



NPC: Recommended Approach to Right-Sizing CIF Nature, People and Climate Program Funding Allocations

Comment Type	Commenter Name	Commenter Profile	Comment	Date
Comment 1	Eva Fisher	UK	<p>Thank you for the opportunity to provide our comments on the Right-Sizing Funding Allocation proposal for the first round of NPC funding.</p> <p>The UK has reviewed the provided documentation and reserves full approval pending satisfactory responses to the following questions and proposed amendment:</p> <ol style="list-style-type: none"> 1) Regarding the original floor allocations of \$16m for country-based projects and \$18m for regional, we agree that the regional floor needs to be proportionately higher given the difference in scale/reach. What was the rationale for the \$16m for country-base projects? 2) Proposed amendment: Further to the above question, we propose reducing the country-based project floor funding from \$16m to \$15m, with the regained \$9m being split accordingly: \$1m upfront allocations for both Zambia and Namibia to enable them to begin developing their Investment Plans whilst further funds are being secured (and so reducing time wasted if/as further funding is secured), with the remaining \$7m allocated to the regional project for a floor funding of \$25m (as this could mean a bigger impact in that region). 3) Further to the above, what other plans are in place to support the 4th and 5th EoIs of the second group, Zambia and Namibia, if, hypothetically, the required anticipated funding is not secured? What is the chronological cut-off point for securing this funding? 4) Regarding Fiji's original ranking of 18 (and therefore outside the final ten EoIs), we understand the broad rationale for including it in its final position within the top five projects, especially as the only South Pacific/Asia country included for funding in this round. What was the technical process for determining its new ranking in the top 5, and how will this process be replicated in future rounds of funding? 5) What are the criteria proposed to be used for measuring success for the projects? Are these predominantly focusing on avoided CO2 emissions, or will they also include criteria evaluating non-carbon benefits of interventions, for example? 6) We understand that within the wide range of EoIs received for the first round, there were some instances of under-development in project plans, and that the NPC's upcoming Learning and Evaluation platform will be looking to share knowledge and expertise to increase the quality of EoI project plans in future rounds of funding. What other plans are in place for this? <p>Best wishes, Eva</p>	6/6/2023 10:21:10 AM
Response 1	dlevymolner@worldbankgroup.org	CIF AU	<p>Dear UK representatives,</p> <p>Below please find responses to your questions:</p>	6/13/2023 4:29:02 PM

1. Regarding the original floor allocations of \$16m for country-based projects and \$18m for regional, we agree that the regional floor needs to be proportionately higher given the difference in scale/reach. What was the rationale for the \$16m for country-base projects?

The IEG co-chairs have shared that the rationale for the \$16m floor funding for country proposals was, in the view of the two independent experts, the minimum allocation base for each country to support the achievement of impact at scale. This minimum allocation base was, therefore, the starting point for the allocation methodology that the IEG co-chairs developed, which added additional increments of financing based upon a re-weighting of the original IEG scores to prioritize impact and leverage potential, as well as factoring population and scale.

2. Proposed amendment: Further to the above question, we propose reducing the country-based project floor funding from \$16m to \$15m, with the regained \$9m being split accordingly: \$1m upfront allocations for both Zambia and Namibia to enable them to begin developing their Investment Plans whilst further funds are being secured (and so reducing time wasted if/as further funding is secured), with the remaining \$7m allocated to the regional project for a floor funding of \$25m (as this could mean a bigger impact in that region).

As shown under the heading “NPC Budgets” in the Right-Sizing table on page 5 of the Guidance document, funds have already been set aside to support IP development through both IPPG and Country Engagement for all 10 countries of the EOIs, including Zambia and Namibia. Zambia has already held an initial scoping mission for IP development, with a joint mission planned in September. Namibia has recently selected the lead agency with whom they will work to drive the development of the IP, including setting upcoming dates for missions. As such, there would be no time wasted for these countries to develop projects for approval once additional funds are secured.

Recognizing the primacy that CIF places on scale, the re-allocation proposed from the minimum allocation for impact set by the independent experts might help support greater results under the Zambezi regional IP, but this would clearly come at the expense of the nine country IPs. Keeping in mind that CIF financing is intended to be catalytic in bringing in additional financing, the countries and MDBs engaged in the Zambezi regional program understand that they are charged

with pursuing additional co-financing to increase scale and impact of the CIF investment, which is at the core of the CIF business model. For example, discussions have already taken place with GCF regarding potential co-financing in the Zambezi Basin, which could contribute significantly to NPC intended results and outcomes.

3. Further to the above, what other plans are in place to support the 4th and 5th EoIs of the second group, Zambia and Namibia, if, hypothetically, the required anticipated funding is not secured? What is the chronological cut-off point for securing this funding?

Given that NPC funding is not yet secured for these countries, the identification of potential funding sources is now being prioritized by the CIF fundraising team. While nothing is assured, reasonable prospects exist for additional funding pledges to be garnered in the near term.

CIF policy doesn't indicate a 'cut off point' whereby countries that have developed IPs must receive funding. Given project cancellations, funds unused at project completion, reflows, and on-going fundraising efforts, pipelining of funds for projects in any country with an IP is ad hoc and ongoing, and can happen well after the initial allocations are made. Pipelining is done through consensus of MDBs and based on what country projects they prioritize for funding, which is then brought to the technical committee for approval.

4. Regarding Fiji's original ranking of 18 (and therefore outside the final ten EoIs), we understand the broad rationale for including it in its final position within the top five projects, especially as the only South Pacific/Asia country included for funding in this round. What was the technical process for determining its new ranking in the top 5, and how will this process be replicated in future rounds of funding?

The Independent Expert Group [report](#) provided both an absolute ranking of the 48 EoIs and a *ranked regional breakdown* of the 21 EoIs recommended for further consideration (page 6) for the consideration of the GCAP sub-committee that finalized selection of the EoIs into the NPC program. In this regional breakdown, Fiji was ranked as the top EOI in Asia-Pacific.

The decision of the GCAP sub-committee was based on technical information provided by the IEG. Ten countries were selected by GCAP into the NPC, with the 5 top tier countries to

receive funds for both IP development and implementation, and the next five for IP development only, with funds for implementation contingent upon additional funds secured.

The current IEG co-chair approach proposed in the Guidance is to allocate implementation funding for an additional 3 EOIs, bringing the total with both IP development and implementation funds to 8 EOIs. This responds to the additional funds contributed and pledged to the NPC since the October 2022 GCAP meeting – from \$200m in October 2022 to \$369m by the start of 2023. The remaining 2 country EOIs among the first 10 selected will move ahead with IP design, but their funding allocations for implementation will continue to be contingent on additional contributions received (the allocation amount for these two countries, however, has already been identified).

After all 10 EOIs have received funding allocations for implementation, should additional NPC contributions allow, it is up to GCAP to decide how best to move forward. They could decide either to select additional EOIs to receive IP development/implementation funding, or to provide additional funding to any of the initial group of 10 already selected into the program. The IEG recommended a total of 21 EOI for funding consideration, so there is a pool of 11 countries to choose from, if the GCAP determines that this is the direction it would like to go.

5. What are the criteria proposed to be used for measuring success for the projects? Are these predominantly focusing on avoided CO2 emissions, or will they also include criteria evaluating non-carbon benefits of interventions, for example?

Please see the approved [NPC Results Framework](#) that details the approach to monitoring and lists indicators. The [NPC Design Document](#) and associated documentation clearly layout that the program seeks both mitigation and adaptation benefits. And one of the fundamental premises behind and attractiveness of pursuing Nature-based Solutions is that they are capable of integrating multiple benefits, including mitigation and adaptation, livelihoods, biodiversity, etc.

6. We understand that within the wide range of Eois received for the first round, there were some instances of under-development in project plans, and that the NPC's upcoming Learning and Evaluation platform will be looking to share knowledge and expertise to increase the quality of Eoi project plans in future rounds of funding. What other plans are in place for this?

In the NPC IEG report, the recommendation section states that “it became evident to the IEG that many countries had difficulty in articulating their EoIs with an adequate understanding of this concept [i.e. Nature-based Solutions (NbS)].” In response to this, the CIF NPC and E&L teams are working to develop a NPC Learning Platform that build understanding of NbS among all the countries that showed interest in the NPC program. Specific activities will be determined based on consultations with the platform members but could include webinars, peer-to-peer exchanges, desk-based case studies, analytical tools, and case studies.

In addition, the CIF has already initiated a [Nature Series of webinars](#) as a direct response to learning demand from partner countries, and features presentations by global leaders on various aspects of NbS, including from IUCN and the Adaptation Fund thus far.

CIF is also working to draw lessons and experiences from existing land-based programs: the Forest Investment Program (FIP) and the Pilot Program for Climate Resilience (PPCR). To this end, a regional event was held earlier this year in Abidjan, Côte d’Ivoire aimed at promoting knowledge sharing and brokering lessons learned from 15 years of CIF experience in African countries. The event was undertaken in collaboration with the Government of Côte d’Ivoire and the AfDB and provided more than 200 country representatives from across Africa with the opportunity to connect, showcase innovations and outcomes, and discuss the challenges faced and lessons learned in implementing sustainable forestry, climate resilience, and nature-based solutions through FIP and PPCR projects. All of the African countries selected into the NPC were invited to the event and a focus was placed on identifying lessons that could be useful for CIF countries that will be designing and implementing projects/programs under NPC. Similar events are being planned for the Asia and LAC regions in the coming fiscal year.

Finally, the FIP and DGM are currently undergoing a mid-term evaluation, which will surely generate lessons and generate knowledge on NbS that will be built into the new programs.

Response 2

Eva.Fisher@beis.gov.uk

United Kingdom

Firstly, the UK would like to send our thanks to both the IEG and the CIF team for their thorough and detailed approach to the original proposal, and also to our subsequent comments/proposed amendment.

Given the responses to points 1-3 on the \$16m floor allocation rationale and the existing separate funding allocation for IPPG, and that both Zambia and Namibia have already been able to start accessing this funding to start their IP development (and are already in the process of starting this process), we are happy to accept this allocation and are content not to pursue our proposed amendment any further. We’re also supportive of the focus on securing wider co-financing for the regional Zambezi Basin project to boost its funding and impact.

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In light of the responses to our other questions on Fiji's ranking and ensuring broad regional reach across, and on success criteria, we are content that these responses indicate effective models on both counts. We also appreciate the detailed overview of the broad range of knowledge-sharing opportunities being considered and pursued for both selected and non-selected projects, and think that these efforts should be widely endorsed to support the programme's success, both in terms of its projects but also more broadly in terms of broad uptake of NBSs to address nature-communities needs.

We are therefore now content to approve this proposal in its current form.

Comment 2	Africa G. Zanella	CSGE	<p>Dear Denis et al, /> /> I was about to make some point regarding the issue of timing so best me to it . Onwards to comment from my perspective of Gender and biodiversity /> /> 1. Measures for eligibility criteria ie item 7 needs to be more specific on the social target ie indigenous and gender desegregation across the whole programme /> /> 2. The eligibility needs also alignment and reporting on the relevant SDG goals eg 5 , 8 13 etc in order to ensure that funding is supporting overall sustainability of economics social and environmental goals of the project and based on realistic performance at macro level . Additionally a gender watch for all "people" (indigenous , rural ,networks ,needs to be reported to ensure funding "hits the ground for communities" and important intelligence on mitigation and adaptation is collected on the basis of most vulnerable as well as capable groups of man and women micro managing risks and impacts of program funding at economic levels (green economy and innovative practices for technology and capacity building .) . CIF role is enhanced by UN based goals and policies (human rights as below comment by my colleague) and the necessary biodiversity this program represent under sustainability are cross cutting with other thematic human rights issues for Women and climate. /> /> 3. Transparency and accountability issues for those going forward on the middle size countries in development must be made ie Brasil India and ir BRICS countries are to be watched as the development aims could falter by not been able to provide for those countries or regions with less economic power and yet more needy on Nature based solutions on climate based disaster to .eg Island Nations (good to see Fiji already there). /> /> 4 .communicate the success of similar cif programs /> /> NPC is a most very relevant program for people and knowledge collection , and the FIP as a precursor needs to be examined for lessons learned in Grant mechanisms, resilience impacts, programm demand, driven success and data conveyed to World Bank teams monitoring and managing at country level. /> /> I Hope these suggestions help . /> Thank you Mafalda for the opportunity to comment and your support during my term with CIF . I take this opportunity to wish you well on the new appointment . Look forward to meeting you all in Brasilia soon.</p>	6/6/2023 10:21:10 AM
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			/> /> Kind Regards /> Africa (Maria de)	
Response 1	dlevymolner@worldbankgroup.org	CIF AU	<p>Last June, CIF launched the NPC at the Stockholm+50 UN Meeting. A call for expressions of interest went out and CIF received expressions of interest from 48 countries and regions, which were reviewed and ranked by an independent expert group, as per the approved Country Selection Process for the Climate Investment Funds' New Strategic Programs and with a view towards alignment with the approved NPC Design Document. The expert group presented their recommendations in a report to the CIF's Global Climate Action Programs (GCAP) Sub-Committee in October, 2022. This report informed the Sub-Committee's decision to invite 10 of the EOI applicants into the program.</p> <p>The Right-sizing document now being considered for approval came about based on the request of the GCAP Sub-committee at the February TFC meetings. At this time, the GCAP asked for CIFAU, the co-chairs of the Independent Expert Group that reviewed NPC expressions of Interest and MDBs <i>"to prepare more detailed guidance on suitable funding allocations for all ten Expressions of Interest selected at its last meeting."</i> As such, this document isn't intended layout eligibility criteria for selection into the NPC program, but only to offer up a methodology and approach for GCAP to consider on NPC resource allocation for Country/Regional programs and the NPC Dedicated Grant Mechanism.</p> <p>Once this allocation guidance is approved, the CIF NPC team will begin moving a process forward to prepare implementation guidance for partner MDBs and countries to utilize in the preparation of projects. It is here that I believe your suggestions below will be most relevant and we will certainly draw from them as we consider the content of this document.</p>	6/14/2023 4:21:03 PM
Comment 3	Dennis Mairena Arauz	CADPI	<p>I would like the document to make specific reference to the framework of action established by the UN Declaration on the Rights of Indigenous Peoples.</p> /> /> Additionally, I think it is necessary: /> /> Investing in local capabilities to leave an institutional legacy: Improving the capabilities of local institutions to ensure they can understand climate risks and uncertainties, generate solutions, and facilitate and manage adaptation initiatives over the long term without being dependent on project based donor funding. /> /> Also: /> Ensuring transparency and accountability: Making processes of financing, designing, and delivering programs more transparent and accountable downward to local stakeholders. /> />	6/6/2023 10:21:10 AM

			Best regards, /> /> Dennis Mairena /> IPO Observer	
Response 1	dlevymolner@worldbankgroup.org	CIF AU	<p>The Right-sizing document being considered for approval came about based on the request of the GCAP Sub-committee at the February TFC meetings. At this time, the GCAP asked for CIFAU, the co-chairs of the Independent Expert Group that reviewed NPC expressions of Interest and MDBs <i>“to prepare more detailed guidance on suitable funding allocations for all ten Expressions of Interest selected at its last meeting.”</i> As such, this document isn’t a guideline to support the implementation of programs and projects, but is only intended to offer up a methodology and approach for GCAP to consider on NPC resource allocation for Country/Regional programs and the NPC Dedicated Grant Mechanism.</p> <p>Once this guidance is approved, the CIF NPC team will begin moving a process forward to prepare implementation guidance for partner MDBs and countries to utilize in the preparation of projects. It is here that I believe your suggestions below will be most relevant and we will certainly draw from them as we consider the content of this document.</p>	6/14/2023 4:20:25 PM