International Public Climate Finance for Biodiversity

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International Public Climate Financing for Biodiversity is the use of international flows of public climate change earmarked overseas financing – mostly in the form of overseas development assistance (ODA) for biodiversity conservation. International public climate finance is available primarily through existing vertical funds such as the Global Environment Facility (GEF), Green Climate Fund (GCF), Adaptation Fund (AF), Least Developed Country Fund (LDCF) as well as bilateral cooperation and multilateral development banks. Some bilateral programs include Germany's KfW REDD+ Early Movers and International Climate Initiative (IKI), UK's International Climate Finance, and Norway's bilateral agreements on REDD+.

These sources of Climate Financing for Biodiversity include a range of finance instruments. For example, ODA can be obtained in the form of grants, reimbursable grants, concessional loans, direct loans, and a range of other financial instruments such as equity and different types of guarantees. The types of financial instruments and the amount available vary by fund and donor. Reimbursable financial instruments such as bonds may require sovereign guarantees. While the type of financial instrument determines the need to pay back the funding obtained and the interest rate on any loans, it does not significantly influence the use of these proceeds which are usually earmarked for climate mitigation, adaptation or a combination of both.

In this chapter we will discuss how to access international public climate finance for biodiversity, what conservation activities can be financed by this form of climate finance and steps to implement this as a finance solution.

1. Understanding International Public Climate Finance for Biodiversity

1.1 Overview

Biodiversity is among the most negatively impacted domains as a result of global climate change. Nature provides important regulatory services to mitigate climate change including sequestering enormous stocks of carbon and other services that help reduce climate change impacts. But degradation of ecosystems can in turn allow for natural environments to become sources of emissions. Therefore, preventing ecosystem degradation via improved environmental management and conservation can be an essential tool for both mitigation and climate adaptation. Mitigation relates to actions which would reduce the expected changes in the climate, and is aimed at reducing greenhouse gas (GHG) emissions or enhancing carbon stocks. Adaptation refers to actions taken to minimize the impact of impending climate change effects by increasing resilience to these changes. Both mitigation and adaptation are relevant for biodiversity funding opportunities, and a single project has the potential to have both mitigation and adaptation benefits. For example, mangroves

sequester carbon as a mitigation service and can abate damage from hurricanes as a form of climate change adaptation.

Biodiversity conservation can be harnessed to mitigate climate change by minimizing GHG emissions through avoided deforestation and other losses of carbon stocks and sinks. Nature can also act to offset emissions through increasing carbon stocks and sinks by activities such as restoration of degraded habitats or climate smart agriculture. Climate change mitigation can thus benefit biodiversity in three key ways: 1) through the conservation of critical habitat (e.g. tropical forests that would otherwise be cut down due to agricultural expansion), 2) through the recovery of valuable ecosystems (such as the implementation of fauna corridors in fragmented landscapes), and 3) through more sustainable agriculture, forestry and animal husbandry practices (e.g. agroforestry, no-till agriculture, diversified livelihoods, etc).

Climate change adaptation, on the other hand, focuses on designing and implementing interventions to increase resilience to climate change impacts, and therefore requires understanding local level effects of climate change. Conservation of natural ecosystems is relevant to adaptation as human populations frequently rely on natural environments for important ecosystem services that build resilience against climate change, as well as for increasing the resilience of the natural environments themselves on which communities depend. For example, research demonstrates how many populations depend on forests for long-term food and water security in the face of climate change (Locatelli et al 2010), and that coastal ecosystems like wetlands and mangrove forests are important barriers from damaging hurricanes that are expected to increase in magnitude and frequency as a result of climate change. Such environments can therefore act as a natural insurance mechanism against external climate related shocks (Pattanayak and Sills 2001).

All sources of climate finance differentiate between mitigation and adaptation funding. Some provide finance for both types of activities (e.g. GCF, GEF) while others focus on only one of them (e.g. Forest Carbon Partnership Facility for mitigation and Adaptation Fund for adaptation). Usually mitigation and adaptation finance criteria are very different and criteria vary significantly depending on the funding source being considered. In the sections below we will discuss specific funding opportunities and address this point further.

It is important to note that both mitigation and adaptation finance for biodiversity offer strong opportunities to collaborate with the private sector. For example, involving private landowners can allow implementation of low carbon technologies in agriculture, and conservation and enhancement of existing forest stocks.

1.2 Funding sources

In this section we will present and discuss the main sources of international public climate finance, starting with the vertical funds and then discussing bilateral opportunities.

1.2.1 Vertical Funds

As mentioned earlier, there are several international funds in this category. These include the Green Climate Fund (GCF), the Global Environment Facility (GEF), Adaptation Fund and the Forest Carbon Partnership Facility.

1.2.1.1 Green Climate Fund (GCF)

The GCF was established in 2010 at the UNFCCC COP in Cancun as an operating entity of the Financial Mechanism of the UNFCCC. The GCF offers funding for mitigation and adaptation to climate change for non-annex I countries in the form of grants, reimbursable grants, concessional loans, guarantees and equity. One important point is that the GCF does not have country-specific allocations, meaning that proposals are assessed individually for their quality and there are no limits for submissions per country. Funds are accessed through accredited entities which are classified as international, regional or direct access entities. Projects are classified as public or private depending on how the funding is accessed (through a private bank accredited to the GCF for example or through an accredited NGO aiming to support national governments). Projects are divided by size into micro projects (less than USD 10 million), small projects (USD 10 to 50 million), medium projects (USD 50 to 250 million) and large projects (over USD 250 million). These amounts refer to GCF requested funds together with co-financing amounts. While there is no guideline in terms of expected amount of co-financing, the GCF understand co-financing should be new and additional funding that fully complements the project activities being proposed with GCF funds. This means that the GCF sees co-financing as an integral part of the project which is reflected in its incorporation into the project results framework, budget and other documents.

Initial mobilization of funds for the GCF harnessed USD 10.3 billion and these funds have been mostly committed at present. The GCF is currently undergoing its replenishment cycle and it aims to mobilize funds of USD 100 billion per year by 2020.

Proposals to be submitted to the GCF should present the expected results in line with the **Green Climate Fund investment criteria** listed below (abbreviated summaries, full descriptions can be found here).

Impact potential. Direct and indirect beneficiaries as well as all expected project impacts on each target group should be described. Impacts should be aligned with the description of "result areas" for the project, selected from the main mitigation and adaptation result areas that the GCF supports. For example, an adaptation proposal that supports the result area of "increasing the resilience of Ecosystem and ecosystem services" needs to translate this benefit into measurable impacts when describing the impact potential.

Paradigm shift. This investment criterion seeks to identify how the project will have impacts beyond a one-off intervention. The proposal should show how the project will allow the country / project sites to move from one development pathway to another by promoting behavioral or institutional change through the project's interventions. It is expected that the following will be addressed to show the paradigm shift:

- *Potential for scaling up and replication*;
- *Promotion of innovation* (new markets, new business models or new technologies);
- *Potential for knowledge and learning* and
- *Contribution to creation of an enabling environment, regulatory framework and policies* – such as a set of interrelated conditions including legal, organizational, fiscal, informational, political, and cultural elements that impact on the capacity of development actors and are focused on removal of impediments and barriers for proposed project components.

Sustainable development. Shows that the project's interventions will generate environmental, social, gender and economic benefits.

Needs of recipients. Specifies the project beneficiaries' needs and demonstrates how the project will address them with the aid of GCF funding.

Country ownership. Shows how the proposal is aligned with nationally determined contributions, National Adaptation Plans, Nationally Appropriate Mitigation Actions, Technology Needs Assessments, climate change strategies or sectoral plans as appropriate. Also demonstrates that the project is country driven and local institutions have been involved in its development.

Efficiency and effectiveness. Demonstrates high return on climate impacts on investment required and justifies level of concessionality of finance sought. May also include financial returns if the proposed project generates income.

The GCF also considers two essential principles: **additionality** and **least concessionality.** Additionality refers to the mandate of the GCF to finance only the additional costs of climate change, and not the full cost of interventions. This means that co-financing should cover activities not directly related to climate change such as dealing with non-climate drivers of land degradation or correcting past maladaptation. Concessionality refers to the GCF aim to finance projects at the least concessionality (discounted cost of capital) needed to make a project feasible economically. This means that grant justifications need to be thorough and include an economic analysis which clearly states costs and benefits of the project and why grant financing is necessary to enable the project.

The additionality and concessionality principles ensure that GCF funding is used to address specific climate change related barriers, and that it does not displace investments that would otherwise have occurred and instead leverages other public and private financing, thus promoting long-term financial sustainability. The GCF is more strict than other vertical funds on limiting their financing to only climate change-related activities.

1.2.1.2 Global Environment Facility (GEF)

The GEF serves as the financial arm for five conventions: the Convention on Biological Diversity – CBD; United Nations Framework Convention on Climate Change – UNFCCC; Stockholm Convention on Persistent Organic Pollutants – POPs; UN Convention to Combat Desertification – UNCCD; and Minamata Convention on Mercury. The GEF has a mandate in helping to address the most pressing environmental problems and offers funding to developing countries and countries with economies in transition that ratified the conventions GEF serves and that conform with the eligibility criteria established by the Conference of the Parties of each convention. Countries that can receive World Bank (IBRD and/or IDA) financing or are eligible recipients of UNDP technical assistance through its target for resource assignments (specifically TRAC-1 and/or TRAC-2) are also eligible to receive GEF funds. The GEF's financial resources are replenished every four years by GEF donor countries and the Global Environment Facility (GEF) Trust Fund, created on the eve of the 1992 Rio Earth Summit. Currently the GEF is in its 7th replenishment cycle (GEF -7) in which USD 4.1 billion has been pledged by close to 30 countries. The System for Transparent Allocation of Resources (STAR) determines the amount of GEF resources that a given country can access in a replenishment period per result area (numbers for each country available for GEF 7 are available here). The GEF has operational focal points in the eligible countries which support programming. Recipient governments decide on the executing agency from those available which include civil society organizations as well as multilateral development banks and agencies.

GEF-7 has 5 focal areas among which are Biodiversity, Climate Change Mitigation, and Land Degradation. In this context, countries can submit proposals focused on Food systems, Land Use and Restoration; Sustainable Cities; and Sustainable Forest Management which are GEF 7's "Impact Programs" that aim to achieve specific objectives. Funding possibilities are divided into four modalities which are full-sized projects (more than USD 2 million), medium-sized projects (USD 1-2 million), enabling activities (up to USD 1 million) and programmatic approaches (group of interlinked full or medium sized projects). Amounts defining project size refer to GEF funding only and not co-financing. The GEF's Policy on co-financing sets out an ambition for the overall GEF portfolio to reach a ratio of co-financing to GEF Project Financing of at least 7:1, and for the portfolio of projects and ratio of investment mobilized to GEF financing of at least 5:1. Co-financing is funding additional to GEF Project Financing, supporting the implementation and the achievement of the project/ program objectives. Co-financing excludes recurrent expenditures.

The GEF provides funding for projects in grants and non-grant financial instruments. These financial instruments are to be used for strengthening partnerships with the private and public sectors in recipient country governments; leveraging capital for targeted investments that support the Fund's objectives; enabling the demonstration and validation of the application of innovative and flexible financial instruments in projects for broader adoption and; enhancing the financial sustainability of the GEF through the generation of return financial flows.

While presenting proposals to the GEF, partner agencies should pay attention to its incremental costs principles. For applying these principles, proposals must provide a business-as-usual scenario which considers what would happen without GEF's support. The

next step implies defining what global environmental benefits (GEB) the proposal is addressing. Each focal area of the GEF has a predetermined list of types of GEBs. The incremental reasoning is based on the GEBs established for the proposal and the added value by involving the GEF. This should be reflected in a Results Framework that describes both the GEF increment- achieving GEBs- and the underlying interventions related to the "business-as-usual"- achieving local and national benefits. Business-as-usual refers to activities that would need to be implemented anyway, without climate change (or other GEB) effects.

1.2.1.3. Adaptation Fund (AF)

The Adaptation Fund was created in 2010 and assists developing countries (Parties to the Kyoto Protocol and particularly vulnerable countries)[1], in meeting the costs of adaptation to the adverse effects of climate change. It provides grants for projects or programmes that are in accordance with priorities laid out in Nationally Determined Contributions or other national strategies/plans and other concrete adaptation projects and programmes that are country driven and based on the needs and priorities of the eligible Parties. Project modalities include small-sized project/programme (up to USD 1 million) and medium-sized project/programme (more than USD 1 million). Funding for projects and programmes cover the full adaptation cost to address the adverse effects of climate change and can be directly accessed by accredited National, Regional or Multilateral Implementing Entities. The total project/programme cost refers to the sum of all project/programme components requesting AF Board approval and the amount of financing requested includes the total project cost plus the project cycle management fee (see project proposal guidelines). The Adaptation Fund is resourced through developed countries and private donations and the sale of Certified Emission Reductions (from mitigation projects). The allocation of resources among eligible Parties considers the following: the country's level of vulnerability and urgency; balanced and equitable access to the fund; maximizing multi-sectoral or cross-sectoral benefits and; capture of lessons learned (Annex 1).

1.2.1.4. Least Developed Country Fund (LDCF):

The LDCF was established in 2001 under the UNFCCC and has as priority supporting the preparation and implementation of the National Adaptation Programs of Action (NAPAs) of Least Developed Countries (LDCs). The NAPAs are country-driven strategies for identifying urgent needs of LDCs to adapt to the adverse impacts of climate change. For the preparation and update of NAPAs, LDCF support is given through direct access where funds are directly transferred to the recipient country (see Policy and Procedures). The LDCF is replenished on a voluntary basis by Annex II countries and UNFCCC Annex I countries that wish to contribute. The Fund is accessed by the LDCs according to a principle of equitable access that assures that a certain portion of all funding available is reserved for each country. The GEF is the managing body of the LDCF and its procedures and operational policies are the ones applied. Project modalities are divided in medium-sized projects (up to USD 2 million), full-sized projects (more than USD 2 million) and programs (arrangement of

1 Low-lying and other small island countries, countries with low-lying coastal, arid and semi-arid areas or areas liable to floods, drought and desertification, and developing countries with fragile mountainous ecosystems.

2 In terms of co-finance, the GEF has clear guidelines indicating an expectation of co-finance of 4:1.

interlinked projects) and funds are accessed through one of the 18 GEF Agencies. The fund accepts that adaptation and development are closely linked and therefore applies the concept of additional costs, which means costs of adaptation are added to the costs of business-as-usual development. In this context, co-financing is seen as what would be considered as business-as-usual development costs. The idea is that the LDCF supports adaptation in a broader development intervention, mobilizing additional resources and achieving greater impact.

1.2.1.5 Climate Investment Funds (CIF):

The Climate Investment Funds was established in 2008 with donations from 14 countries and finances mitigation and adaptation actions in developing and middle-income countries through grants, concessional loans, and risk mitigation instruments. The CIF works with Multilateral Development Banks as implementing agencies that use funds according to their own policies and guidelines. The CIF is organized in 4 different programmes among which are the Pilot Program for Climate Resilience (PPCR) and the Forest Investment Program (FIP). The PPCR supports governments to integrate climate resilience into development planning and finances pilot innovative public and private sector solutions. One of its priorities are Small Island Developing States. The FIP provides investment for addressing drivers of deforestation and forest degradation. Within the FIP, the Dedicated Grant Mechanism (DGM) supports indigenous peoples to engage and participate in REDD+ dialogue and actions. The CIF has no specific guidance referring to project sizes and co-financing.

Table 1: Commonalities and differences between climate change vertical funds

	GCF	GEF	AF	LDCF	CIF
Opportunity to finance biodiversity actions	x	x	x	x	x
Country driven prioritization	x	x		x	
Finances adaptation activities	x		x	x	x
Finances mitigation activities	x	x			x
Accessed through a selection of pre-evaluated organizations. These entities receive the funds from the fund and disburse them to the executing entity according to the progress of the project and achievement of milestones. They are responsible for reporting back to the Funds on how the project is advancing.	x	x	x	x	x
Provides financing through both public and private windows	x	x			x
Project sizes are defined in different	x	x	x	x	

modalities					
Requests co-financing	x	x		x	x
Related to specific Conventions	x	x	x	x	

Multilateral Fund Summary
GCF: no country specific allocation; funds disbursed to projects in each of 8 result areas; projects seen as investment and therefore require significant justification and detailed preparation; feasibility assessments and economic and financial analyses; offers financing through its public and private windows with a suite of financial instruments available: grants, reimbursable grants, concessional loans, equity, guarantees, among others.

GEF: already in its 7th replenishment; has country STAR allocations; also has a public and a private window; up to its 6th replenishment it offered grants through its public window and concessional loans through its private window.

AF: focus on adaptation measures in developing countries; offers grants through direct access to accredited National, Regional or Multilateral Implementing Entities; takes into account a country's level of vulnerability and urgency.

LDCF: focus on adaptation; offers grants to Least Developed Countries of the UNFCCC applying a balanced access principle in which all LDC access funding for preparing their NAPAs which is the fund's priority.

CIF: invests in adaptation and mitigation through grants, concessional loans, and risk mitigation instruments through its public and private windows; beneficiaries are developing and middle-income countries; it is the only vertical fund that works exclusively with Multilateral Development Banks as implementing agencies; has specific grants for indigenous people under the Forest Investment Programme.

For more information on vertical funds see the Appendix 1.

The figure below shows how financial resources flow from the Funds to the accredited entity/ implementing partner and then on to the executing entity, while reporting lines flow in the opposite direction. National government focal points oversee the entire process having a variable role in influencing funding and execution decisions according to project and funding source.

Spending practices follow each institution's procurement policies and guidelines as included in the approved project document. This means that the funds can be used to purchase goods, services, infrastructure, human resources or, sometimes, can be used in other financial instruments for biodiversity conservation such as payments for ecosystem services. The use of proceeds is limited by the accreditation level obtained with the GCF (e.g. on-granting, on-lending or project management).

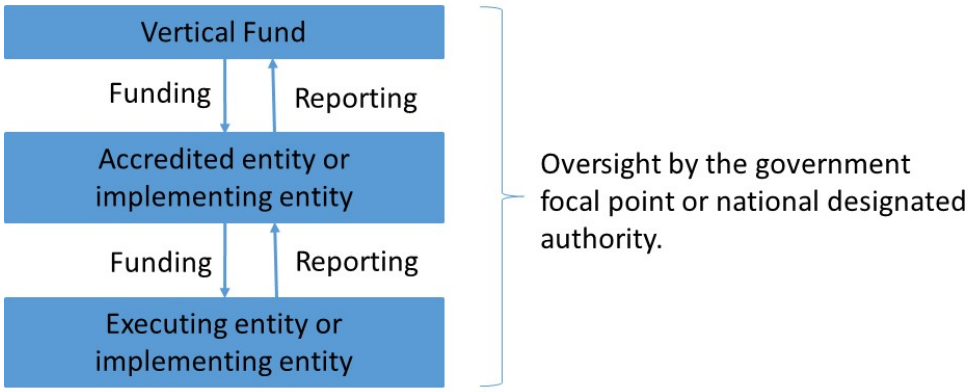

Figure a: Simplified infographic of financial mechanism of vertical funds.

1.2.2 Bilateral Cooperation

Although a wide range of bilateral funding sources provide climate related finance that can be used for biodiversity conservation co-benefits – both in terms of mitigation and adaptation, there are several large programs that are highlighted below. These include:

- REDD Early Movers
- Norway's International Climate and Forests Initiative (NICFI)
- International Climate Finance (ICF)

REDD Early Movers (REM) Programme

REDD Early Movers Programme is an international financing programme launched at the Rio+20 Conference in 2012 by the German Federal Ministry for Economic Cooperation and Development (BMZ). REM is being implemented by the German Development Bank (KfW) in partnership with the German Development Agency (GIZ). REM supports REDD+ initiatives in line with the UNFCCC in countries and regions that have already implemented forest-related mitigation actions which are directly related to biodiversity conservation. Through agreements with partner countries or sub-national governments, it offers results-based financing and incentives for reducing deforestation and promoting sustainable development. Through GIZ, REM also provides support for countries to meet the technical requirements for establishing and monitoring pilot payment schemes for successful emission reductions and to implement the political and institutional framework needed for improved protection of forests. Although the programme does not have specific allocations per country, ceiling amounts for project modalities or co-finance, it requires that at least half of the funding goes directly to the local level - to small farmers, indigenous and forest dependent communities and women. Other partners also act in complementary phases of REM`s intervention for readiness (UN-REDD; the Forest Carbon Partnership Facility-FCPF readiness Fund; and other bilateral donors such as the governments of Norway and United Kingdom) and the payment phase (New Funds and/or market based solutions according UNFCCC decisions). So far, the programme's recipients have been states in Brazil, Colombia and Ecuador.

Norway's International Climate and Forests Initiative (NICFI): NICFI, created in 2008, is an initiative of the Norwegian Ministry of Climate and Environment (KLD) that invests in tropical forest protection to reduce greenhouse gas emissions from deforestation, supporting forest dependent communities and biodiversity conservation. NICFI uses bilateral agreements with large forest countries, multinational organizations and banks, and civil society to support REDD+ under the UNFCCC. No specific funding allocation is given by country. So far NICFI has supported efforts to reduce deforestation in more than 70 countries. Currently, funding is given to Brazil, Colombia, Indonesia, Guyana, Liberia, Peru, Tanzania, Mexico, Vietnam, the Congo Basin, as well as to civil society and multilateral channels (such as the FIP, UN-REDD and FCFP) . Norway`s commitment towards forest protection is up to 3 billion NOK a year. NICFI also has bilateral results-based payments for REDD+ which have been signed with several countries including Brazil, Guyana and Indonesia.

International Climate Finance (ICF): The ICF programme helps to achieve the UK aid strategy that is focused on global peace, governance and security; global prosperity; reducing poverty; strengthening resilience and responding to crises. Three departments of the UK Government (DFID, BEIS and Defra) are responsible for the investment of £5.8 billion to ICF from 2016 to 2020. The ICF invests in both mitigation and adaptation. It supports countries to adapt to climate change, provides funding to create new supply chains to reduce emissions and improve productivity for protecting and restoring forests that support important biodiversity and fragile ecosystems. In addition, ICF has committed up to USD 5 billion with the governments of Germany and Norway to help countries on REDD+ initiatives. There is no country specific allocation, specific modalities for project sizes or co-finance requirements. Funding is transferred to countries through MDBs and there is currently no direct route through which an organization outside of the UK Government can independently develop a project to be considered for ICF funding.

Table 2. Commonalities and differences between specific climate change bilateral cooperation sources:

	REM	NICFI	ICF
Opportunity to finance biodiversity actions	x	X	x
Finances mitigation activities	x	X	x
Finances adaptation activities			x
No co-financing requirements	x	X	x
Provides funding to countries through MDBs			x
Provides funding directly to civil society organizations	x	X	

Bi-lateral Funds Summary

REM: finances mitigation; focused on REDD+ in countries that already have initiatives to conserve forests; offers incentive payments, performance-based payments and technical assistance to partner countries or sub-national governments; part of the funding must go directly to small farmers, indigenous and forest dependent communities and women.

NICFI: finances mitigation activities in forest countries; focused on REDD+ initiatives; provides grants and results-based-payments to country governments, through multinational organizations and banks and the civil society.

ICF: Invests in both mitigation and adaptation activities through grants; wider lens on development related issues; supports developing countries; also invests in agriculture and supply chain projects.

For summarized information on bilateral cooperation mechanisms see Appendix 1. The following sections will focus on how vertical funds operate and how to access them.

1.3 Stakeholders

Stakeholders involved in preparing and executing international public climate finance are presented below:

1.3.1 Key stakeholder types

Key stakeholders involved in preparation and execution of vertical fund projects can usually be divided into National Designated Authority (NDA in the case of GCF) or focal point (in the case of GEF), project proponents, accredited entity (AE in the case of GCF) or implementing partner (in the case of GEF), executing entity, and beneficiaries. Each of these is described below:

NDA or national focal point: is the government entity designated by the government to act as liaison with a vertical fund. This entity is also responsible for issuing non-objection letters to projects at submission to show that the country is aware of and supports the project being submitted.

Project proponents: In general, national ministries or government agencies are responsible for identifying and prioritizing projects to be submitted to the vertical funds. These are the project proponents. The project proponent is then responsible for leading the project development from the government side. This is the stakeholder that requests the focal point/ NDA to issue a non-objection letter. Project proponents usually have at least oversight and sit on the project management committees or similar structures, while sometimes also execute the project.

Accredited entities or implementing agencies: Organizations can submit their request for accreditation to a vertical fund as long as they fulfil the requirements and have support from the country national focal point/designated authority. Generally, requirements for accreditation are related to an institution's fiduciary capacity. After undergoing a lengthy process, they are accredited and deemed ready to submit projects to these funds. These organizations then have the fiduciary and technical oversight responsibilities during project implementation. In general, multilateral organizations, international NGOs and some national entities are the alternative options of accredited entities/ implementing agencies

available. It is usual for multilateral organizations to have their own internal process for approving projects which mirrors that of the vertical fund.

Executing entities: Project proponents may choose to outsource project implementation to other entities, called executing entities. These executing entities sign a contract with the accredited entities/ implementing agencies to execute the contract. There may be one or more executing entity per project. The roles and responsibilities of an executing entity are proposed by the project proponent, the AE/implementing partner and executing entity.

Beneficiaries: In the case of adaptation projects, the project aims to increase resilience to climate change of vulnerable populations. These are the beneficiaries of the project. The justification of project design (e.g. for the GCF) should focus on the needs of the beneficiaries and how the project will increase their resilience to climate change. As most mitigation projects must also contribute to sustainable development objectives, they may also have key beneficiaries to consider in project design and implementation.

1.3.2 Examples of stakeholders and motivations

Government agencies:

Ministry responsible for the environment. This ministry is responsible for environmental policy and regulations and, through specific sub-departments, rules concerning forest management and biodiversity conservation. Management and finance of forests may be the responsibility of local, state or national government and often involves a combination of different government levels. The ministry responsible for the environment is often the project proponent while in many countries this Ministry also fulfils the role of national focal point or national designated authority (NDA).

- Ministry responsible for agriculture and supply chains. This Ministry has an important role in land use projects that aim to implement low carbon technologies in agriculture, improve rural livelihoods, and are often associated with conservation and enhancement of existing forest stocks. This Ministry or associated agencies can be the project proponent/ beneficiary, national focal point or NDA.
- The Ministry of Finance and/ or Planning. This Ministry is involved in budget planning and allocations to strategic areas. This ministry also should be aware of external funding allocated to the country and co-finance commitments. For some countries, this is the national focal point or the NDA for specific vertical funds, sometimes it also can be the project proponent.
- Ministry of Foreign Affairs. Sometimes this is the NDA/focal point for vertical funds and may also have the role of defining country priorities and how external financing should be allocated.

NGOs/ Foundations: Can take different roles in the project structure such as project proponent, beneficiary, accredited entities/implementing partners, executing agencies.

Private companies: Companies with an interest in biodiversity conservation (for example companies working with non-timber products, as protected areas (PA) managers, or working on restoration of degraded areas) can be hired to provide technical assistance and/ or equipment to projects financed by vertical funds or bilateral cooperation. Sometimes businesses can also provide co-finance for these projects (for example, banks providing finance for smallholders or companies interested in generating demand for their business). For some vertical funds (such as the GEF and GCF) private companies can also be project proponents.

Local communities and community-based organisations: Can be the project beneficiaries or project proponents (when grouped with others). In either case they should be consulted and participate in project design. Local communities, landholders, and community-based organisations are central in low carbon agriculture and forest protection initiatives, and therefore for GHG emission reduction and biodiversity conservation. They have a key role in adaptation and mitigation projects and must be involved in early stages to enhance positive and avoid negative impacts.

1.4 How Does it Work and When is it Feasible?

International public climate finance can benefit biodiversity in a variety of ways, but the eligibility criteria to fund conservation activities through climate finance are quite strict. Besides the technical justification in terms of a climate rationale, there are also other factors to consider when evaluating climate finance as a reasonable finance solution for biodiversity. This section explores factors contributing to success in climate finance project approval, with a particular focus on establishing links between climate change and specific projects.

1.4.1 Establishing links between climate change and a given project

Projects to be financed by vertical funds should be fully aligned with the goals, objectives, and priorities of the given funding institution from which they base their investment or donation criteria (e.g. section 1.2 on GCF). On the subject of international climate finance, all institutions that have been discussed assess a project's relevance to climate change mitigation and/or adaptation as a top priority for funding. However, the degree to which a project is linked to or addresses climate change is fluid from organization to organization. For example, some climate finance organizations accept more holistic arguments for the link between climate change and project activities (e.g. GEF). Others require a more rigorous climate change rationale for projects (e.g. GCF). In such cases where more objective and thorough arguments must be made, establishing links and ascertaining the degree to which a project addresses climate change impacts can be challenging because climate change impacts are often intertwined with other problems such as poverty and past development

decisions that now exacerbate the negative impacts of climate change. This is especially the case for adaptation projects. For example, improving food and water security may require restoration of forests and other natural landscapes. While climate change is often expected to increase the rate of deforestation due to droughts and fires, deforestation has historically been attributed to anthropogenic activity (e.g. for timber production or land clearing for agriculture). Therefore, a funding organization like the GCF may want to ensure that it covers only the additional cost (or the additionality) of climate change, meaning that it does not aim to cover costs associated with anthropic factors. Given how intertwined these issues are, a complex argument supported by scientific research on the projected impacts of climate change is generally required. Such scientific research to put together a competitive proposal can be a major financial commitment on its own.

Considering the varying donor eligibility requirements or preferences, the types of interventions to finance conservation with climate finance are varied and context specific.

Examples of use of proceeds include:

- Payments for ecosystem services (both supporting the development of PES schemes in country but also funding the payments over a limited length of time) to avoid deforestation or implement improved agricultural practices with greater carbon capture.
- Creation of protected areas (both supporting management of PAs and paying for management plans and land purchases) to reduce deforestation and avoid carbon emissions.
- Implementation of ecological corridors to link existing forest fragments (can include providing seedlings, technical assistance, trainings, studies to support design and prioritization of areas) to capture carbon, increase resilience to climate change, and improve biodiversity flows in the landscape.
- Recovery of degraded areas with native or exotic species improving habitat for wildlife and carbon capture.
- Implementation of restoration of mangroves and other coastal ecosystems to increase carbon capture, resilience to climate change (through coastal erosion, sea water intrusion, extreme weather events) and increasing biodiversity habitat.
- Increase agrobiodiversity to enhance adaptation to climate change including the promotion of new or traditional crops and practices, trainings, planting and commercialization.

1.4.2 Other factors

Some key factors for the feasibility of developing a climate finance project to fund biodiversity should be observed: 1) actor coordination, 2) existing appropriate legal and administrative framework, 3) execution capacity (including availability of co-financing), 4) availability of information on which to base the proposal, or capacity to invest in background research to gather information.

Preparing a climate finance project is a complex undertaking in technical, operational and political terms. A first key to success is strong coordination between the project proponent,

the accredited entity, and executing entities. Consultation and involvement of all relevant stakeholders in the early stages of the project conception is strongly recommended. It is important to note that for both GCF and GEF co-financing[2] is an integral part of the project and is therefore integrated into the project logical framework. This requires close coordination with institutions or companies providing co-financing to ensure complementarity and alignment between project budgets, schedules and targets.

The second key to success is the existence of enabling policy and institutional environment requirements. For example, if submitting a REDD+ project, a legal framework which supports forest conservation is necessary to guarantee permanence and avoid "leakage" of emission reductions. Projects themselves may include activities to support the development of legal and enabling frameworks (e.g. a water use law).

Third, the execution capacity of accredited entities/implementing partners and executing entities needs consideration. Usually the accreditation standard defines the boundaries of what the accredited entities can manage in terms of fiduciary and project management. Additionally, it is necessary to consider how complex the project is and how much technical knowledge will be required, and if that capacity exists or must be developed. This influences the implementation and disbursement schedules and therefore should be considered in project design.

Finally, as discussed previously, vertical funds require significant amounts of technical information to justify and design the project. In the case of GCF projects this includes expected climate change impacts, detailed description of the project site and of all the proposed interventions, detailed costs, implementation arrangements (including capacity assessments for executing entities). This means that if all information is not available for the project preparation it will have to be gathered. This can be funded by the vertical fund themselves (always in the case of the GEF and through a specific Project Preparation Fund request to the GCF) or may need additional resources from the country or accredited entity. Therefore, given the costs and the time necessary to obtain this information, this is a key factor for the success in developing a climate finance project proposal.

1.5 What are the Main Strengths, Weaknesses, and Risks?

1.5.1 Main challenges targeted by international climate finance

The main focus of climate finance is to tackle climate change mitigation and adaptation. Climate change is set to require significant and costly actions for mitigation as well as for

[2] In terms of co-finance, the GEF has clear guidelines indicating an expectation of co-finance of 4:1. The GCF does not have a clear policy, and requirements for co-finance vary according to the type of accredited entity, project size and beneficiary country (LDCs, SIDS and African countries are GCF priorities).

adaptation. Expected impacts of climate change vary significantly from place to place, but include temperature increases, reductions (or increases) in rainfall as well as more erratic rainfall, increases in extreme weather events such as floods, landslides, droughts and hurricanes, sea level rise and consequential salt water intrusion into freshwater aquifers, and coastal erosion and degradation. These impacts will affect human populations, threatening livelihoods and food, water, energy and health security. Climate change will also affect biodiversity by changing species compositions, leading to extinctions and the spread of invasive and alien species, as well as further limiting suitable habitat of diverse groups of species with limited habitat ranges.

Climate change mitigation aims to capture greenhouse gases or avoid their emissions and is usually measured through carbon dioxide equivalents or "CO2e". As trees in particular (and other forms of vegetation) are one of the most cost-effective ways to capture carbon, tree plantations (in homogeneous forest plantations for timber production or diverse species compositions for ecological restoration) or avoiding deforestation are very interesting propositions for climate change mitigation. It is necessary to consider the permanence of the intervention. For example, forest plantations for charcoal production would have limited carbon sequestration benefits as burning of charcoal emits the captured CO2.

Climate change adaptation refers to reducing the vulnerability of human populations to climate change. Regardless of mitigation efforts, the climate is changing and therefore significant preparations should be made to avoid further damage. Anthropocentric adaptation efforts focus on ensuring water, food, energy and health security in the face of a changing climate; guaranteeing livelihoods of most vulnerable populations, ensuring infrastructure and built environment is resilient to climate change, and ensuring ecosystems and ecosystem services are able to provide services needed as climate change occurs.

1.5.2 Strengths, weaknesses and risks

International public climate finance as a source of funding for biodiversity has great potential and can include a wide range of interventions that have their own strengths, weaknesses and risks. Recovering degraded areas, promoting low-carbon agriculture, creating protected areas, payments for ecosystem services, implementation of faunal corridors and coastal ecosystems are interesting options whose design and implementation phases need to insure positive impacts are not neutralized by collateral negative ones.

Table 3. Strengths, weaknesses, and risks of certain types of interventions (scale of 1-3 where 1 is low and 3 is high).

	Payments for ecosystem services	Creation of protected areas	Implementation of fauna corridors	Recovery of degraded areas	Implementation of Agrobiodiversity
Strengths					
Potential for climate change mitigation	3	3	3	3	3

Potential for climate change adaptation	2	1	1	2	3
Potential to catalyze investment for biodiversity conservation	3	3	3	3	3
Potential for long term impact	3	3	3	3	3
Potential for long-term revenue	2	2	2	2	3
Potential for more active engagement of local stakeholders	3	2	2	3	3
Potential for other co-benefits besides biodiversity	3	3	3	3	3
Weaknesses					
Long time period to obtain results	2	3	3	3	2
Dependent on market prices	1	1	2	2	3
Risks					
Susceptible to weak political support, political interference, or sudden policy change	3	3	2	2	1
Weak stakeholder support	1	3	2	2	1
Uncontrolled development factors	3	3	3	3	3
Non-compliance with contract terms	3	2	3	3	3
Local community dissatisfaction	1	3	1	2	1

2. Methodology and Practice Standards

This section provides step-by-step guidance on how to design and implement climate finance project proposals for biodiversity, together with practice standards. These steps vary depending on the type of intervention being targeted and the funding sources, and fall into the following categories:

1. Project idea
2. Concept note

3. Full funding proposal
4. Implementation phase
5. Monitoring, evaluation, and adaptive management

For illustrative purposes, this section will focus on the GCF requirements, as it is the most stringent and climate change specific mechanism.

2.1 Project idea

The goal of the scoping phase is to establish the focus of the project. The project proponent, in consultation with other stakeholders, should identify the need and purpose of climate finance, and eligibility for donors or funds. The output will be a project idea document that summarizes the foreseen project, including focus and preliminary interventions. It should also include a preliminary mapping of information sources needed for the next step - the concept note. Questions for consideration include:

- **Climate change driver**: What is the climate change impact that the project aims to address? Why is the GCF (or other) the best funding option?
- **Sector of choice**: given the climate change impact of the selected climate driver, which development sectors will the project focus on? For example, if the project aims to reduce the impacts of climate change related rainfall fluctuations on vulnerable populations, the sectors to include in the project may be the environment (responsible for water use and recovery of degraded areas) and agriculture (related to land use and agriculture).
- **Project design:** What is the chosen project site? What interventions are foreseen? What are preliminary co-financing options?
- **Previous experience**: What are similar experiences and lessons learned?
- **Stakeholders:** Who will be the essential stakeholders in the process?
- **Investment criteria:** How aligned is the project idea with the GCF investment criteria and guidelines? Is there a return on investment possible?
- **Preliminary legal requirements**: Is there a legal framework for supporting the proposed intervention? (for example, are land tenure issues solved; a law defining PES is in place; etc)
- **Political will and financial support**: Is there support from the national government and the focal point/ NDA?

2.2 Concept note

The goal of this phase is to develop the concept note for the project. The GCF considers concept notes as optional, but recommends its development as an opportunity to get early feedback from the GCF secretariat on the project before significant effort goes into its development. This phase includes the implementation of a pre-feasibility study which will

gather more detailed information than the project idea document in terms of justification and link to climate change impacts, intervention sites, proposed interventions, past successful and current complementary projects, co-financing sources and amounts. A Theory of Change should also be presented and discussed in terms of how the existing problem and barriers will be addressed by the project.

The greater the specificity of the information in the concept note, the more specific the feedback the GCF Secretariat will be able to provide. This phase usually lasts at least 6 months and should be seen as a step towards the full funding proposal development. It allows many of the main details of the project to be clarified and tested for initial feasibility.

2.3 Full funding proposal

The development of a full funding proposal for the GCF is a lengthy and complex process. Given the amount of detailed information required, the length of time it takes to develop a full funding proposal depends on a) how aligned the idea note and concept note were to GCF requirements and b) how much of the necessary information is readily available.

2.3.1 Feasibility Study (FS)

One of the most complex parts of the full funding proposal is the feasibility study (FS), one of the several mandatory annexes. As the name says, the FS assesses the feasibility of the project in a broad sense. The results of the FS include technical, financial, managerial, planning, and operations information about the project. For the GCF, the feasibility study can almost be considered as an expanded version of the full funding proposal itself.

Key elements include:

- A detailed description of the climate and vulnerability scenario due to climate change, including how the climate driver chosen by the project will affect the sector(s) of choice.
- Proposed interventions, explaining why the interventions proposed are the best ones to solve the described problems and overcome barriers (including an analysis of alternatives and why they were discarded). The focus should be on climate change related problems that will be addressed as compared with development related matters, that are not eligible to be financed by GCF.
- An extended description of the project sites and beneficiaries including both direct (who will actively participate in the project activities) and indirect beneficiaries (those who will benefit from project activities indirectly). This section should also describe the criteria that was used for the selection of the project site and beneficiaries; the gender approach used (gender should be used as beneficiary criteria as well3); and number of beneficiaries (including % of total population). The

[3] A gender plan is another mandatory annex for the GCF. For more information on the GCF gender action plan, please click here.

criteria for selecting a project site and beneficiaries should include those being the most vulnerable to climate change in the country (data to corroborate this assertion should also be included).

- A project-level logical framework containing a list of the project outputs and outcomes as well as indicators and how each indicator will be measured.
- A description of other projects implemented and lessons learned as well as complementary ongoing projects and government initiatives.
- An analysis of the legal structure in light of the project context is essential and varies according to each type of intervention; country and region of implementation and project beneficiaries. Most governments have specific laws, regulations, and policies. For a project involving low carbon agriculture and creation of credit line for improving access to technical assistance, equipment and seeds, the situation of producers in terms of land tenure can be a variable of concern within some countries. For the creation of protected areas that will be visited, country laws referring to charging a fee for visitation should be described as it varies from country to country. A REDD+ initiative should be designed in accordance to the international framework on REDD+ and so on.
- A proposed financial structure for the project, detailing how the funding will flow from the accredited entity to the executing entities and how it will be spent. Accreditation levels limit what an accredited entity can propose to do with funds. For example, if the AE is only accredited for project management, it is not accredited for on-granting or on-lending. The project financial structure defines for example if from the AE funding goes to an executing agency or directly to the execution of the activities. This should be clearly described in the proposal as well as in a specific detailed appendix.
- Governance structure: defines what role each stakeholder will have and how decisions are made. It is closely linked to the definition of the legal and financial structure and guarantees that roles and responsibilities are designated and known by all the parties involved. The project institutional structure describes the decision making process for the project as well as the specific tasks of the project proponent, accredited entity, executing entity, NDA, project beneficiaries, NGOs, community associations, etc.
- A map of the project areas and areas of intervention.
- Monitoring and evaluation: A clear and robust methodology should be built for guaranteeing project results will be properly measured, verified and reported. A robust measure and reporting system promote transparency as well as detecting and addressing problems and solutions related to the operational implementation of the project.
- A summary of stakeholder consultations and engagement plan.

2.3.2 Other annexes

Besides the feasibility study, the following mandatory annexes will be included:

Appendix	Comments
Annex 1 NDA No-objection Letter(s)	The project proponent should request the NDA's support and a No-objection letter.
Annex 2 Feasibility study	The FS is usually prepared by the AE with the support of assessments and contributions in different areas relevant to the project.
Annex 3 Budget plan that provides breakdown by type of expense	Expenses should be described in detail, clearly showing what is expected to be covered by the GCF`s funding and what will be co-financed.
Annex 4 Gender assessment and action plan	The project gender approach must be defined in this appendix showing in detail the assessment made, mentioned in the FS and what methodologies will be used for the involvement of women in the project activities.
Annex 5 Co-financing commitment letter	The co-finance presented in the budget and financial section of the FP must be attested to by commitment letters from each co-financing partner.
Annex 6 Term sheet and evidence of internal approval	The draft term sheet includes the terms for the contract between the AE and the GCF. Evidence of internal approval is needed in case the AE needs to approve the project internally in addition to GCF approval.
Annex 7 Risk assessment and management	This appendix presents the main risks associated with project implementation, including environmental, political, institutional, social, economic and other potential risks as well as risk mitigation measures undertaken or planned.
Annex 8 Indigenous people framework	If applicable, it is a description of the indigenous people framework and approach to be adopted specifically for this group during project implementation.
Annex 9 Procurement Plan	The procurement plan shows in detail what hiring will be done, with what funding,

	estimated amount and timing.
Annex 10 Economic/Financial Integrated Analysis	An economic analysis to show that the project makes sense as an investment. Integrated financial model that provides sensitivity analysis of critical elements when the project generates revenue

Environmental and social safeguards must also be observed and all activities under co-finance must be under it. Depending on the environmental and social safeguards category (A, B or C) the following annex should be prepared:

- Environmental and Social Impact Assessment (ESIA) or
- Environmental and Social Management Plan (ESMP) or
- Environmental and Social Management System (ESMF)

Other optional annexes may be added to provide supplementary information. For micro (under USD 10 million) GCF projects, the feasibility study is not mandatory and other annexes are also waived.

2.3.3 The Funding Proposal (FP)

The Funding Proposal can be seen as an Executive Summary of the Feasibility Study and should reference it, and other appendices, as necessary to provide the reviewer a guide on where to find additional information. Generally, the Funding Proposal should be 40-60 pages long. All relevant information for justifying the project or actions proposed must be made available in the Funding Proposal or its appendices.

The proposal is structured by a template that addresses the following sections:

Section A- Project summary
In this section, specific information about the project should be provided as well as a brief summary of the Funding Proposal.

Section B- Project details
Information on the project context, barriers, climate driver, sectors of choice, components, activities, and implementation arrangements should be described in Section B. This section should reflect information of the Feasibility Study and should reference it for further details.

Section C- Financing information
In this section, a justification for requesting GCF funding as well as a detailed description of the financial instruments of the proposal, amount being requested from the Fund and co-finance information are provided. This section should be fully aligned with information of the appendix 3. It is important that the application of the principles of additionality and minimum concessionality are put in evidence in this section.

Section D- Logical Framework, and monitoring, reporting and evaluation

This section shows how the proposal's logical framework is aligned with the GCF Results Management Framework and Performance Measurement Framework. In addition, it provides information on how M&E arrangements will be implemented.

Section E- Expected performance against investment criteria

This section gives a description of how aligned the project is with the six GCF investment criteria described in section 1.2 (impact potential, paradigm shift, sustainable development, needs of recipients, country ownership, and efficiency and effectiveness).

Section F- Annexes

This section is composed by mandatory and optional annexes.

Once complete, the funding proposal is submitted by the AE to the GCF. It is then reviewed internally by the GCF secretariat and returned to the AE to address comments. Once resubmitted it is reviewed by the Independent Technical Assessment Panel (ITAP) of the GCF and further clarifications are requested from the AE. Finally, the project is submitted to the GCF board, who may have additional questions about the proposal that should also be addressed by the AE. Finally, the GCF board approves individual projects by consensus of all its 24 members.

2.4 Implementation phase

Once the GCF board approves a project, a Funded Activity Agreement (FAA) is signed between the GCF and the AE to begin transferring funds. The transfer of funds should follow the disbursement schedule proposed in the term sheet. From then on, project implementation will follow different pathways depending on the context, proposed interventions and beneficiaries and can be summarized in the following steps:

- Stakeholders engagement - Sometimes a considerable time has passed since the project preparation consultations and beginning of the project implementation. A strong engagement and mobilization of the stakeholders involved in the project activities is important and must be done in line with what was established for the project governance. Good practices include: ensuring that stakeholder expectations are managed; that there is dialogue and transparency in the process; and that their concerns, comments and knowledge are taken into account. For community members' participation, it is important to evaluate if any assistance is needed to support the participatory process. It is also essential that a gender sensitive approach is taken.
- Procurement - Procurement processes for goods and services should be implemented according to the procurement plan and project schedule. AE or executing entity procurement policies need to be applied.

- Monitoring and evaluation (M&E) - M&E allows project managers and investors to track the progress of the project implementation, to identify eventual problems in the process during early stages and to intervene with appropriate measures and reflect learning into planning for the continuity of project activities. There are different levels of monitoring such as:
    a) Impact monitoring: measures the impact of the project vis-a-vis an alternative counterfactual scenario (i.e. what would have happened without the project).
    b) Compliance monitoring- more related to procurement aspects where it is ensured contracts are operating according to timing and deliverables that were agreed upon - it also serves as input for the project planning and implementation of changes if necessary (independent midterm and final evaluations are mandatory) and;
    c) Administrative monitoring – sum of information, including information generated from the two other monitoring levels, plus an overview on the AE/executing entity performance on the project/programme implementation (reports to the Fund could be the instrument used for reporting this kind of monitoring and evaluation).
- Manage and mitigate risks: based on results from monitoring and evaluation, the risks associated to project implementation should be reviewed. Whenever necessary mitigation measures should be implemented. Also consider adaptive management and learning to ensure successful implementation.

3. Guidelines and case studies

3.1 Guidelines

The GCF provides a GCF 101 guide on accessing the Fund – available here.

The GCF also provides a handbook on decisions, policies and frameworks – available here.

3.2 Case studies

Some projects approved by the GCF that focus on biodiversity conservation include:

Project	Accredited Entity	Focus	Amount of funding requested from GCF (million USD)	Total project funding (million USD)
Bhutan for Life	WWF	Adaptation/ mitigation	26.6	118.3

Enhancing climate resilience of India's coastal communities	UNDP	Adaptation	43.4	130.3
Priming Financial and Land-Use Planning Instruments to Reduce Emissions from Deforestation - Ecuador	UNDP	Mitigation	41.2	84
Improving rangeland and ecosystem management practices of smallholder farmers under conditions of climate change in Sesfontein, Fransfontein, and Warmquelle areas of the Republic of Namibia	Environmental Investment Fund (EIF)	Adaptation	9.3	10.0

3. Appendix 1 - Climate finance for biodiversity- Vertical Funds and Bilateral Cooperation

Fund	Climate change finance		Financial instrument	Eligible countries	Private or public?		Has country specific allocation?	Who can access?	NOL from government needed?	Funding categories				Cofinance expected?
	Mitigation	Adaptation			Public	Private				micro	small	medium	large	
GCF	x	x	Grants, reimbursable grants, senior loans, subordinated loans, guarantees, and equity investments	Non-Annex I of the UNFCCC	x	x	no	Accredited entities	yes	<10 m	10-50m	50-250m	>250m	Yes, new and additional
GEF	x		Grants, Credit guarantee (partial/full); Performance risk guarantee; Structured financing; Equity/investment fund; Revolving equity fund; Contingent loan; Concessional loan; and Revolving loan fund	Developing countries and countries with economies in transition that conforms with the eligibility criteria stablished by the Conference of the Parties of each conventions GEF serves / Countries that can receive	x	x	yes, including amounts per result area	GEF Partner Agencies (10 GEF Agencies plus accredited GEF Project Agencies)	yes	enabling activit <1m	medium <=2m	full-sized >2m	programs	Yes, new and additional
AF		x	Grants	Developing countries Parties to the Kyoto Protocol	x		no	Accredited National Implementing Entities	yes	small <=1m	medium >1m			No
LDCF		x	Grants	Least Developed Countries of the UNFCCC	x		yes, with the balanced access principle	GEF agencies or recipient country government for preparing and updating the NAPA	yes	medium <=2m	full-sized >2m	programs		yes
CIF	x	x	Grants, concessional loans, and risk mitigation instruments	Developing and middle-income countries	x	x	no	MDBs	yes					yes
REM KfW	x		Incentive payments and performance-based payments	Countries or regions that have already taken the initiative to protect forests	x		no	Partner countries or sub-national governments	yes					no
NICFI	x		Grants, results-based-payments	Large tropical forest countries	x		no	Countries` governments; multinational organizations and banks; civil society	yes					no
ICF UK	x	x	Grants	Developing countries	x		no	Countries` governments; MDBs; civil society; private sector	yes					no

Acronyms:
AE – Accredited Entity
AF – Adaptation Fund
BEIS – Department or Business, Energy and Industrial Strategy (UK)
BMZ – German Federal Ministry for Economic Cooperation and Development
CN – Concept Note
DEFRA – Department for Environment, Food and Rural Affairs (UK)
DFID – Department for International Development (UK)
EE – Executing entity
FCPF – Forest Carbon Partnership Facility
FIP – Forest Investment Program
FS – Feasibility Study
FP – Funding Proposal
ICF – International Climate Finance
IE – Implementing Entity
GCF – Green Climate Fund
GEF – Global Environment Facility
GIZ – German Development Agency
KFW – German Development Bank
KLD – Norwegian Ministry of Climate and Environment
LDCF – Least Developed Country Fund
MDB – Multilateral Development Bank
M&E – Monitoring and Evaluation
NDA – National Designated Authority
NICFI – Norway`s International Climate and Forests Initiative
PA – Protected Area
PES – Payments for Ecosystem Services
REDD+ – Reducing Emissions from Deforestation and Forest Degradation in developing countries, and the role of conservation, sustainable management of forests, and enhancement of forest carbon stocks in developing countries
REM – The REDD Early Movers
UNFCCC – United Nations Framework Convention on Climate Change
UK – United Kingdom