

Design & Appraisal Stage Quality Assurance Report

Form Status: Approved

Overall Rating:	Highly Satisfactory
Decision:	Approve: The project is of sufficient quality to continue as planned. Any management actions must be addressed in a timely manner.
Portfolio/Project Number:	00130666
Portfolio/Project Title:	Accelerating Green and Climate Finance
Portfolio/Project Date:	2022-03-07 / 2025-12-31

Strategic**Quality Rating: Highly Satisfactory**

1. Does the project specify how it will contribute to higher level change through linkage to the programme's Theory of Change?

- 3: The project is clearly linked to the programme's theory of change. It has an explicit change pathway that explains how the project will contribute to outcome level change and why the project's strategy will likely lead to this change. This analysis is backed by credible evidence of what works effectively in this context and includes assumptions and risks.
- 2: *The project is clearly linked to the programme's theory of change. It has a change pathway that explains how the project will contribute to outcome-level change and why the project strategy will likely lead to this change.*
- 1: The project document may describe in generic terms how the project will contribute to development results, without an explicit link to the programme's theory of change.

Evidence:

The Project aims to increase private sector investments into gender responsive nature-based solutions for climate resilient technologies, innovations, practices and approaches. This, in support of a just transition to resilient and low emission development that sustains nature and ecosystems and protects the rights of all who are affected and at risk. This Project will contribute to the realization of the economic prize offered by investments in nature-based solutions in the Philippines. This Project will demonstrate how these additional investments can generate solid financial returns and contribute to the achievement of other SDG goals such as gender equality, expanding access to clean water, job creation, increase in incomes of local communities, increased food production, increased sustainable consumption and production, enhanced natural resilience, and many more.

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#	File Name	Modified By	Modified On
1	Annex3_TOC_07January2022_12934_101 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/Annex3_TOC_07January2022_12934_101 .docx)	maria.theresa.espino-yap@undp.org	5/14/2022 3:53:00 PM

2. Is the project aligned with the UNDP Strategic Plan?

- 3: The project responds to at least one of the development settings as specified in the [Strategic Plan¹](#) and adapts at least one [Signature Solution²](#). The project's RRF includes all the relevant SP output indicators. (all must be true)
- 2: *The project responds to at least one of the development settings as specified in the Strategic Plan⁴. The project's RRF includes at least one SP output indicator, if relevant. (both must be true)*
- 1: The project responds to a partner's identified need, but this need falls outside of the UNDP Strategic Plan. Also select this option if none of the relevant SP indicators are included in the RRF.

Evidence:

Signature Solution 4: Environment

B.3 SP Indicator Alignment

4.1 Natural resources protected and managed to enhance sustainable productivity and livelihoods

4.1.1 Number of people directly benefitting from initiatives to protect nature and promote sustainable use of resources: (Female, Male)

4.1.2 Natural resources that are managed under a sustainable use, conservation, access, and benefit-sharing regime: Area of terrestrial and marine protected areas created or under improved management practices (hectares)

- Number of shared water ecosystems (fresh or marine) under new or improved cooperative management

- Coverage and scale of ecosystems with enhanced resilience to climate change (hectares and kilometres)

- Area of forest and forest land restored (hectares)
Areas of landscapes under improved practices, excluding protected areas (hectares)

4.2 Public and private investment mechanisms mobilized for biodiversity, water, oceans, and climate solutions

4.2.1 Number of people (sex disaggregated) directly benefitting from mechanisms for biodiversity, water, oceans, and climate solutions funded by public and/or private sector resources

4.2.2 Number of people with enhanced resilience of health, food, and water security, and/or livelihoods due to public and/or private resources

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No documents available.			

3. Is the project linked to the programme outputs? (i.e., UNDAF Results Group Workplan/CPD, RPD or Strategic Plan IRRF for global projects/strategic interventions not part of a programme)

- Yes
 No

Evidence:

UN PFSD and UNDP CDP Outcome Alignment:
 Urbanization, economic growth, and climate change actions are converging for a resilient, equitable and sustainable development path for communities
 Indicative Output(s) with gender marker :

CPD Output Indicator Alignment:

2.1.2 Number of farmers implementing climate change adaptation and mitigation strategies in UNDP-assisted communities.

2.2.1 Extent to which low emission and climate-resilient development targets are reflected in: a) National plans, strategies and budgets; b) Local development plans, strategies and budgets; c) Private sector business plans and strategies

2.2.2 Number of public and private entities making investments in low emission solutions and schemes through UNDP support

2.3.1 Area of UNDP-assisted protected areas with high biodiversity effectively managed

2.3.3 Value of financing generated for conservation and sustainable use of biodiversity and ecosystems

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No documents available.			

Relevant**Quality Rating: Highly Satisfactory**

4. Do the project target groups leave furthest behind?

- 3: The target groups are clearly specified, prioritising discriminated, and marginalized groups left furthest behind, identified through a rigorous process based on evidence.
- 2: *The target groups are clearly specified, prioritizing groups left furthest behind.*
- 1: The target groups are not clearly specified.

Evidence:

•The Project recognizes that the marginalized and vulnerable sectors of society are the ones most affected by climate change and biodiversity degradation, especially those Environment and Natural Resource (ENR) dependent households. The Project which attempts to secure additional financing for stronger nature-based solutions will promote fulfilment of rights of the marginalized and vulnerable population to a healthy and balanced ecology.

•The Project will ensure consultations with individuals, NGOs, Peoples Organizations and government agencies on the design of nature-based solutions for climate investments such that the well-being, rights and interests of the marginalized sectors, including the indigenous peoples, fishers and farmers, women, children youth, the elderly and persons are taken into account.

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No documents available.

5. Have knowledge, good practices, and past lessons learned of UNDP and others informed the project design?

- 3: Knowledge and lessons learned backed by credible evidence from sources such as evaluation, corporate policies/strategies, and/or monitoring have been explicitly used, with appropriate referencing, to justify the approach used by the project.
- 2: *The project design mentions knowledge and lessons learned backed by evidence/sources but have not been used to justify the approach selected.*
- 1: There is little, or no mention of knowledge and lessons learned informing the project design. Any references made are anecdotal and not backed by evidence.

Evidence:

Below is list of UNDP projects which have been taken into account in the project design.

The UNDP, together with some partners, have initiated work in attracting impact investments in support of nature-based solutions:

- Through the UNDP-GEF SMARTSEAS Programme, a total of 19 community organizations were supported in BDFEs to support livelihood development of fisherfolks engaged in the management of marine protected areas.
- Under the Biofin and UNDP-GEF SMARTSEAS Projects, work is being done to facilitate investments by impact investors in enterprises that support sustainable coastal ecosystem management, such as ecotourism, mudcrab hatchery, grouper production, among others
- With Biofin, a partnership was forged between the DENR – Biodiversity Management Bureau and the Public-Private Partnership Center (PPPC) to develop implementing policies for privately managed protected areas,
- The Biofin Project is investigating the feasibility of impact investing with the Development Bank of the Philippines (DBP) and identifying opportunities for private sector investments in biodiversity conservation activities
- Through the UNDP-GEF Global Marine Commodities (GMC) Project, the First Octopus National Management Plan has been developed with government and industry players, which positioned the industry to be eligible to tap the WWF Switch Asia Funds to mobilize part of a EUR 2.5 million proposal for sustainable marine commodity initiatives. There is therefore a large untapped potential in linking the local octopus production industry with the global market which demands sustainability and climate positive impacts.

This Project also draws lessons from undertaking of similar interventions such as the UNDP's existing data and research partnerships with the government, Pintig-Lab data network and CPI's wealth of experience in working with financiers and policymakers of the governments of India, Brazil, Indonesia, Southern Africa and the G7 countries. The Project will also scale up financing solutions for NBS from UNDP implemented projects. The challenges identified pertaining to improving biodiversity financing in the country under UNDP BIOFIN have also been considered under Component 2.

The UNDP is actively working with governments, regulators and other stakeholders of financial markets on development and introduction of various impact factored frameworks and financial tools. These

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#	File Name	Modified By	Modified On
1	Table2.SynergieswithUNDPProjectsandProgrammes_12934_105 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/Table2.SynergieswithUNDPProjectsandProgrammes_12934_105.docx)	maria.theresa.espino-yap@undp.org	5/15/2022 8:24:00 AM

6. Does UNDP have a clear advantage to engage in the role envisioned by the project vis-à-vis national / regional / global partners and other actors?

- 3: *An analysis has been conducted on the role of other partners in the area where the project intends to work, and credible evidence supports the proposed engagement of UNDP and partners through the project, including identification of potential funding partners. It is clear how results achieved by partners will complement the project's intended results and a communication strategy is in place to communicate results and raise visibility vis-à-vis key partners. Options for south-south and triangular cooperation have been considered, as appropriate. (all must be true)*
- 2: Some analysis has been conducted on the role of other partners in the area where the project intends to work, and relatively limited evidence supports the proposed engagement of and division of labour between UNDP and partners through the project, with unclear funding and communications strategies or plans.
- 1: No clear analysis has been conducted on the role of other partners in the area that the project intends to work. There is risk that the project overlaps and/or does not coordinate with partners' interventions in this area. Options for south-south and triangular cooperation have not been considered, despite its potential relevance.

Evidence:

Stakeholder Engagement Plan During Project Implementation

The primary goal of the Stakeholder Engagement Plan (SEP) for this Project is to ensure country ownership for long-term sustainability of Project interventions built and carried out in a transparent, participatory and accountable manner. Objectives of the SEP include: (i) identify the main stakeholders of the project and their roles and responsibilities during Project implementation; and (ii) maximize the stakeholders' competencies by identifying complementary actions among concerned agencies and the Project; (iii) identify necessary safeguards that will support the stakeholders' participation in the Project; and (iv) identify roles and responsibilities of the stakeholders on sustaining Project gains post-Project implementation. The Project's stakeholder engagement will aim at undertaking participatory and inclusive consultations, promotion of complementation among stakeholders, equitable and fair access to information and available resources, support to transformational paradigm and sustainability of Project interventions after its completion. Identified stakeholders of this Project will be involved in planning, implementation and, monitoring and assessment of Project interventions. Annex 1 provides the complete Stakeholder Engagement Plan for this Project.

South-South and Triangular Cooperation (SSC/TrC)

South-South and Triangular Cooperation will be utilized as an approach for technology transfer, lesson sharing and scaling-up. To facilitate this approach, the following will be targeted:

- Sharing of lessons learned among countries covered by BIOFIN in the Asia-Pacific Region. An exchange on experiences on private sector partnerships on biodiversity financing will be meaningful among Thailand, Bhutan, Indonesia and the Philippines. Looking into what worked and didn't work on private sector partnerships in these countries can provide helpful insights on viable business models, necessary policy and governance support, and key stakeholder incentives that can create an enabling environment for non-traditional partnerships.
- Coaching sessions between Tier 1 commercial banks with Tier 2 and 3 commercial banks. Commercial banks with advanced knowledge and systems in place for operationalizing sustainable financing frameworks can provide coaching sessions that will help Tier 2 and 3 commercial banks on planning and setting-up policies, procedures and tools essen



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#	File Name	Modified By	Modified On
1	Annex1_StakeholderEngagementPlan_29October2021_12934_106 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/Annex1_StakeholderEngagementPlan_29October2021_12934_106.docx)	maria.theresa.espino-yap@undp.org	5/15/2022 8:37:00 AM

Principled

Quality Rating: **Highly Satisfactory**

7. Does the project apply a human rights-based approach?

- 3: The project is guided by human rights and incorporates the principles of accountability, meaningful participation, and non-discrimination in the project's strategy. The project upholds the relevant international and national laws and standards. Any potential adverse impacts on enjoyment of human rights were rigorously identified and assessed as relevant, with appropriate mitigation and management measures incorporated into project design and budget. (all must be true)
- 2: *The project is guided by human rights by prioritizing accountability, meaningful participation and non-discrimination. Potential adverse impacts on enjoyment of human rights were identified and assessed as relevant, and appropriate mitigation and management measures incorporated into the project design and budget. (both must be true)*
- 1: No evidence that the project is guided by human rights. Limited or no evidence that potential adverse impacts on enjoyment of human rights were considered.

Evidence:

The Project will ensure the recognition, respect, promotion and protection of human rights through the following:

- The rights provided by the Philippine Constitution of 1987, the Government of the Philippines' commitments under international laws and agreements, local policies and regulations will be at the core of the design and implementation of this Project. The Project interventions will ensure that no human rights are violated, especially those concerning the indigenous peoples, fishers and farmers, women, children youth, the elderly and persons with disabilities whether they are in conflict with law or not. To note, the most marginalized and vulnerable sectors are the target end beneficiaries of the nature-based solution-related financing mechanisms that will be carried-out under this Project. Equally important, the Project will recognize the Philippine Constitution's recognition of the significant participation of Non-Government Organizations (NGOs) and most vulnerable sectors in national development.
- The Project recognizes that the marginalized and vulnerable sectors of society are the ones most affected by climate change and biodiversity degradation, especially those Environment and Natural Resource (ENR) dependent households. The Project which attempts to secure additional financing for stronger nature-based solutions will promote fulfillment of rights of the marginalized and vulnerable population to a healthy and balanced ecology.
- The Project, in compliance with the Indigenous Peoples' Right Act (IPRA) or Republic Act No. 8371 and NCIP Administrative Order No. 3, Series of 2021 or The Revised Guidelines on Free and Prior Informed Consent (FPIC) and Related Processes of 2012, will recognize, respect, promote and protect the rights of Indigenous Cultural Communities (ICCs) to their ancestral domain, self-governance, self-determination, Indigenous Knowledge, Systems and Practices (IKSPs) and their Free and Prior Informed Consent (FPIC). For nature-based solutions financing that will be undertaken in ancestral domains, the Project will secure FPIC at the onset of Project implementation.
- The Project will ensure consultations with individuals, NGOs, Peoples Organizations and government agencies on the design of nature-based solutions for climate investments such that the well-being, rights and interests of the marginalized sectors, including the indigenous peoples, fishers and farmers, women, children youth, the elderly and persons are taken into account.
- The design of the governance and management arrangement of the Project will ensure that the Pro

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8. Does the project use gender analysis in the project design?

- 3: *A participatory gender analysis has been conducted and results from this gender analysis inform the development challenge, strategy and expected results sections of the project document. Outputs and indicators of the results framework include explicit references to gender equality, and specific indicators measure and monitor results to ensure women are fully benefitting from the project. (all must be true)*
- 2: A basic gender analysis has been carried out and results from this analysis are scattered (i.e., fragmented and not consistent) across the development challenge and strategy sections of the project document. The results framework may include some gender sensitive outputs and/or activities but gender inequalities are not consistently integrated across each output. (all must be true)
- 1: The project design may or may not mention information and/or data on the differential impact of the project's development situation on gender relations, women and men, but the gender inequalities have not been clearly identified and reflected in the project document.

Evidence:

The Project will ensure gender equality and women's empowerment through the following measures:

- A Gender Analysis and Action Plan has been prepared during project design.
- Gender indicators have been included in the Project Results Framework and, Monitoring and Evaluation Plan.
- Stakeholder consultations during project design included consultations on gender-related issues in terms of financing nature-based solutions for climate as well as consultations with government agencies and NGOs on gender related work.
- The Project will ensure that age and sex disaggregated data are generated during Project implementation and, monitoring and evaluation.
- The design of the governance and management arrangement of the Project will ensure that the Project Board and Lab Advisory Panel (which will act as the Technical Working Group that will provide technical recommendations to the Project Board) will have members who represent the interests of both men and women.
- The calls for nature-based solutions for climate investments, project design and implementation will involve gender equality and women's empowerment as criteria for selection of ideas to be supported by the Lab and Public-Private Partnership (PPP) Center.
- Improvement of the enabling environment, including conduct of policy research, access to nature-based solution and climate investment data platform and capacity-building programs, will ensure gender equality and women's empowerment.

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#	File Name	Modified By	Modified On
1	Annex2_GenderActionPlan_29October2021_12934_108 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/Annex2_GenderActionPlan_29October2021_12934_108.docx)	maria.theresa.espino-yap@undp.org	5/15/2022 8:48:00 AM

9. Did the project support the resilience and sustainability of societies and/or ecosystems?

- 3: *Credible evidence that the project addresses sustainability and resilience dimensions of development challenges, which are integrated in the project strategy and design. The project reflects the interconnections between the social, economic and environmental dimensions of sustainable development. Relevant shocks, hazards and adverse social and environmental impacts have been identified and rigorously assessed with appropriate management and mitigation measures incorporated into project design and budget. (all must be true)*
- 2: The project design integrates sustainability and resilience dimensions of development challenges. Relevant shocks, hazards and adverse social and environmental impacts have been identified and assessed, and relevant management and mitigation measures incorporated into project design and budget. (both must be true)
- 1: Sustainability and resilience dimensions and impacts were not adequately considered.

Evidence:

The combination of interventions under the Project is expected to increase the volume of investments from the private sector on nature-based solutions for climate, thus laying the groundwork for significant increase in the future. It is estimated that over the medium term, these interventions will leverage and influence 5-10 times of donor funding and wider impact on the financial sector in the Philippines. The Project will also put in place systems and mechanisms that will support sustained investments through improved reporting that align with sustainability measures and gender equity, strengthened policy actions, and capacities to design portfolio of nature-based solution projects by finance institutions. The gender differentiated impacts of investments on job creation, increased incomes and improved livelihood of communities, and other downstream results of investments shall be measured and reported under Outcome 4. The Project will endeavour to achieve equal participation of men and women throughout its activities and within its implementing structures in order to gain a balanced perspective.

The Project will work with government, the private sector, local communities, non-government organizations, academia, development partners and most especially the men and women in targeted communities to jointly deliver on the above results.

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No documents available.			

10. Has the Social and Environmental Screening Procedure (SESP) been conducted to identify potential social and environmental impacts and risks? The SESP is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences and/or communication materials and information dissemination. [if yes, upload the completed checklist. If SESP is not required, provide the reason for the exemption in the evidence section.]

- Yes
- No
- SESP not required because project consists solely of (Select all exemption criteria that apply)
- 1: Preparation and dissemination of reports, documents and communication materials
 - 2: Organization of an event, workshop, training
 - 3: Strengthening capacities of partners to participate in international negotiations and conferences
 - 4: Partnership coordination (including UN coordination) and management of networks
 - 5: Global/regional projects with no country-level activities(e.g.activities such as knowledge management, inter-governmental processes)
 - 6: UNDP serves as Administrative Agent
 - 7: Development Effectiveness projects and Institutional Effectiveness projects

Evidence:

Attached is SESP of the Project.

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#	File Name	Risk Category	Risk Requirements	Document Status	Modified By	Modified On
1	Anne x4_S ESP_ 29Oct ober2 021_ 1293 4_11 0 (htt ps://in trane t.und p.org/ apps/ Proje ctQA/ QA Fo rmDo cume nts/A nnex4 _SES P_29 Octob er202 1_12 934_ 110.d ocx)	Low		Final	maria.theresa.espino-yap @undp.org	5/15/2022 10:51:00 AM

Management & Monitoring

Quality Rating: Satisfactory

11. Does the project have a strong results framework?

- 3: The project's selection of outputs and activities are at an appropriate level. Outputs are accompanied by SMART, results-oriented indicators that measure the key expected development changes, each with credible data sources and populated baselines and targets, including gender sensitive, target group focused, sex-disaggregated indicators where appropriate. (all must be true)
- 2: *The project's selection of outputs and activities are at an appropriate level. Outputs are accompanied by SMART, results-oriented indicators, but baselines, targets and data sources may not yet be fully specified. Some use of target group focused, sex-disaggregated indicators, as appropriate. (all must be true)*
- 1: The project's selection of outputs and activities are not at an appropriate level; outputs are not accompanied by SMART, results-oriented indicators that measure the expected change and have not been populated with baselines and targets; data sources are not specified, and/or no gender sensitive, sex-disaggregation of indicators. (if any is true)

Evidence:

Attached is Project Results Framework.

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#	File Name	Modified By	Modified On
1	ResultsFramework_ClimateFinanceforNBS_12934_111 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/ResultsFramework_ClimateFinanceforNBS_12934_111.docx)	maria.theresa.espino-yap@undp.org	5/15/2022 10:57:00 AM

12. Is the project's governance mechanism clearly defined in the project document, including composition of the project board?

- 3: *The project's governance mechanism is fully defined. Individuals have been specified for each position in the governance mechanism (especially all members of the project board.) Project Board members have agreed on their roles and responsibilities as specified in the terms of reference. The ToR of the project board has been attached to the project document. (all must be true)*
- 2: The project's governance mechanism is defined; specific institutions are noted as holding key governance roles, but individuals may not have been specified yet. The project document lists the most important responsibilities of the project board, project director/manager and quality assurance roles. (all must be true)
- 1: The project's governance mechanism is loosely defined in the project document, only mentioning key roles that will need to be filled at a later date. No information on the responsibilities of key positions in the governance mechanism is provided.

Evidence:

Governance and Management Arrangement

Roles and responsibilities of the Project's governance mechanism: The Project will be implemented following UNDP's Direct Implementation Modality (DIM), according to the Standard Basic Assistance Agreement (SBAA) between UNDP and the Government of the Philippines and the Country Program.

Implementing Partner

The Implementing Partner is the entity to which the UNDP Administrator has entrusted the implementation of UNDP assistance specified in this signed project document along with the assumption of full responsibility and accountability for the effective use of UNDP resources and the delivery of outputs, as set forth in this document. The Implementing Partner is responsible for executing this project.

UNDP Country Office (CO) will serve as the Implementing Partner for the Project. UNDP CO has the main responsibility to ensure that the Project is executed in accordance with government priorities as well as with the Project Document and the UNDP guidelines. Within the CO, a strict firewall will be maintained between the delivery of project oversight and execution based on the CO's Internal Control Framework (CO). Project execution will be undertaken by the following CO Units:

Climate Action Programme (CAP) where the Project Management Unit (PMU) will be lodged. The CAP Team Leader will provide day to day guidance to the PMU by ensuring timely and quality delivery of outputs.

Procurement Team which will undertake procurement of goods and services for the Project following the approved Annual Work Plan and Annual Procurement Plan.

Human Resources Team which will be responsible for recruitment of Project staff.

Finance Team which will process payments for goods and services rendered for the Project

Project oversight will be provided by the following: Senior Management including the Resident Representative and Deputy Resident Representative.

Results and Quality Team which will closely coordinate with CAP on Project's key milestones, financial monitoring preparation of reports to donors and institutional partners and HACT assurance activities, among others; and

Operations Manager who will provide oversight on execution support services pertaining to procurement, finance and human resources management.





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13. Have the project risks been identified with clear plans stated to manage and mitigate each risk?

- 3: Project risks related to the achievement of results are fully described in the project risk log, based on comprehensive analysis drawing on the programme's theory of change, Social and Environmental Standards and screening, situation analysis, capacity assessments and other analysis such as funding potential and reputational risk. Risks have been identified through a consultative process with key internal and external stakeholders, including consultation with the UNDP Security Office as required. Clear and complete plan in place to manage and mitigate each risk, including security risks, reflected in project budgeting and monitoring plans. (both must be true)
- 2: *Project risks related to the achievement of results are identified in the initial project risk log based on a minimum level of analysis and consultation, with mitigation measures identified for each risk.*
- 1: Some risks may be identified in the initial project risk log, but no evidence of consultation or analysis and no clear risk mitigation measures identified. This option is also selected if risks are not clearly identified, no initial risk log is included with the project document and/or no security risk management process has taken place for the project.

Evidence:

Risks to successful implementation of the Project and corresponding mitigation measures have been identified during project formulation. Annex 4 (Social and Environmental Screening Procedure or SE SP) provides details on the assessment and level of significance of these identified risks.

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#	File Name	Modified By	Modified On
1	Table5.RisksandMitigationMeasures_12934_113 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/Table5.RisksandMitigationMeasures_12934_113.docx)	maria.theresa.espino-yap@undp.org	5/15/2022 11:04:00 AM

Efficient**Quality Rating: Highly Satisfactory**

14. Have specific measures for ensuring cost-efficient use of resources been explicitly mentioned as part of the project design? This can include, for example:

- i) Using the theory of change analysis to explore different options of achieving the maximum results with the resources available.
- ii) Using a portfolio management approach to improve cost effectiveness through synergies with other interventions.
- iii) Through joint operations (e.g., monitoring or procurement) with other partners.
- iv) Sharing resources or coordinating delivery with other projects.
- v) Using innovative approaches and technologies to reduce the cost of service delivery or other types of interventions.

- Yes
 No

Evidence:

The Project has been designed to ensure the most cost-effective approach in carrying-out Project interventions, including:

Building on current initiatives of critical actors. Project interventions have been designed anchoring on the most recent issuance of the ITSF on Sustainable Finance Roadmap. This builds upon key milestones of BSP and SEC, the two national government agencies which have been instrumental in providing an enabling environment for improved investments on climate and green investments. The Project will have the Sustainable Finance Framework issued by BSP and the Sustainability Reporting Guidelines for PLCs of SEC as the primary bases on improving policy support, designing and implementation of new financing solutions and appropriate governance structure, and development and roll-out of capacity-building activities, among others. Equally important, the Project will work with existing groups, organizations and development partners that aim to advance private sector participation on climate and nature-based solutions, including the Green Force, ITSF, and the PPP Center.

Building on lessons learned and best practices. This Project also draws lessons from undertaking of similar interventions such as the UNDP's existing data and research partnerships with the government, Pintig-Lab data network and CPI's wealth of experience in working with financiers and policymakers of the governments of India, Brazil, Indonesia, Southern Africa and the G7 countries. The Project will also scale up financing solutions for NBS from UNDP implemented projects. The challenges identified pertaining to improving biodiversity financing in the country under UNDP BIOFIN have also been considered under Component 2.

The UNDP is actively working with governments, regulators and other stakeholders of financial markets on development and introduction of various impact factored frameworks and financial tools. These experiences and global expertise will be harnessed in support of the Project. These include:

- work with Ministries of Finance and other relevant authorities on development and issuance of thematic bonds (Green Sukuk in Indonesia, SDG Bonds in Mexico and Uzbekistan) and currently is engaged in over 20 similar developments across the globe advocating introduction of SDG impact standards specifically developed for that asset class;
- engagements with governments in Indonesia

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No documents available.			

15. Is the budget justified and supported with valid estimates?

- 3: *The project's budget is at the activity level with funding sources, and is specified for the duration of the project period in a multi-year budget. Realistic resource mobilisation plans are in place to fill unfunded components. Costs are supported with valid estimates using benchmarks from similar projects or activities. Cost implications from inflation and foreign exchange exposure have been estimated and incorporated in the budget. Adequate costs for monitoring, evaluation, communications and security have been incorporated.*
- 2: The project's budget is at the activity level with funding sources, when possible, and is specified for the duration of the project in a multi-year budget, but no funding plan is in place. Costs are supported with valid estimates based on prevailing rates.
- 1: The project's budget is not specified at the activity level, and/or may not be captured in a multi-year budget.

Evidence:

Attached is Multi-Year Work Plan of the Project.

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#	File Name	Modified By	Modified On
1	MultiYearWorkPlan_ClimateFinanceforNBS_12934_115 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/MultiYearWorkPlan_ClimateFinanceforNBS_12934_115.docx)	maria.theresa.espino-yap@undp.org	5/15/2022 11:10:00 AM

16. Is the Country Office / Regional Hub / Global Project fully recovering the costs involved with project implementation?

- 3: The budget fully covers all project costs that are attributable to the project, including programme management and development effectiveness services related to strategic country programme planning, quality assurance, pipeline development, policy advocacy services, finance, procurement, human resources, administration, issuance of contracts, security, travel, assets, general services, information and communications based on full costing in accordance with prevailing UNDP policies (i.e., UPL, LPL.)
- 2: *The budget covers significant project costs that are attributable to the project based on prevailing UNDP policies (i.e., UPL, LPL) as relevant.*
- 1: The budget does not adequately cover project costs that are attributable to the project, and UNDP is cross-subsidizing the project.

Evidence:

Direct Project Costs (DPCs) have been embedded in budget lines included in the Multi-Year Work Plan.

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#	File Name	Modified By	Modified On
1	MultiYearWorkPlan_ClimateFinanceforNBS_12934_116 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/MultiYearWorkPlan_ClimateFinanceforNBS_12934_116.docx)	maria.theresa.espino-yap@undp.org	5/15/2022 12:30:00 PM

Effective**Quality Rating: Exemplary**

17. Have targeted groups been engaged in the design of the project?

- 3: *Credible evidence that all targeted groups, prioritising discriminated and marginalized populations that will be involved in or affected by the project, have been actively engaged in the design of the project. The project has an explicit strategy to identify, engage and ensure the meaningful participation of target groups as stakeholders throughout the project, including through monitoring and decision-making (e.g., representation on the project board, inclusion in samples for evaluations, etc.)*
- 2: Some evidence that key targeted groups have been consulted in the design of the project.
- 1: No evidence of engagement with targeted groups during project design.
- Not Applicable

Evidence:

Recognizing the need for country ownership of the Project interventions, a series of bilateral discussions were conducted from April to June 2021; and a second round in October 2021. The objectives of these stakeholder consultations were to: (I) introduce the Project and initial proposed interventions; (i) gather inputs on how the Project can strongly support acceleration of climate and green investments in the country given current and pipeline initiatives; and (iii) secure buy-in of stakeholders during Project implementation. Stakeholders interviewed were from key NGAs, commercial financial institutions, national development banks, private sector entities involved in climate and nature-based solutions, Project Teams and non-government organizations (NGOs) involved in the implementation of climate and nature-based solution related Projects. Provided in Annex 1 is list of stakeholders consulted and key important points highlighted during the discussions.

List of Uploaded Documents

#	File Name	Modified By	Modified On
1	Annex1_StakeholderEngagementPlan_29October2021_12934_117 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/Annex1_StakeholderEngagementPlan_29October2021_12934_117.docx)	maria.theresa.espino-yap@undp.org	5/15/2022 12:36:00 PM

18. Does the project plan for adaptation and course correction if regular monitoring activities, evaluation, and lesson learned demonstrate there are better approaches to achieve the intended results and/or circumstances change during implementation?

- Yes
 No

Evidence:

The Project results, including indicators and mid-term and end-of-project targets in the Project Results Framework will be monitored annually and evaluated periodically during Project implementation. Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the UNDP POPP and UNDP Evaluation Policy. The UNDP Country office is responsible for ensuring full compliance with all UNDP project monitoring, quality assurance, risk management, and evaluation requirements. To note, the Project will undertake appropriate, gender-responsive monitoring, evaluation and learning activities to assess the effectiveness of the implementation of the green and climate financing from a gender perspective. These include the use of gender indicators and collection and analysis of gender data to understand differentiated impacts. This will include monitoring and evaluation of unintended consequences and sharing of best practices and lessons learned.

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#	File Name	Modified By	Modified On
1	MandEPlan_ClimateFinanceforNBS_12934_118 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/MandEPlan_ClimateFinanceforNBS_12934_118.docx)	maria.theresa.espino-yap@undp.org	5/15/2022 12:39:00 PM

19. The gender marker for all project outputs are scored at GEN2 or GEN3, indicating that gender has been fully mainstreamed into all project outputs at a minimum.

- Yes
- No

Evidence:

The Project will ensure gender equality and women’s empowerment through the following measures:

- A Gender Analysis and Action Plan has been prepared during project design.
- Gender indicators have been included in the Project Results Framework and, Monitoring and Evaluation Plan.
- Stakeholder consultations during project design included consultations on gender-related issues in terms of financing nature-based solutions for climate as well as consultations with government agencies and NGOs on gender related work.
- The Project will ensure that age and sex disaggregated data are generated during Project implementation and, monitoring and evaluation.
- The design of the governance and management arrangement of the Project will ensure that the Project Board and Lab Advisory Panel (which will act as the Technical Working Group that will provide technical recommendations to the Project Board) will have members who represent the interests of both men and women.
- The calls for nature-based solutions for climate investments, project design and implementation will involve gender equality and women’s empowerment as criteria for selection of ideas to be supported by the Lab and Public-Private Partnership (PPP) Center.
- Improvement of the enabling environment, including conduct of policy research, access to nature-based solution and climate investment data platform and capacity-building programs, will ensure gender equality and women’s empowerment.

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#	File Name	Modified By	Modified On
1	Annex2_GenderActionPlan_29October2021_12934_119 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/Annex2_GenderActionPlan_29October2021_12934_119.docx)	maria.theresa.espino-yap@undp.org	5/15/2022 12:42:00 PM

Sustainability & National Ownership**Quality Rating: Satisfactory**

20. Have national / regional / global partners led, or proactively engaged in, the design of the project?

- 3: National partners (or regional/global partners for regional and global projects) have full ownership of the project and led the process of the development of the project jointly with UNDP.
- 2: *The project has been developed by UNDP in close consultation with national / regional / global partners.*
- 1: The project has been developed by UNDP with limited or no engagement with national partners.

Evidence:

Recognizing the need for country ownership of the Project interventions, a series of bilateral discussions were conducted from April to June and in October 2021. The objectives of these stakeholder consultations were to: (i) introduce the Project and initial proposed interventions; (ii) gather inputs on how the Project can strongly support acceleration of climate and green investments in the country given current and pipeline initiatives; and (iii) secure buy-in of stakeholders during Project implementation. Stakeholders interviewed were from key NGAs, commercial financial institutions, national development banks, private sector entities involved in climate and nature-based solutions, Project Teams and non-government organizations (NGOs) involved in the implementation of climate and nature-based solutions on related Projects.

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#	File Name	Modified By	Modified On
1	Annex1_StakeholderEngagementPlan_29October2021_12934_120 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/Annex1_StakeholderEngagementPlan_29October2021_12934_120.docx)	maria.theresa.espino-yap@undp.org	5/15/2022 2:50:00 PM

21. Are key institutions and systems identified, and is there a strategy for strengthening specific / comprehensive capacities based on capacity assessments conducted?

- 3: The project has a strategy for strengthening specific capacities of national institutions and/or actors based on a completed capacity assessment. This strategy includes an approach to regularly monitor national capacities using clear indicators and rigorous methods of data collection, and adjust the strategy to strengthen national capacities accordingly.
- 2: A capacity assessment has been completed. There are plans to develop a strategy to strengthen specific capacities of national institutions and/or actors based on the results of the capacity assessment.
- 1: *Capacity assessments have not been carried out.*
- Not Applicable

Evidence:

While capacity assessments have not been carried-out, the project design provides significant resources for capacity-building activities on climate finance. Specifically, Component 3 will focus on these.

Component 3: Capacity-building of financial institutions to increase finance flows to gender sensitive, climate and green solutions

Outcome 3: Improved capacities of financial institutions (regulators, commercial, micro finance, national) to design and incorporate gender sensitive, green and climate related policies in their lending programmes.

This component responds to barriers 1, 2 and 3 (Lack of policy research and data platforms, inadequate returns to investors and limited project pipeline, limited capacities of banks to finance green and climate projects) and aims to assist leading financial actors (commercial funders, micro-finance providers and national development agencies):

- effectively implement the recently issued Sustainable Finance Framework and Roadmap. and,
- develop their organisational capacities to create funding portfolios that align with the framework and strengthen the overall climate finance system.

The Sustainable Finance Framework requires banks to: “to embed sustainability principles, including those covering environmental and social risk areas, in their corporate governance framework, risk management systems, and strategic objectives consistent with their size, risk profile and complexity of operations.” Drawing directly from outputs generated in component 1, as well as from lessons learnt from component 2, the Project will assist banks to capture more detailed, granular information around the exposure to risk (climate-, disaster-risk info) and climate impact of bank products and policies. There will be a specific focus to develop a business case for banks to develop women-focused loan products, as well as emerging products such as NBS; and to disincentivize investments in carbon emitting and environmentally degrading industries.

Finally, drawing further from insights obtained in components 1 and 2, and in partnership with industry associations, the Project will also undertake capacity assessments of Tier 1, Tier 2 and Tier 3 banks to determine their specific needs in complying with the Sustainable Finance Framework, and assist them bridge critical gaps linked to the design and i

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No documents available.

22. Is there is a clear strategy embedded in the project specifying how the project will use national systems (i.e., procurement, monitoring, evaluations, etc.,) to the extent possible?

- Yes
- No
- Not Applicable

Evidence:

This will be undertaken through a Direct Implementation Modality (DIM) where UNDP processes will be utilized. On management arrangements, however, key National Government Agencies (NGAs) will be tapped to provide strategic direction.

A Technical Advisory Group (TAG) will be formed to facilitate exchange of information between the Lab and the finance stakeholders. This TAG will be composed of the BSP, SEC, commercial banks, national development banks (LandBank and DBP) and asset managers. This group can serve as a vehicle through which local finance actors can learn more about ways on structuring capital to finance climate and nature-based solutions while the Lab can learn about existing investment products (green bonds), risk appetites, priority sectors, geographies and sustainability targets of top commercial banks.

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No documents available.			

23. Is there a clear transition arrangement / phase-out plan developed with key stakeholders in order to sustain or scale up results (including resource mobilisation and communications strategy)?

- Yes
- No

Evidence:

The Project will promote sustainability and scaling-up through the following mechanisms:

Institutional sustainability will be achieved by addressing systemic barriers that hinder a more robust and increasing climate and green investments in the country. The policy platform and research component of this Project aims to tackle policy, governance, incentive, capacity-building and evidence gaps and identify targeted interventions to unlock these barriers through institutional partnerships, data sharing protocols achieved through consensus building, a participatory and inclusive data driven policy studies, and feasibility studies conducted to make a case for viable climate and nature-based solution business models. The convergence of resources, competencies and established networks of CPI, PPPC, DENR and other key NGAs, as well as building on ongoing and pipeline UNDP initiatives target to provide a more coordinated and strategic approach of identifying priority actions where private sector financing can be most beneficial.

The planned capacity-building activities among NGAs, including BSP, SEC and PPPC, banks and bank associations and WSMSEs, among others, on new financing solutions, viable climate and green investments, project appraisal integrating climate and green investments, sustainability reporting and SDG impact monitoring will be conducted with the end in view of strengthening institutional capacities for sustainability of Project interventions post-implementation period. Consultations with NGAs on national priorities for climate and green investments also revolve around ensuring country ownership and leveraging government budget as a way to de-risk these projects post-Project implementation period and significantly contribute to the country SDG and NDC commitments.

An Exit Strategy and Sustainability Plan will also be co-created with stakeholders to identify accountability centers for sustaining Project interventions after its completion.

Financial sustainability will be achieved through:
(I) informed project idea development based on feasibility studies and stress testing; (ii) establishing learning models of innovative financial instruments to unlock private sector financing at scale; and (iii) engaging investors who will support climate and green investments and blending these with resources of other stakeholders, including LGUs and CBOs.

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No documents available.			

QA Summary/LPAC Comments