# UK PACT GREEN RECOVERY CHALLENGE FUND

WELCOME



## Green Recovery Challenge Fund Applicant information event – Asia

**WELCOME** 

## Agenda

COMING UP

Welcome & housekeeping
Address from the UK's COP26 Regional Ambassador
About UK PACT
The Green Recovery Challenge Fund
MRV tools for forests, land use and agriculture
Greening financial systems
The application process
Q&A
Close

## Housekeeping

Have your say in our polls

Use 'q&a' feature

# Introducing your presenters

**Ken O'Flaherty** 

UK's COP26 Regional Ambassador

**Laura Aylett** 

Head of UK PACT Delivery

Nipunika Perera

Programme Manager

**Hannah Nutsey** 

**GRCF** Implementation team

**Arianna Griffa** 

Project Portfolio Management lead

**Jennie Sloane** 

Allocation of Funding team lead

## UK PACT OVERVIEW

### **UK PACT: Partnering for Accelerated Climate Transitions**

**UK PACT is a £260m programme** funded by the UK Government under its International Climate Finance portfolio. It has provided funding for projects and skill-shares across three continents since 2018.

UK PACT supports countries that have high emissions reduction potential to implement and increase their ambitions for tackling climate change in line with the goal of the 2015 Paris Agreement.

UK PACT delivers capacity-building activities through three components:

- 1. Country Programmes
- 2. Skill-Shares and Secondments
- 3. The Green Recovery Challenge Fund.

### **UK PACT: Partnering for Accelerated Climate Transitions**

Supporting transformational climate change projects worldwide

UK PACT's delivery model creates opportunities for synergies, knowledge sharing and learning between projects, helping partner countries shift towards a greener, more resilient future.



Our projects are implemented by local and international organisations from the private and nongovernmental sector, civil society and academia. Many of these will work with partners to widen their reach and embed specialist expertise in their project delivery.

UK PACT has robust risk assessments and mitigation strategies to ensure projects have the necessary built-in flexibility and adaptability.

### **UK PACT: Programme structure**

#### A flexible, demand-driven delivery model to support transformational change

UK PACT is designed to be flexible and adaptive, with 3 core components to its delivery model. FCDO has procured a delivery partner to lead the delivery of each component:



#### STRATEGIC OVERSIGHT

#### 1. COUNTRY PROGRAMMES:











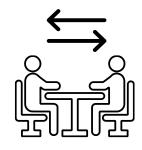
Support for innovative projects in partner countries to provide capacity building in line with the country context and demand from government stakeholders.

#### 2. GREEN RECOVERY **CHALLENGE FUND (GRCF):**



Support for **innovative capacity building** projects to promote low-carbon solutions and a green, resilient and inclusive recovery in a wider range of countries.

#### 3. SKILL-SHARES AND SECONDMENTS:





Provide both short-term peer-to-peer **skill-shares** with country counterparts, and long-term secondments into key institutions.





# Before joining the webinar, how aware were you of UK PACT and the various programmes?

Not aware A little aware

Quite aware Very aware

## GRCF OVERVIEW

## The Green Recovery Challenge Fund

What is it?



**CAPACITY BUILDING** 



LOW CARBON TRANSITION



GRANTS OF UP TO £500,000

## What are we looking for?

We are looking for innovative ideas that address specific low-carbon challenges, show measurable results, promote social inclusion and inspire future actions to increase climate ambition at scale while supporting countries to rebuild their economies after the COVID-19 outbreak.

Only registered not-for-profit organisations are eligible to be the lead Implementing Partner of a proposal/consortium. For-profit organisations can participate in the call for proposals as partners within a consortium.

Each project has the potential to be awarded up to £500,000 over the course of a 12-month implementation period.

**Examples of activities we expect to fund include:** 

## ENHANCING SKILLS IN KEY INSTITUTIONS BY PROVIDING TRAINING

RECOMMENDATIONS OF NEW POLICIES OR TOOLS TO ACCELERATE EMISSION REDUCTIONS

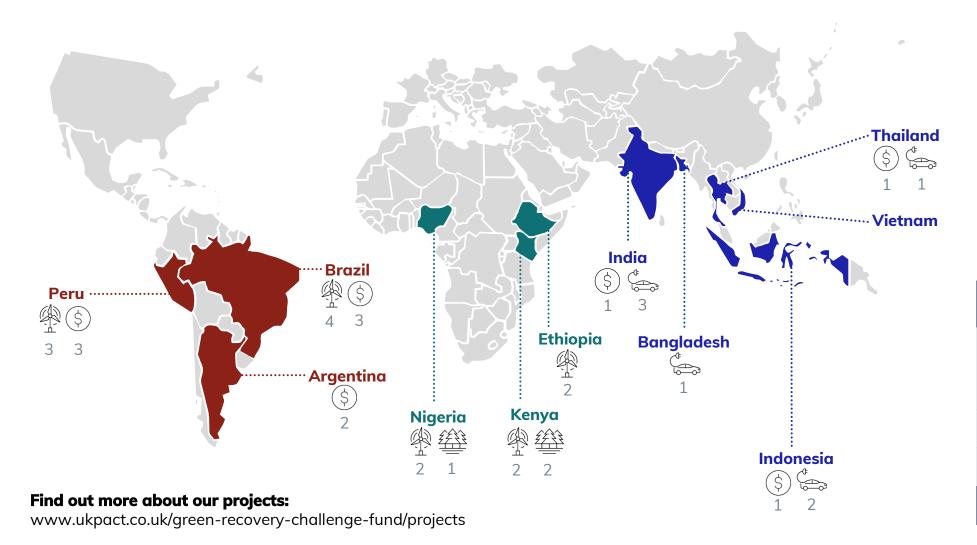
CREATING KNOWLEDGE AND COMMUNICATION PRODUCTS (E.G. RESEARCH PAPERS)

STRENGTHENING
NETWORKS OF KEY ACTORS
TO DRIVE CLIMATE ACTION

## The Green Recovery Challenge Fund is distinct from other parts of UK PACT, namely from the Country Programmes.

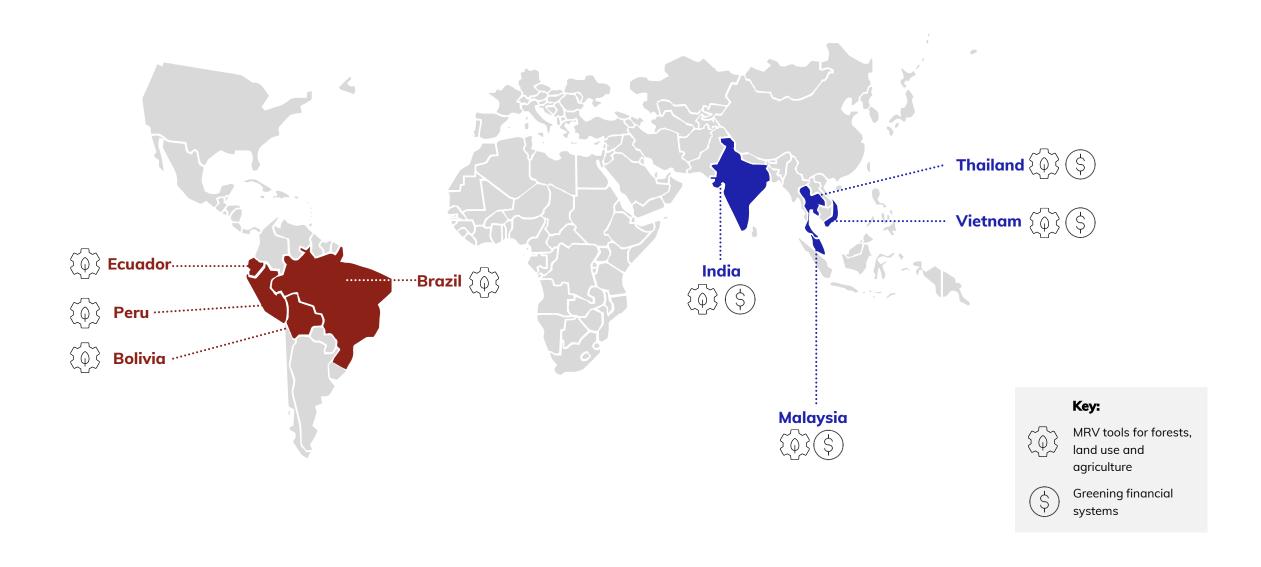
Category	GRCF	Country Programmes
Funding capacity- building projects		
Single-country projects		
Regional and multi-country projects		X
Countries		
Focus areas	Thematic windows	Tailored to specific country priorities

### Portfolio overview



Theme		Number of projects
¢	Electrifying urban mobility	7
\$	Greening financial systems	10
*	Clean energy transition	6
	Nature based solutions	10
Total		33

## Focus areas for this funding round



## THIRD FUNDING ROUND THEMES







Measuring, reporting and verification (MRV) tools for forests, land use and agriculture

## MRV tools for forests, land use and agriculture



#### Locations















Latin America (Brazil, Bolivia, Ecuador, Peru) and Asia (India, Malaysia, Thailand, Vietnam)

#### Context

- Lack of robust and appropriate MRV tools and **insufficient capacity** to implement them is a major barrier to tackling emissions from Agriculture, Forestry and Other Land Use (AFOLU).
- Standardised MRV tools can help countries with reporting requirements and **tracking progress** towards their NDC goals.
- They can also empower indigenous and local **communities** to increase the sustainability of their activities.

#### Action

- Strengthening national and local MRV tools can enhance transparency in tracking AFOLU emissions, enabling countries to accurately report progress.
- Increasing effective use of MRV tools and data at a local level can **support better policymaking** and the development of carbon markets.
- Implementing MRV tools alongside Nature-based solutions (NBS) can multiply the mitigation potential and unlock long-term systemic change.

## MRV tools for forests, land use and agriculture



#### Scope

- Development and implementation of MRV tools at field level e.g. methodologies and tools to:
  - support sustainable forestry and agricultural practices
  - enhance forest-based removals through monitoring of forest degradation and land use changes
  - develop green supply chains.
- **Development of certification schemes** utilising data to verify sustainability claims and mainstream deforestation-free commodities.
- **Capacity building** for governments and institutions to effectively utilise MRV tools.
- Utilisation of MRV tools for forests, land use and agriculture to support the development of rural credit options and carbon markets.

#### Not in scope

- Projects that only focus on implementing MRV tools to monitor business-as-usual agricultural practices or deforestation without promoting more sustainable agricultural or reforestation practices.
- Projects that focus on developing new MRV tools and do not include capacity building elements targeting communities and/or policymakers.
- Projects that create new tools and process 'in a silo' with no clear link to the broader national and institutional frameworks in the country.

### MRV tools for forests, land use and agriculture



#### **Example projects**

- **Training communities to use existing MRV tools** to collect data that can help improve the sustainability and profitability of agricultural practices, such as fertiliser spraying and local forest protection and management.
- **Knowledge sharing activities to promote uptake of MRV tools** either by developing new stakeholder networks and platforms, or by enhancing existing networks, with a particular focus on South-South exchange.
- Developing and implementing MRV tools to support the creation of certification schemes that verify environmental credentials of agriculture or forestry practices across the supply chains, including forest carbon credits.
- Encouraging the standardisation and alignment of MRV tools and data used, ensuring clear links to existing frameworks and systems.
- **Training government officials and stakeho**lders in key national institutions to utilise and understand MRV data, tools, frameworks and processes for climate reporting and policy making.



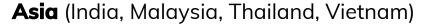


#### Locations









#### **Context**

- Financial systems remain vulnerable to climate change risks. Transitioning to more sustainable and greener financial systems is key to a more resilient finance sector.
- More work is needed to fully incorporate climate concerns into financial policies and regulations and mobilise further private finance into green investments.
- The development of sustainable financial architecture and products also provides an opportunity to enable a more inclusive financial system.

#### **Action**

- Incorporating climate concerns into financial decision-making by working with finance ministries, central banks, and regional administrations.
- Mobilising private finance to direct investments towards projects and technologies that contribute to net-zero goals and a just transition.
- Supporting the development of financial frameworks, risk management tools, and financial instruments to support both climate and social inclusion objectives.
- **Improving access to finance** for small businesses, women, and people from vulnerable groups.



#### Scope

- Developing financial market frameworks for sustainable finance to incentivise investments into green and sustainable projects.
- Aligning climate risk reporting and management mechanisms with international standards to build resilience against climate-related physical externalities.
- Mainstreaming sustainability in public budgets and implementing reforms to embed climate dimensions in national public financial management systems.
- Supporting governments to design innovative financial architectures and more ambitious national strategies to scale-up sustainable finance.
- Supporting governments and financial institutions in designing policies and financing options to support more inclusive financial systems.

#### Not in scope

- Developing a pipeline of green/sustainable investible projects.
- Providing direct funding to green/sustainable projects outside the financial sector.



#### **Example projects**

- Supporting the **creation of financial market frameworks** to promote innovative green financial instruments.
- Training local financiers on climate disclosure and risk management.
- **Supporting regulatory changes** that incentivise more investments in sustainable projects, including gender-sensitive regulatory and monitoring processes.
- Supporting governments in the inclusion and monitoring of climate-related expenditure in public budgets.
- Quantitative assessment of the capital and investment needs for countries to achieve their climate ambitions.
- Re-designing financial market structures and products to support investment into green infrastructure and projects
- Building capacity in local financial institutions to scale up private finance to underserved sectors and geographies, improving the gender-responsiveness of green finance and increasing the level of support for the most vulnerable.



# How likely are you to apply for funding from the UK Green Recovery Challenge Fund?

Very likely Somewhat likely

**Undecided** 

**Not likely** 

## APPLICATION PROCESS



## **Application process**



Complete and submit expression of interest by

**13 June 2022** 



Successful EOI applicants invited to full proposal

mid July 2022



Complete and submit full proposal by

mid August 2022

**16 May 2022** 

Due diligence process (if successful) by

**Sept - Oct 2022** 



Grant agreements

October 2022



Project implementation

**November 2022 onwards** 

## Applications stages: EOI and full proposal

#### **Expression of interest (EOI)**

Capturing initial concepts and assessing eligibility.

#### **INCLUDES**

- Eligibility checklist
- Thematic focus/ strategic fit of project
- Information on implementing consortium
- Demand from stakeholders

- Impact potential
- Gender and inclusion consideration
- Key risks
- High-level budget.

#### **Full proposal**

More detail provided on full project scope, activities, management, risk and budget.

#### **INCLUDES**

- Full project description and transformational change criteria (impact, sustainability, political buy-in, leverage)
- Full stakeholder analysis and demonstration of beneficiary buy-in/engagement, including communications plans
- Full risk analysis

- Description of delivery team
- Project and financial management
- Gender and inclusion considerations
- Detailed project workplan
- Detailed budget.

Applicants successfully selected following full proposal stage will be provided with the necessary support and guidance to ensure projects are fully aligned with UK PACT requirements (this may include budget and milestones, monitoring and reporting, communications, and gender and inclusion support, among other aspects).

## Selection criteria: Expression of interest



## **Project eligibility criteria**

#### Relevance and strategic fit

- Accelerates the low-carbon transition and promotes a greener, fairer, more resilient future.
- MRV tools for forests, land use and agriculture in Latin America and Asia.
- Greening financial systems in Asia.

#### **ODA-eligibility**

 Contribute to a reduction in poverty, enhanced sustainable development and/or improved welfare of the country's population.

#### **Organisation**

 Only not-for-profit organisations are eligible to be the lead Partner of a proposal/consortium. For-profit organisations can participate as partners within a consortium.

#### **Duration**

Up to 12 months\*.

#### **Budget**

- Up to £500,000
- To be paid in GBP in arrears for completed tasks.

<sup>\*</sup> Possibility for project extensions beyond one year, pending further funding for the UK PACT programme.

## Selection criteria: Expression of interest



## **Key selection criteria**



#### **Transformational change**

To sustainably reduce emissions and shift to lowercarbon patterns of development, countries need interventions that can catalyse further change.

This means contributing to 'transformational change' by encouraging others to adopt, replicate and scale-up successful activities and by facilitating substantive institutional and policy change towards a low-carbon future.



All project proposals must identify beneficiaries that will ensure the buy-in and absorption of the capacity building proposed.

Applicants will be expected to have strong in-country networks and well-developed engagement plans for ensuring the uptake of project outputs.

## Key selection criteria: Gender equality and social inclusion

Support the inclusive low-carbon transition and the green, resilient economic recovery needed to reduce poverty in partner counties, contributing to the UN Sustainable Development Goals.



















Consideration of gender equality and inclusion are a minimum requirement to ensure no harm is done.

Do no harm: Ensure each intervention will not lead to unintended negative gender and/or discrimination impacts.

#### **NON-COMPLIANCE**

GESI unaware/blind



#### MINIMUM COMPLIANCE

**GESI** neutral



#### **EMPOWERMENT**

**GESI** sensitive



#### **TRANSFORMATION**

**GESI** transformative

## Selection criteria: Expression of interest



## **Key selection criteria**



The deliverability of the project will be assessed to determine the expected likelihood of successful delivery of the project.

Does the implementing organisation have the skills, knowledge and experience to deliver the capacity-building project?

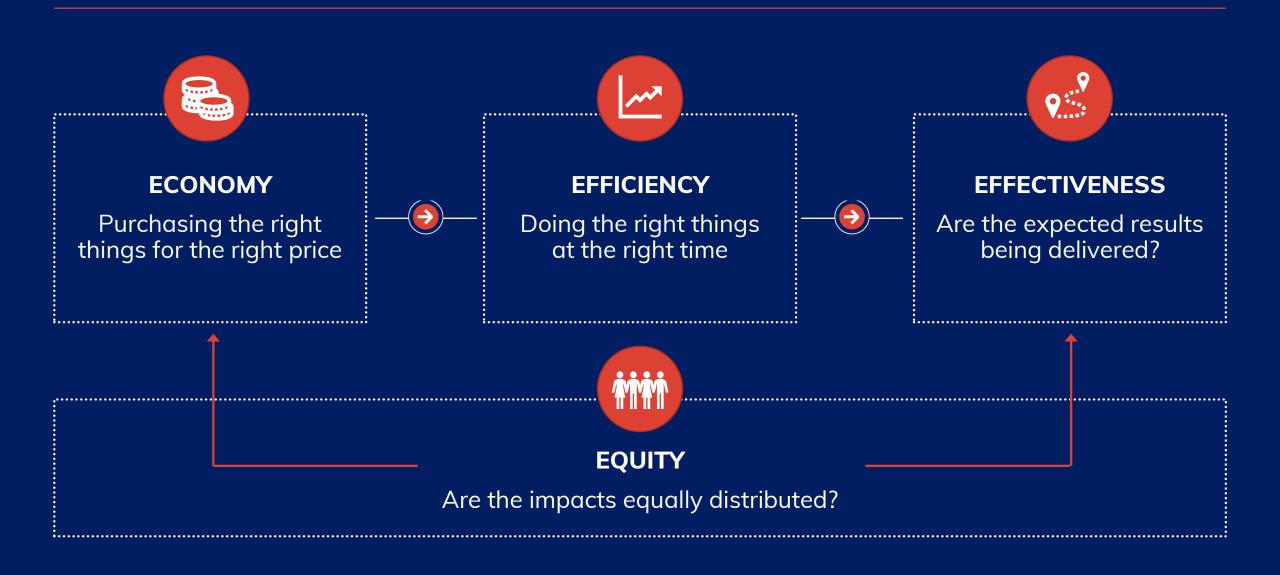
Does the proposed project have an appropriate design, including a clear, logical and achievable plan?

## Selection criteria: Full proposal



DEVELOPS AND BUILDS ON INFORMATION
GATHERED AT EOI

## Selection criteria: Value for money







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Register your interest

A capacity-building fund to support low-carbon transitions and a green, resilient and inclusive economic recovery across ODA-eligible countries.

The UK Government has partnered with ICF Consulting to deliver the Green Recovery Challenge Fund und the UK PACT (Partnering for Accelerated Climate Transitions) programme funded by UK International Cliffinance.

#### The story so far

**Green Recovery Challenge Fund** 

In 2020, we began our search for projects that supported the acceleration of the low-carbon transition for ODA-eligible countries in Latin America, Sub-Saharan Africa, and Asia.

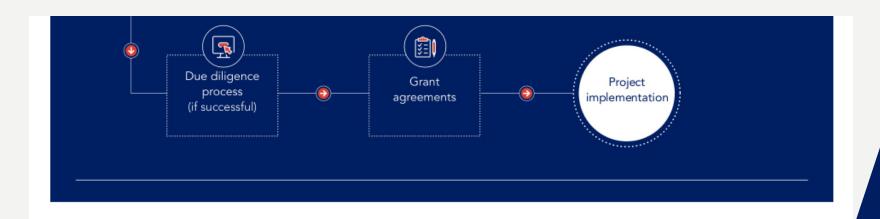


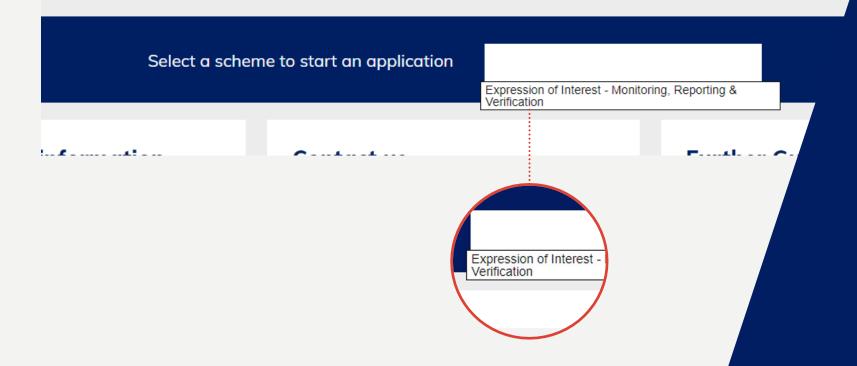
www.ukpact.co.uk/apply-now

## How to apply through the application portal

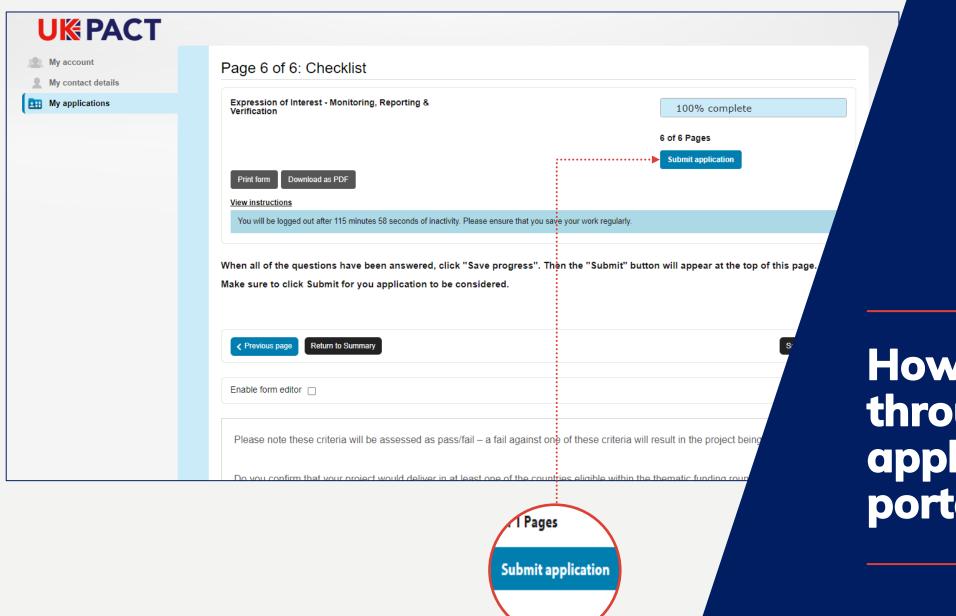








# How to apply through the application portal



# How to apply through the application portal



## What materials do you find most useful when applying for or sharing information on grant funding programmes such as this?

Case studies

Step-by-step application guides

Guidance on themes

1:1 support or correspondence

**Example** applications

Q&A

Laura Aylett, UK PACT

Jennie Sloane, ICF Consulting

#### What's next?

- If you haven't already, check your eligibility and read the theme descriptions.
- Supporting material including the Guidance Document and Expression of Interest template are available on the website. <a href="https://www.ukpact.co.uk/green-recovery-challenge-fund">www.ukpact.co.uk/green-recovery-challenge-fund</a>
- Then from 16 May 2022 12:00 (GMT+1), register on the portal and start your application! <a href="www.ukpact.co.uk/apply-now">www.ukpact.co.uk/apply-now</a>.





Recording available this week

Applications open 16 May 2022 at 12:00 (GMT +1)

www.ukpact.co.uk/green-recovery-challenge-fund