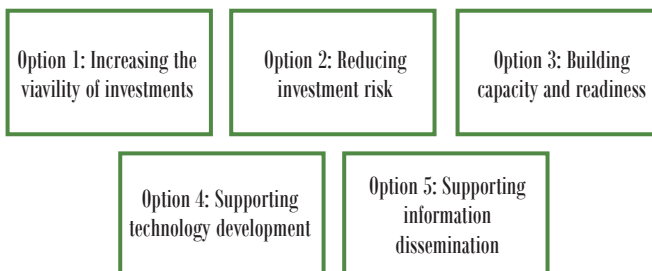
Private Sector Facility of the GCF

The Private Sector Facility (PSF) will enable the GCF to directly and indirectly finance private sector mitigation and adaptation activities at the national, regional and international levels. The Fund encourages competition for private and public sectors to submit proposals that contribute

to a paradigm shift and on mitigation and/or adaptation benefits. The PSF promotes the participation of private sector actors in developing countries, in particular local actors, including small and medium-sized enterprises (SMEs) and local financial intermediaries. The facility will also support

activities to enable private sector involvement in Small Island Developing States (SIDS), Least Developed Countries (LDCs) and African States. 20% of the Fund's resources are allocated for PSF.

The GCF Board will consider the following PSF specific objectives —



The Fund is considering the following options for its priority result area for the PSF

Mitigation	Option M1:	Reducing energy use from buildings and appliances
	Option M2:	Enabling reduction in the emission intensity of industrial production
	Option M3:	Increasing access to transportation with low-carbon fuels
	Option M4:	Providing households with access to low-carbon, modern energy
	Option M5:	Supporting the development, transfer and deployment at scale of low-carbon
	Option M6:	Reducing emissions from agriculture and related land use management
	Option M7:	Supporting implementation of the phased approach to REDD+
Cross sectoral	Option C1:	Facilitating design and planning of sustainable cities
	Option C2:	Joint mitigation and adaptation approaches for the integral and sustainable management of forests
Adaptation	Option A1:	Support across the full range of adaptation result areas
	Option A2:	Support for a selective set of sectoral result areas
	Option A3:	Support for selected themes cutting across result areas (“flagships”)
	Option A4:	Facilitating capacity for programmatic and transformative activities
	Option A5:	Facilitating scaling up of effective community-based adaptation (CBA) actions
	Option A6:	Supporting coordination of public goods such as “knowledge hubs”

The Fund will consider the following options for financial instruments and modalities for PSF financing

Mitigation

- Tariff support and guarantees for small scale renewables
- Viability-gap support for low carbon power sector infrastructure
- Country risk insurance for low carbon infrastructure in risky country business environments
- PSF guarantees on carbon prices

Adaptation

- Climate-related risk insurance
- Fund/PSF guarantees on carbon prices for agriculture, forestry and other land use projects that can be verified as increasing climate resilience
- PSF leverage of micro-credit markets
- Crowd-sourcing platforms
- Carbon as a PSF-funded output

NDA of Bangladesh for the GCF

History

The GCF Secretariat invited the Government of Bangladesh (GoB) in June 2014 to select and set up the NDA and NDA Secretariat so that Bangladesh can get ready to access the GCF resources. In response, the GoB selected the Senior Secretary of Economic Relations Division (ERD) of Ministry of Finance as the NDA and GCF Secretariat formally endorsed it on 24 November 2014.

The NDA Secretariat

Mr. Mohammad Mejbahuddin, Senior Secretary of ERD and NDA of Bangladesh to the GCF

Mr. Md. Ashadul Islam, Additional Secretary and Wing Chief, UN Wing, ERD

Ms. Shamima Nargis, Additional Secretary, UN-1, ERD

Mr. Mohammad Iftekhar Hossain, Deputy Secretary, UN-5, ERD

Achievements since establishment

Since November 2014 the following milestones have been achieved:

- ◆ **Establishing the NDA Secretariat:** The NDA has assigned two Additional Secretary and 1 dedicated Deputy Secretary to operate and manage the NDA Secretariat.
- ◆ **Selecting Implementing Entities for Nomination and Accreditation:**
 - * The NDA organized the first GCF workshop in Bangladesh in January 2015 to select potential entities from the government agencies for nomination as NIEs. This was supported by GCF Secretariat, UNDP and GIZ.
 - * A long list of 38 government Agencies was developed initially from the BCCSAP. Prior to the workshop in January, 14 Agencies were shortlisted by the NDA to go through a preliminary self-assessment using the GCF accreditation criteria supported by a consultant assigned by GIZ.
 - * 6 potential NIEs were finally selected after the workshop based on the preliminary self-assessment and stakeholder consultation during the workshop.
 - * The NDA provided nomination letters to these 6 agencies and asked them to register to get access to the online accreditation website.
 - * Usernames and passwords have been issued by the GCF Secretariat to Infrastructure Development Company Limited (IDCOL), Local Government Engineering Department (LGED), Department of Environment (DOE) and Bangladesh Bank; whilst Palli Karma-Sahayak Foundation (PKSF) & Bangladesh Climate Change Trust (BCCT) are still waiting for theirs. IDCOL has already submitted their application to GCF, while the others plan to submit by the end of 2015.
 - * Private sector for Nomination as NIE – possibly early 2016

For further information on GCF

- * The Green Climate Fund website :
<http://news.gcfund.org/>

FOR ANY INFORMATION ON THE NDA OF BANGLADESH

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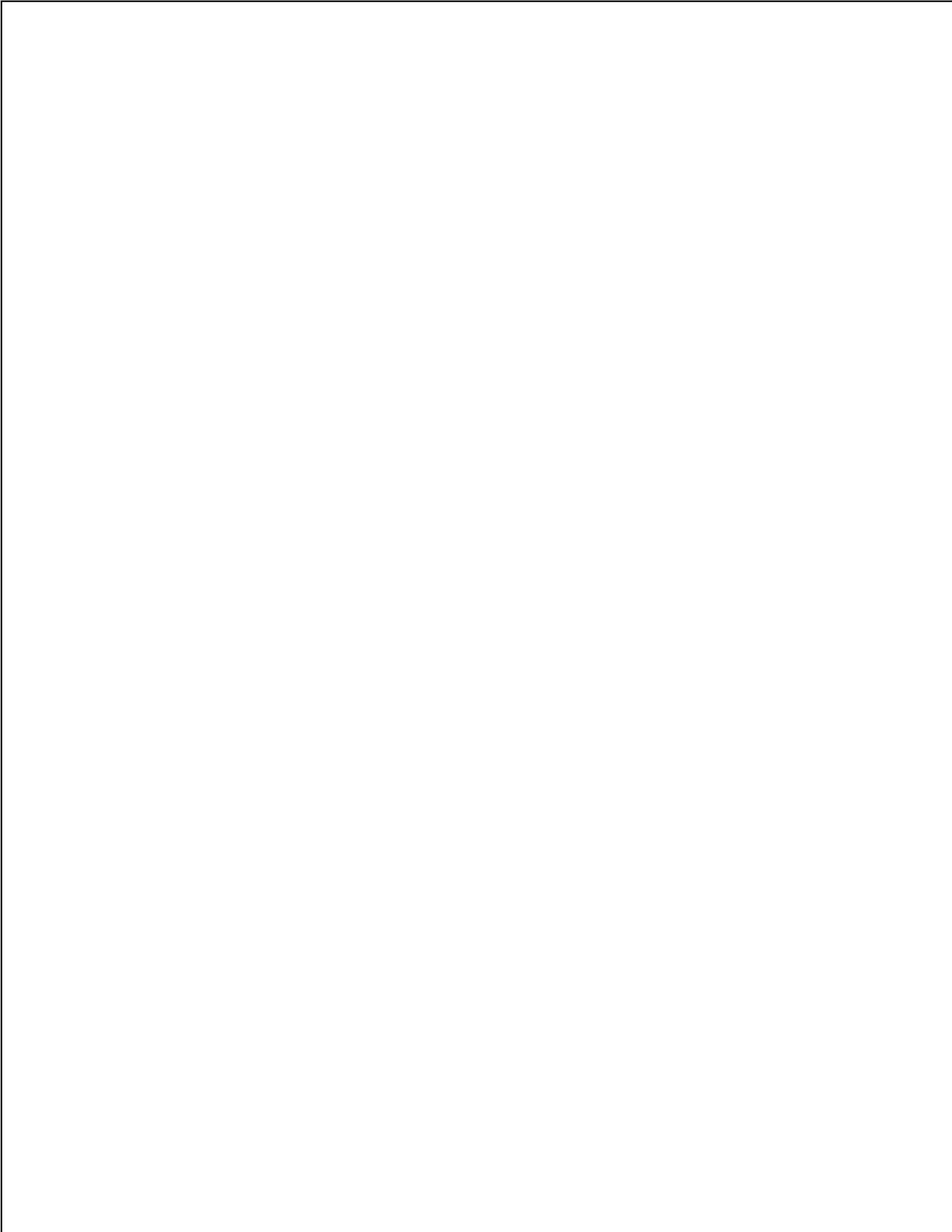
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