



CONCEPT NOTE

NORWAY-GCF TASK FORCE PLEDGE: GCF TASK FORCE INNOVATION FUNDING WINDOW B

SUPPORTING STRATEGIC JURISDICTIONAL INITIATIVES TO ACHIEVE TRANSFORMATION IN FORESTED LANDSCAPES

Introduction

The Governors' Climate and Forests (GCF) Task Force is a unique, subnational collaboration of 38 states and provinces from ten countries working to build robust, jurisdiction-wide programs for REDD+ and low-emissions development, and to connect these programs with public and private finance. More than one-third of the world's tropical forests are in GCF Task Force member states and provinces, including the vast majority of the Brazilian and Peruvian Amazon and more than 60% of Indonesia and Mexico's tropical forests.

In 2014, GCF Task Force Governors adopted the Rio Branco Declaration, signaling to the world that they are ready to do more than their fair share in the effort to fight climate change, protect forests, and enhance livelihoods. The Rio Branco Declaration commits its signatories to reduce deforestation by 80% by 2020 if sufficient, long-term financial support is made available. It pledges to provide to indigenous and traditional communities a "substantial share" of any pay-for-performance funds these states and provinces receive as a result of their efforts to reduce deforestation. And it calls upon supply chain actors and indigenous peoples' organizations to partner with GCF Task Force states and provinces to build jurisdictional programs for low-emissions development that are durable and equitable and that align with national policies and programs.

At the 2015 GCF Task Force Annual Meeting in Barcelona, the Norwegian Government announced a pledge of NOK 200 million (approx. USD 24 million) to the Governors' Climate and Forests (GCF) Task Force to support innovative GCF Task Force tropical forest states and

provinces in their plans to implement the Rio Branco Declaration to reduce deforestation 80% by 2020.

The United Nations Development Programme (UNDP) has been selected to manage and implement the pledge through UNDP's Climate & Forests Team in Geneva, and will have overall accountability. The support facilitated by UNDP Geneva will be coordinated with that of the GCF Task Force Secretariat, its Regional Coordinators, and partners in supporting jurisdictions.

The aim of Norway's pledge is to support innovative GCF Task Force tropical forest states and provinces to meet the commitments of the Rio Branco Declaration by developing/updating jurisdictional strategies for REDD+ and low emissions development, and catalyzing transformative financing opportunities. This will be done through two funding windows:

- A. GCF Task Force Jurisdictional Strategies and Investment Plans Funding Window
- B. GCF Task Force Innovation Funding Window

In addition, a small portion of the Norway pledge (approximately USD 3 million) is being used to support ongoing regional coordination processes across all existing GCF Task Force clusters, in accordance with regional cluster priorities as determined on an annual basis. Support for these regional processes will be facilitated by the GCF Task Force Secretariat and administered by UNDP.

Funding under Window A commenced in 2018. As of May 2020, approximately \$9 million has been disbursed to 14 partners working with 35 jurisdictions. The purpose of this funding is to support the development of jurisdictional strategies and investment plans for REDD+ and low-emissions development in GCF Task Force tropical forest states and provinces. For GCF Task Force members that have already developed strategies and investment plans, support can be used for further evaluation and assessment and/or the development of implementation partnerships under their existing strategies and plans. Development of jurisdictional strategies and investment plans under Window A is expected to take 12-18 months. Additional information on the status of activities supported under Window A can be found [here](#).

Window B Overview

The purpose of funding under Window B is to support strategic jurisdictional initiatives to achieve transformations that reduce deforestation in forested landscapes. Supported projects/activities must fit within the jurisdiction's overall theory of change and should be identified in the strategy and/or investment plan developed under Window A. The goal is to support specific activities that will allow the jurisdiction to implement key components of its strategy and achieve emissions reductions. Funding under this Window will be restricted to a smaller number of larger projects/activities, based on a competitive selection process. Support will not be reserved exclusively for more "advanced" jurisdictions. Rather, the goal is to support innovative, bottom-up approaches to solving critical problems in jurisdictions regardless of their

level of development. As under Window A, regional proposals for support under Window B will be accepted. But GCF Task Force members should be aware of the risks (and should evaluate them carefully) before deciding to pursue a regional proposal. At a minimum, a successful regional proposal will need to demonstrate how a regional approach will achieve superior results and performance when compared to proposals from individual jurisdictions. All successful proposals, whether individual or regional, must include a credible demonstration of how the supported activities will lead to reduced deforestation.

Approximately USD 5 million from the Norway pledge has been allocated to this funding Window B Innovation Funding. In addition, any unused funds from Window A will be rolled over into Window B. Additional contributions will be solicited from other sources (donor governments, foundations, private sector). There is also an expectation that certain types of activities eligible for support under Window B (*e.g.*, public-private partnerships to promote preferential, jurisdictional sourcing of commodities) would include matching funds from private sector partners and/or other sources (see below).

Funding under this window will support individual proposals over USD 500,000 based on a competitive selection process.

Eligibility Criteria for Submitting Proposals Under Window B

In order to submit a proposal for funding under Window B, a jurisdiction must satisfy the following criteria:

1. Jurisdictional Commitment and Contribution

- a. The Governor of each jurisdiction must submit a letter re-affirming his/her support for the goals of the Rio Branco Declaration and any subsequent declaration of commitments adopted by the GCF Task Force.
- b. Each jurisdiction must actively participate in the GCF Task Force network, for instance through high-level (Secretary or Governor) representation at GCF Task Force Annual Meetings, regional meetings and processes, and other high-level events, such as the COP or Oslo Tropical Forest Forum.
- c. Each jurisdiction must ensure that its information in the GCF Task Force Knowledge Database is complete and up-to-date.
- d. The jurisdiction must have a strong track record of partnering with civil society, the private sector, and/or international organizations in delivering results at the jurisdictional level, such as Window A, FCPF, or other REDD+ or low-emissions development processes.

2. Window A Performance

- a. Each jurisdiction must demonstrate how the jurisdictional strategy and/or investment plan developed under Window A has been embedded in the overarching legal and institutional framework of the jurisdiction, including

measures taken to ensure durability across changes in political leadership and administration.

- b. Jurisdictions must demonstrate the application or implementation of Window A products, outputs and deliverables.
- c. Funding must have been delivered to the jurisdiction's partner in accordance with the timeline and results framework specified in the Window A proposal.
- d. Funds received must have been executed in accordance with the agreed budget and timeline in the Window A proposal.
- e. Each jurisdiction must have established and maintained a robust multi-sectoral, multi-stakeholder process to support the development of its jurisdictional strategy and/or investment plan under Window A.
- f. Civil servants within the jurisdiction must demonstrate engagement with and ownership of the development of the jurisdictional strategy and/or investment plan under Window A.
- g. The particular intervention(s) that are the focus of the Window B funding proposal must draw upon and fit within the jurisdictional strategy and/or investment plan developed under Window A.

General Criteria for Evaluating Proposals Under Window B

Jurisdictions that have satisfied the above eligibility criteria may submit proposals under Window B (either individually or as part of a regional proposal). Each jurisdiction or group of jurisdictions that is eligible to submit a proposal under Window B will need to identify a responsible party for its Window B proposal. The proposal should be consistent with national frameworks, including the national REDD+ strategy, and should be consistent with or more ambitious than national climate commitments, such as the NDCs. All submitted proposals will be evaluated according to the following general criteria:

1. Window B Performance

- a. The proposed intervention or activities present an innovative approach to reducing emissions that fits within the jurisdictional strategy and/or investment plan supported through Window A.
- b. The proposal provides a credible demonstration of how the proposed intervention or activities will deliver emissions reductions.
- c. The proposal demonstrates how the jurisdiction (or group of jurisdictions in the case of a regional proposal) and its partners will seek to ensure the durability of the proposed interventions or activities over time (including across political administrations).

2. Partnerships

- a. The proposal identifies strong partners, in addition to the responsible partner with whom the jurisdiction (or group of jurisdictions in the case of a regional proposal) is working.

- b. The proposal demonstrates how the proposed interventions or activities will leverage and/or connect with other initiatives and activities in the jurisdiction.
- c. The proposal identifies any co-financing and other contributions to support the proposed Window B activities. Proposals that are able to demonstrate additional financial support will be considered favorably during the evaluation process.

Activities Supported Under Funding Window B

Funding through Window B will not be restricted to specific types of projects or activities. Successful proposals (individual or regional) will need to make a compelling case why funding through Window B will allow the jurisdiction (or group of jurisdictions in the case of a regional proposal) to address the drivers of deforestation in their jurisdiction or region, how the funded activities will fit within their overall jurisdictional strategy and investment plan (as supported by Window A), and how they will use any funding received under Window B to leverage additional sources of support. Given the impacts of COVID-19 on local and regional economies and the anticipated reductions in some public sector staffing and budgets for forest and climate activities, Window B proposals should address, where relevant, how the jurisdiction (or group of jurisdictions in the case of a regional proposal) will carry out the proposed activities in the face of post-COVID-19 constraints.

Some possible examples of activities that could be supported include public-private partnerships to promote jurisdictional sourcing of commodities, partnerships with indigenous and traditional communities, land tenure reform, improved enforcement, new approaches to protected areas, new programs for smallholder participation in sustainable enterprises, new jurisdiction-wide certification schemes for particular commodities, market access initiatives, domestic finance reform, programs to support new forest-based start-ups, and activities that ensure synergy between economic recovery, sustainable development and forest protection post-COVID-19. Where relevant, attention should be given to the use of new and emerging standards such as ART-TREES and/or California’s Tropical Forest Standard (TFS) as the basis for assessing jurisdictional performance.

Ongoing interest in combining sustainable supply chain efforts with jurisdictional approaches to low emissions development—sometimes framed as “jurisdictional sustainability” or “sustainable jurisdictional sourcing”—presents an obvious opportunity for Window B proposals. The GCF Task Force has pioneered the jurisdictional approach since its inception, and has worked for years to facilitate new partnerships with supply chain actors as a means to establish viable models of jurisdictional sourcing agreements with high-performing jurisdictions. These efforts have proved challenging for both sides, but there is some indication that corporate actors are increasingly interested in the possibility of jurisdictional sourcing as they seek to meet their own commitments. Window B support could provide assistance in allowing some of these nascent efforts to take shape, allowing for some mitigation of the risks associated with implementing such a partnership. Any such effort should be evaluated carefully and should

include matching support from the relevant private sector actors and/or global networks (such as the Tropical Forest Alliance (TFA)).

The core objective of Window B funding is to support innovative approaches to reducing deforestation in particular jurisdictions or across regions. Successful proposals must not only build upon the analysis of drivers of deforestation carried out under Window A, but must also clearly identify the problems (internal and external) as well as the risks and uncertainties confronting efforts to reduce deforestation, including the impacts of COVID-19 on public and private sector activities directed at sustainable forest and land use. Moreover, successful proposals must present the case for how a particular intervention (or set of interventions) will “solve” those problems and allow the jurisdiction to implement its strategy to reduce deforestation.

Thus, while all proposals must be grounded in a detailed and credible theory of change, each proposal should also identify key areas of uncertainty that confront the proposed activity and, importantly, how the jurisdiction (or group of jurisdictions in the case of a regional proposal) and its partner will respond to new challenges during implementation. This includes articulating how the jurisdiction (or group of jurisdictions in the case of a regional proposal) will adapt in the face of new obstacles or constraints, such as recovery post-COVID-19; how it will respond to new opportunities that may not have been apparent at the outset; how it will design into its approach a capacity for adaptation and adjustment; and how it will learn from experience as implementation proceeds. This will also include an assessment of safeguards risks and compliance with UNDP social and environmental standards.

As with Window A, it is very important that activities supported under Window B promote capacity for policy innovation and implementation in the jurisdiction. Proposed activities must therefore fit with the vernacular, local conditions of forest governance and implementation capacity. This includes a critical assessment of why past initiatives to reduce deforestation have not succeeded and how the proposed intervention under Window B will be different. Particular attention should be directed to how the proposed intervention will solve implementation problems that have stifled previous efforts to translate commitment and policies into actual emissions reductions. Here again, such analysis should also include a realistic assessment of the impacts of COVID-19 on implementation capacity and the possibilities for building forest protection into any post-COVID-19 recovery.

In sum, funding under Window B should be used to accelerate change that leads to reduced deforestation within a jurisdiction or across a region. It should be targeted at particular interventions that could not happen without additional support and that are likely to catalyze the transition to sustainable, low-emissions development.

Anticipated Timeline

- June 2020: Call for proposals for Window B funding
- September 2020: Submission deadline for Window B funding proposals
- December 2020: Announcement of selected Window B proposals
- Q1 2021: Agreements signed with Responsible Parties and Disbursement of Funding

Additional Information and Contacts

The GCF Task Force Secretariat will work with UNDP to make relevant information such as proposal templates and guidance documents available to GCF Task Force members. Questions on process and timelines should be directed initially to the GCF Task Force Secretariat.

The UNDP Climate & Forests Team will provide quality assurance, technical support, management services, oversight of proposals and implementation of activities, in accordance with UNDP policies and procedures.

GCF Task Force Secretariat: William Boyd, william.boyd@colorado.edu
Colleen Scanlan Lyons, colleen.scanlanlyons@colorado.edu

UNDP: Tim Clairs, tim.clairs@undp.org
Alexis Arthur, alexis.arthur@undp.org