

Readiness Proposal

**with Sahara and Sahel Observatory (OSS)
for State of Libya**

3 December 2021 | Enhancing Capacity



READINESS & PREPARATORY SUPPORT

PROPOSAL TEMPLATE



Proposal title: Enhancing institutional, human and technical capacity of Libya system for climate finance

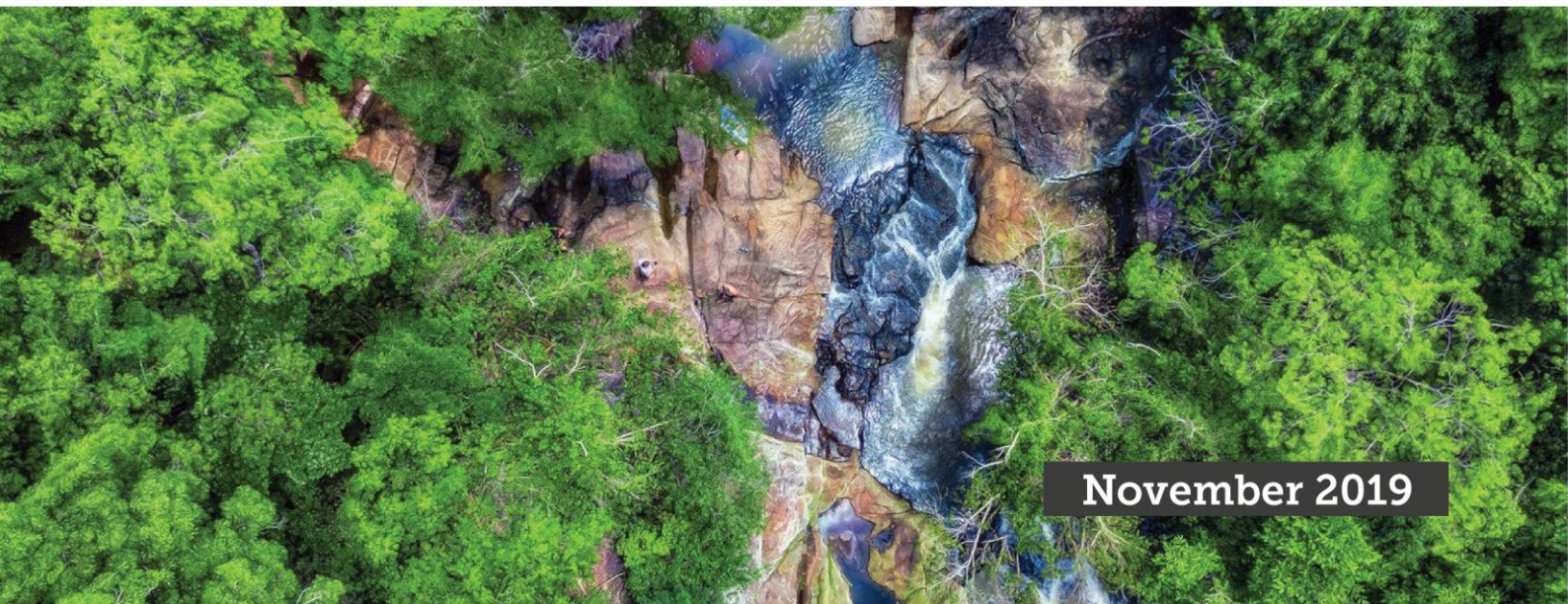
Country: Libya

National designated authority: Ministry of Environment / Mr. Nassir Naser

Implementing Institution: Sahara and Sahel Observatory (OSS)

Date of first submission: 31 December 2019

Date of current submission / version number: 1 October 2021 / V.04



November 2019

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Note: Environmental and Social Safeguards and Gender

Throughout this document, when answering questions and providing details, please make sure to pay special attention to environmental, social and gender issues, particularly to the situation of vulnerable populations, including women and men. Please be specific about proposed actions to address these issues. Consult Annex IV of the Readiness Guidebook for more information.

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When submitting the proposal, please name the file:
GCF Readiness -[Country]-[yymmdd]

1. SUMMARY

1.1 Country submitting the proposal	Country name: Name of institution representing NDA or Focal Point: Name of contact person: Contact person's position: Telephone number: Email: Full office address: Additional email addresses that need to be copied on correspondences:	Libya Ministry of Environment Mr. Nassir Naser Technical Environmental Advisor to the Ministry of Environment / GCF Focal Point (+218) 921176376 Nassirega@gmail.com Al Gheran, P.O. Box 83618, Tripoli, Libya		
1.2 Date of initial submission	31 December 2019			
1.3 Last date of resubmission	27 August 2020	<table border="1"> <tr> <td data-bbox="904 891 1083 958"> Version number </td> <td data-bbox="1093 891 1382 958"> V.04 </td> </tr> </table>	Version number	V.04
Version number	V.04			
1.4 Which institution will implement the Readiness and Preparatory Support project?	<input type="checkbox"/> National designated authority <input type="checkbox"/> Accredited entity <input checked="" type="checkbox"/> Delivery partner Name of institution: Name of official: Position: Telephone number: Email: Full office address: Additional email addresses that need to be copied on correspondences:	Sahara and Sahel Observatory (OSS) Mr. Nabil BEN KHATRA Executive Secretary (+216) 71 206 633 boc@oss.org.tn Boulevard du Leader Yasser Arafat, BP 81, 1080 Tunis - Tunisia nabil.benkhatra@oss.org.tn		
1.5 Title of the Readiness support proposal	Enhancing institutional, human and technical capacity of Libya system for climate finance			
1.6 Type of Readiness support sought	<input checked="" type="checkbox"/> I. Capacity building <input checked="" type="checkbox"/> II. Strategic frameworks <input type="checkbox"/> III. Adaptation planning <input checked="" type="checkbox"/> IV. Pipeline development <input checked="" type="checkbox"/> V. Knowledge sharing and learning			

1.7 Brief summary of the request

Libya's engagement with the Green Climate Fund (GCF) represents an opportunity to mobilize the resources needed to finance the implementation of its national and international obligations as Party to the United Framework Convention on Climate Change (UNFCCC) and other conventions. This readiness project builds on Libya's previous efforts to strengthen its engagement with the GCF. Indeed, Libya has benefited in 2018 during the first phase of preparation from GCF support to prepare for climate finance. The proposal is aimed at strengthening the capacities of the National Designated Authority (NDA) to fulfil its roles and responsibilities in connection to the GCF and coordinate with different stakeholders. This resulted in the creation of a NDA, which is the main beneficiary of this project, the establishment of a non-objection mechanism, the development of a communication strategy and a gender study, as well as help fill some in capacity gaps and to promote the effective participation of relevant stakeholders (public and private sector).

Building on this momentum, Libya plans to further strengthen the capacities of its NDA by endowing it with a permanent secretariat, by improving at operational level the coordination mechanism as well as the non-objection procedures, through the development of strategic documents, such as the national climate change strategy. The NDA is the main beneficiary of this project that aims to capitalize on the results of the first readiness, through the development of this strategy to guide government action on climate change. In the absence of a Nationally Determined Contribution (NDC), this strategy will be determinant and key input for the elaboration of an ambitious country program, which is also planned under this project.

This proposal aims to identify and strengthen the capacity of potential national entities to meet the accreditation requirements of the GCF, and provide support for the development pipeline of high-quality project concept notes for priority mitigation and adaptation projects. Further, the engagement and the role of the private sector and the civil society will be at the core of this proposal. This will strengthen the country ownership and harness the role of the stakeholders in supporting the country mobilization of resources for climate change projects.

This proposal is designed to address the following gaps identified during the first readiness:

- The absence of national strategic documents allowing the development of climate projects/programs;
- The weak capacity of the country in term of climate change and climate finance;
- The weak strategy and lack of synergy between and among national institutions;
- The absence of clear and capacitated national structure that explicitly deals with climate change;
- The lack of framework for monitoring and evaluation of climate-related strategies and policies, including for the implementation of adaptation and mitigation actions;
- The current deficiencies observed in term of collection, sharing, and dissemination of knowledge between sectors; and
- The lack of a national entity to promote and implement national climate actions.

To address the above mentioned gaps, this project will:

- Enhance the capacities of the NDA and the National Focal Point (NFP) through the creation of a permanent secretariat;
- Identify suitable entities for accreditation and roll out a clear action plan for the accreditation of the direct access applicants and accredited entities including timeline for addressing the different gaps;
- Further strengthen stakeholders' engagement following a gender sensitive approach, capacity development of relevant stakeholders on planning, programming and implementation of GCF-funded activities;
- Establish a public-private partnership which will foster the role of private sectors in climate finance, and leverage their capacity to implement programming priorities;
- Develop a national climate change strategy and a country program;
- Enhance capacity in terms of project development through the elaboration of three high priority concept notes, including one concept note for private sector

that are fully consistent with the country program and the national climate strategy;

- Endow Libya with an overall climate strategy that should inform the development of a country program to guide future GCF investment; and
- Set a knowledge management framework through the design of communication tools and facilitate the exchange of information and practices among stakeholders.

The main beneficiaries of this proposal are the NDA, the NFP and its related structures, Civil Society Organizations (CSOs) and private sector, the potential accredited entities and the relevant stakeholders with a special attention given to gender representation.

1.8 Total requested amount and currency

USDUSD
765,000.00

1.9 Implementation period

24 months

1.10 Is this request a multiple-year strategic Readiness implementation request?

- ☒ Yes
☐ No

1.11 Complementarity and coherence of existing readiness support

- ☒ Yes
☐ No

Libya received in 2018 funding for an initial readiness program titled "*Preparation of Libya to climate finance through GCF country programming and the establishment of the GCF designated national authority*". This project was completed in March 2020. The main outputs of this proposal are among others included:

1. Establishment of an ad-hoc committee to periodically approve new GCF climate finance guidelines;
2. Identification of the main national actors involved in the mobilization of financial resources dedicated to climate, taking into account gender equality;
3. Holding a national stakeholder consultation workshop to discuss updates to the fund's portfolio;
4. Development of a guidebook to access GCF funding;
5. Improvement of the enabling environment for inclusion of private sector to climate-smart investments in the country;
6. Design and development of a communication strategy and an action plan that offers clear, simple and accessible tools for understanding the GCF procedures and mechanisms ensuring their wide dissemination;
7. Development of a non-objection mechanism with its main objective to ensure the approval of all funding proposals to be submitted to the GCF and their consistency with regard to national climate policies, strategies and plans; and
8. Development of a platform for the exchange and information sharing on the NDA and GCF activities regarding the mobilization of the climate resources and the financing of projects. It is also a tool allowing the NDA members to review and approve project concept notes to be submitted to the GCF.

This proposal complements and builds on the achievement of the initial readiness and should further advance Libya readiness for climate finance. It has further been informed by the lessons learned from the initial readiness project and ensure the addressing of the different gaps identified. The implementation of this project will also benefit from the experience of the execution of the first readiness.

Since 2010, Libya due to political instability did not receive any funding from other donors that may be relevant in term of complementarity for this proposal.

2. SITUATION ANALYSIS

Background

Libya is one of the driest countries in the world: less than 2 percent of the country receives enough rain to support agriculture, and only 5 percent of the country receives more than 100 mm of rainfall per year. Libya's climate ranges from a temperate Mediterranean climate in isolated areas on the Mediterranean coast to a tropical desert climate in the vast majority of the country's interior. In terms of climate impacts observed, there is a decrease in rainfall of 20.9 mm/month since 1950s and in mean annual temperature by 0.89°C from 1901 to 2000, an increase in annual minimum temperatures of between 0.03 and 0.55°C per decade since the 1940s, depending on the weather station. Extreme minimum temperatures have also shown significant increases, while extreme maximum temperatures have not¹.

Libya faces considerable obstacles in adapting to global climate change. The economy is almost entirely dependent on hydrocarbon production and exports. It is estimated that one third of the population lives below the global poverty line of \$1.90 per day², and thus has limited resources to adapt to projected increases in temperature and extreme weather events. Over 85 percent of the population lives in urban areas, mostly near the coast, where water is more accessible. Annual water demand is around one billion cubic meters, compared to annual groundwater recharge estimated at only 250 million cubic meters. The Libyan government attempted to address water scarcity through the Great Man-Made River project, which taps into non-renewable fossil aquifers in the Sahara desert. These aquifers are now responsible for nearly 80 percent of the country's water use.

Libya is an interesting country for GCF's operation. Firstly, it is at a critical juncture in transitioning from a failed and conflict country to a state building that needs international support to help government provide for the different belligerents and consolidate peace. Secondly, Libya's economy, almost entirely dependent on oil and gas exports, which makes Libya -with 2.53- the first Africa's country with the highest per capita CO₂ emissions higher than the global average (1.3 metric ton of carbon per year). Hence, supporting Libya has a global benefit in terms of mitigation actions and will enable the Fund to fulfil its mandate towards low carbon and climate resilient development.

Though Libya signed and ratified the United Nations Framework Convention on Climate Change (UNFCCC) in 1999, it has not yet submitted any national communication to assess climate change vulnerability, nor developed a policy framework to address its vulnerabilities, nor submitted its Intended Nationally Determined Contribution (INDC) in connection with the UNFCCC COP25. This lack of policy and strategy on climate change is an opportunity for the GCF to steer the development agenda of the country towards one that is compatible with the climate imperative

In December 2018, Libya received support from the GCF to strengthen its readiness for climate finance, which led to the establishment of a National Designated Authority (NDA). This support was very critical, as it brought climate change at the core of the development debate. Concretely, the activities allowed to strengthen the country's capacity by establishing the NDA, setting up a coordination mechanism to support its activities, establish a non-objection procedure, mobilize and engage the different stakeholders in a consultative process. Moreover, the project also enabled the setting up of communication and awareness-raising strategy, the implementation of some communication actions and tools like the development of a web platform and the mobilization of the private sector on climate related activities.

The implementation of the first readiness project funded by the GCF revealed the absence of national strategy on climate change to guide and inform policy formulation across and for each sector. Furthermore, there is weak capacity of the country on climate change, including the lack of a sound coordination system, synergy and collaboration among the different institutions and stakeholders involved in development and climate change in Libya. Particularly, the weak institutional and human capacity of the NDA and system as well as the absence of national strategies and plans to guide climate action at national level have been regarded by the stakeholders as the main impediment for mainstreaming climate change issues into the national development planning process.

¹ USAID: Climate change risk profile Libya:

<https://www.climatelinks.org/sites/default/files/asset/document/2017USAIDGEMSClimate%20Change%20Risk%20ProfileLibya.pdf>

² <https://www.worldbank.org/en/topic/poverty/brief/global-poverty-line-faq#:~:targetText=As%20of%20October%202015%2C%20the,at%20%241.90%20using%202011%20prices>

Noteworthy, the implementation of the first readiness was constrained by some restrictions due to the limited budget and some operational difficulties due to the conflict. Further, a number of needs in terms of projects development for funding, large scale communication at national level, effective involvement of national entities in the GCF accreditation process, stakeholder mobilization especially civil society and private sector were expressed during the different consultation held in connection to the first readiness. Notably, despite the successful implementation of the first readiness, Libya still has limited human capacity to prepare quality funding proposals to access climate finance from the GCF. The country's local institutions have limited knowledge to understand, and apply for accreditation with GCF for the direct access modality and climate change is not fully mainstreamed in the development process.

Institutional frameworks and policy context

Climate issues fall under the authority of the Ministry of Environment. Libya coordinates its climate change issues and projects through its National Committee for Climate Change, which is headed by the Ministry of Environment and the most important stockholder (sectors) is represented in the committee such as the Ministry of Agriculture, Ministry of Water Resources, Ministry of Oil and Gas, Energy, Research centers. The NDA is hosted at Ministry of Environment.

The report of the first readiness project reveals the absence of clear national structure that explicitly deals with climate change. This situation exacerbates the prevailing of governmental jurisdictions, which undermine the establishment of effective institutional arrangements, and consequently, limit the country's ability to take advantage of existing and emerging climate-related opportunities. Furthermore, the report indicated that this prevailing situation is one of the key impediments to mainstream climate change into the development planning process. Indeed, the existing institutions also lack human and technical capacity to understand and perform their roles and responsibilities. Another aspect that reinforces the need to strengthen the institutional set up relates to the weak capacity of the existing monitoring and evaluation framework of existing climate-related strategies and policies. Libya does not have structured mechanisms in other climate-sensitive sectors for monitoring and evaluating adaptation and mitigation actions.

Stakeholders

The implementation of the readiness project allowed to highlight the importance of involving all relevant stakeholders (public sector, private sector, researchers, academics, civil society, etc.) in the project to strengthen the country ownership on all processes. Due to the lack of clarity on the governance and underlying institutional arrangement for climate change, the stakeholder engagement has been so far ad-hoc, relying on existing structures to conduct different activities without a clear strategy and understanding of their respective roles and responsibilities.

During the first readiness, a series of workshops were organized to identify key national actors involved in the mobilization of financial resources dedicated to climate, taking into account gender equality. This helped to identify key national actors involved in the mobilization of financial resources dedicated to combat climate change. Also, the initial readiness enabled initial strengthening coordination among stakeholders, but also with the government. However, no assessment of the capacity needs and institutional arrangements were conducted to map relevant stakeholders and strengthen the coordination mechanism.

Lessons learned and synergy with other support

Libya has barely experience on managing climate change projects and related activities. Notably, Libya received funding from the Global Environment Facility (GEF) in 2002 to assist in the development of the scientific and technical capacity needed to produce an initial national communication to the UNFCCC. The support was withdrawn in 2005 and Libya still has not yet submitted any national communication to the UNFCCC. A report³ from GEF indicates that between July 2010 and June 2014, Libya received an additional \$4.5 million from GEF for biodiversity (\$1.5m), climate change (\$2.1m) and land degradation (\$0.9m). However, Libya spent most these funds on land degradation.

³ <https://www.lse.ac.uk/GranthamInstitute/wp-content/uploads/2015/05/LIBYA.pdf>

Challenges and gaps

During the first readiness Libya project, and in view of the security instability, which still marks the country, all the events and meetings were organized in Tunisia and this in common agreement between the NFP and the OSS. As a result, and given that the situation is still critical, it has been seen useful to schedule these meetings also possibly in Tunisia.

The implementation of the first readiness project allowed to highlight among other following lessons: a) The need to create and set up the NDA secretariat to support the activities of the NFP during the implementation of the project; b) the urgency of conducting national studies to identify national priorities for climate change (adaptation and mitigation); and the need to develop communication tools and carry out awareness-raising activities on climate change and its financing. Noteworthy, stakeholders have shown strong interest in participating in the different activities of the first readiness and expressed the need for structured engagement between non-state actors and governments.

This proposal intends to address different shortcomings and gaps identified during the implementation as follow:

- i. The weak institutional, human and technical capacities of the country to deal with climate change and the lack of a secretariat to assist the NDA team, NFP and stakeholders to fully perform their roles and responsibilities.

Libya lacks capacity on climate change management. The institutions and structures do not have sufficient capacity, expertise and experience to manage climate change aspects. These shortcomings were confirmed during the first readiness project. This project dedicates a large part of its activities to building the capacities of the different target groups (decision-makers, public sector, private sector, civil society etc.). Due to the limited staffs for the NDA, this project will establish a permanent secretariat to support the day to day operation of the NDA with the goal of making its engagement with both the GCF and within the country more effective.

- ii. Lack of awareness on climate change by the main stakeholders especially enable a high-level involvement of policy makers, parliamentarians, governors.

There is a lack of coordination among government and stockholders on climate change, though several stakeholders are interested in the climate change in Libya. Currently there is no innovative mechanism that ensures coordination between the different sectors for better efficiency and optimization of resource mobilization.

- iii. The lack of knowledge by NDA team and relevant stakeholders on GCF's policies, procedures and project preparation.

In Libya there is limited awareness, communication tools and access to climate information. The first readiness project enabled the development of a communication and awareness strategy on climate change and climate finance. Due to the lack of available financial resources, only a few activities could be implemented. Therefore, it is necessary to consolidate communication and awareness raising efforts on climate change to improve the level of awareness of the various operators and stakeholders.

- iv. The lack of Direct Access Entities (DAEs) capacities to meet and maintain the GCF's accreditation standards. Accredited DAEs have the capacity to develop a pipeline of projects/programs and effectively implement GCF-funded activities.

There are no nationally accredited entities (AEs) with GCF. The project plans to continue the process initiated during the first readiness Libya project and which consists of supporting Libyan national institutions to obtain accreditation from the GCF.

- v. The lack of involvement of civil society and the private sector in aspects related to climate change and climate finance.

There is a limited involvement of civil society and private sector. The civil society organizations (CSOs) and the private sector can play a key role to strengthen and support the country to become better involved in climate change and climate finance issues through capacity building, mobilization, communication and awareness activities.

- vi. The absence of a national climate strategy and a country program to systematically program ambitious strategies to guide GCF investment.

Currently there are no documents and strategies related to climate change. One of the current major handicaps is that Libya has no strategic document on climate change (Climate Change Strategy, NDC, Country program, National Adaptation Strategy, etc.). This project will work for the establishment of a national strategy on climate change and a country program, which will identify national priorities and guidelines in climate change (adaptation, mitigation, capacity building, climate finance, etc.).

Goal and outputs

A set of capacity building and training activities for the different institutions and beneficiaries are planned in this proposal to raise the level of awareness of all the target groups for a better consideration of the climate change aspects in the development priorities and planning, especially enable a high-level involvement of policy makers, parliamentarians, and governors.

The project will establish a permanent secretariat to support the day-to-day operation of the NDA with the goal of making its engagement with both the GCF and within the country more effective.

Therefore, this proposal is based on a need expressed by Libya's partners, stakeholders mainly the NFP and members of the NDA during the implementation of the first readiness. Currently, as stated Libya, as one of the rare Party to the UNFCCC, does not have a national strategy on climate change. Moreover, it has not yet elaborated and prepared its NDCs in the context of the Paris Agreement, in light of its cyclical conflict situation.

Further, this proposal will try to overcome these shortcomings by developing the first ever national strategy on climate change, which will subsequently inform the development of the country program, etc. The activities of the present proposal will help the country develop its first ever strategy and country program, which will steer the initial path for the country to get involved in a climate resilient and low carbon development. Indeed, the strategic framework and the country program are two essential tools for a better management of issues related to adaptation and mitigation and to facilitate access to climate finance and in particular to the GCF. Last but not the least, it has the potential to solve the equation why Libya has not yet submitted a funding proposal to the GCF.

The adverse impacts of climate change and the involvement of civil society and the private sector are poorly understood and controlled, despite the importance of the activities have gotten in the framework of the first readiness project. The project aims, inter alia, to consolidate the results achieved, by providing further capacity buildings for the members of the NDA and the various stakeholders, the involvement of the private sector, the accreditation of national entities, awareness raising and communication, etc. Further, through a communication strategy and action plan that have been developed during the initial readiness, this project will help broaden the spectrum and reach the maximum number of target groups.

In addition, this proposal will help the country to identify through an objective assessment, national entities to be accredited and help develop a plan of actions that the applicant should follow in order to master the accreditation process. To sum up, activities are planned in this project as to advance the process initiated during the first readiness meeting, which consists in supporting national institutions, particularly those that have expressed interest, in becoming accredited to the GCF.

The general approach of the project is based on a progressive approach going from the mobilization of actors and partners to strengthen ownership and institutional anchoring of the climate change issue and specifically of climate finance.

Against this background, the projected outcomes and expected outputs have been identified to further enhance Libya's engagement with the GCF:

Outcome 1.1: *Country NDAs or focal points and the network/systems that enable them to fulfil their roles, responsibilities and policy requirements are operational and effective.*

Under this outcome, the following outputs are identified:

- **Output 1.1.1:** A permanent NDA secretariat is created.
- **Output 1.1.2:** A coordination mechanism with the necessary capacity to support the planning, programming, and implementation of GCF-funded activities is established and strengthened.
- **Output 1.1.3:** Framework and mechanisms for monitoring and evaluation of the Fund's projects/programs project is operational. The baseline that justifies this outcome is the limited knowledge and capacity of the NDA to effectively engage with GCF. The current NDA requires a team and sound capacity at all levels to fully play its role. To address this fundamental issue, this project will endow the NDA with a permanent secretariat through the procurement of IT equipment: (two desktop computers, two laptops, a network printer, and software), hiring of two consultants:

- An assistant to support the NDA day to day's activities to effectively perform its functions and responsibility vis-à-vis the GCF. The assistant will, under the supervision of the NFP, support the implementation activities. He/She will be also in charge of the monitoring of activities and the periodic reporting to the NDA member.
- An IT expert in charge of information technology, which will support the management and the maintenance of the platform.

Further, under this outcome, a set of capacity building sessions for NDA, based on assessment of the needs of the NDA and relevant stakeholders will be conducted. These include among others; a coordination mechanism, training on GCF's operation and modalities such as project/program development, international procurement, accounting, oversight, and planning, the GCF's policies such as project/program development, international procurement, accounting, oversight, and planning. This is important for the country to build its system to ensure full comprehension and compliance with GCF's principles in term of country ownership, environmental and social safeguards, gender policy, procurement, project monitoring, accounting, supervision, the processes for evaluating and monitoring and issuance of no-objection procedure .

Outcome 1.2: *Direct access applicants and accredited entities (DAEs) have established capacity to meet and maintain the GCF's accreditation standards; and accredited DAEs have the capacity to develop a pipeline of projects and effectively implement GCF-funded activities.*

Under this outcome, two outputs are planned as follows:

- **Output 1.2.1:** A shortlist of national entities (public and private) suitable for GCF accreditation is developed.
- **Output 1.2.2:** Capacities of two selected entities suitable for GCF accreditation are build and GCF accreditation road map is developed.

Currently, in Libya there are no entities accredited to the GCF. This situation may affect the potential and pace of access to climate finance of the GCF, as well as may undermine the country ownership. To raise to these challenges, the project will identify and shortlist two entities (public and private) suitable for GCF based on objective assessment and scoring of the performance of the applicants on the accreditation self-assessment. Later, an in-depth assessment of the gaps against the GCF's accreditation requirement will be developed to develop personalized and time-bound road map for each entity nominated for accreditation. This activity consists of assessing the availability and relevance of key policies and procedures by the applicants required for accreditation and to build the capacity to understand and fill the gaps.

Outcome 1.3: *Relevant country stakeholders (which may include executing entities, civil society organizations (CSOs) and private sector) have established adequate capacity, systems and networks to support the planning, programming and implementation of GCF-funded activities.*

For this outcome two outputs are planned:

- **Output 1.3.1:** A public-private partnership is established.
- **Output 1.3.2:** Civil society organizations (CSOs) engagement plan with the GCF and the NDA is developed.

As this is a horizontal topic that related to coordination and collaboration of relevant stakeholders, with the goal of endowing them with adequate capacity, systems and networks to support the planning, programming and implementation of GCF-funded activities. In doing so, a strategy to improve the enabling environment for involvement of the private sector for climate-smart investment that has been developed during the first readiness will be used to establish a public private partnership (PPP) to structure the relation with the government so as to enhance the knowledge and understanding of both the private sector on climate change and climate finance.

Furthermore, a comprehensive stakeholder engagement plan will be developed to guide their interaction between relevant stakeholders and the NDA to clarify at national level and structure the different consultations in connection with climate change and the GCF that will be carried out.

Outcome 2.1: *GCF recipient countries have developed Country Programs to guide GCF investment and programming of readiness support resources.*

One output is programmed under this outcome:

- **Output 2.1.1: Libyan country program is validated and submitted to GCF.**

As indicated above, Libya does not have any document or tool for planning and prioritizing its priorities in terms of climate change and climate finance. The Libyan country program provided for under this proposal will be a fundamental planning and decision-making tool in relation to the desired investments. This output is very much linked with Output 2.2.1, under which a climate change strategy document for ambitious climate action will be developed and validated. The national climate change strategy will inform the development of the country program, which in turn will provide the priority actions for the development of the concept note under outcome 4.1.

Outcome 2.2: *GCF recipient countries have developed or enhanced strategic frameworks to address policy gaps, improve sector expertise, and enhance enabling environments for GCF programming in low-emission investment.*

Under this outcome one output is planned:

- **Output 2.2.1:** A climate change strategy document for ambitious climate action is developed and validated.

Libya has neither a country program nor climate change strategy to inform national development processes, nor an NDC to address the sectoral goals, improve sector expertise, and enhance enabling environments for climate change. This activity consists first of developing a climate change strategy to undertake the necessary studies, modelling efforts, and other data-gathering efforts in order to develop an ambitious targets and strategy, including long-term strategies to achieve net-zero emissions. This strategy is key to shift the paradigm and embark the country in low carbon and climate resilient development. Once the national strategy is elaborated, a country program to guide short medium and long-term priority actions will be developed, based on the inputs from the strategy document. The country program will be informed by the climate change strategy in Activity 2.2.1.1.

Outcome 4.1: *An increase in the number of quality project concept notes developed and submitted.*

Two outputs are proposed under this outcome:

- **Output 4.1.1:** Two high priority concept notes for public sector are developed and submitted to the GCF.
- **Output 4.1.2:** One high priority concept note for private sector is developed and submitted to the GCF.

One of the major deliverables of this project is to facilitate the development and submission of three high quality concept notes: two for public and one for private sector. In conducting this activity, the project will capacitate key country stakeholders to understand basic knowledge on climate change project development particularly in the context of the GCF. The selected concept notes will emanate from the priority sectors and projects identified in the country program and it will be approved and recommended by the NDA. For the concept notes a broad consultation will be conducted to validate the proposals.

Outcome 5.1: *Best practices with respect to institutional capacity building and coordination, direct access, and pipeline development are developed and disseminated to strengthen by NDAs, DAEs, and delivery partners with the GCF.*

One output is proposed for this outcome:

- **Output 5.1.1:** Communication tools to raise awareness and support the implementation of national interventions on climate change are strengthened.

The initial readiness project led to the development of a communication strategy with its action plan. However, time and budget did not allow for an effective operationalization and dissemination of the strategy as well as implementation of its action plan.

The platform that was setup is underutilized due to the low level of dissemination and the lack of understanding of the application. Under this outcome, the platform set under the first readiness will be updated to make it user-friendly and help a broad range of dissemination.

This platform is an important tool for dissemination of information on climate change issues impact in Libya but also to link stakeholders and communicate on events, projects being considered by the NDA, relevant studies and enhance visibility. Further under this outcome, workshops will be organized to familiarize the stakeholders with platform and disseminate information and awareness raising material. Last but not the least, an inter-ministerial workshop involving several decision-makers on climate finance, particularly the GCF will be conducted to inform and get the political good will of the different decision makers.

3. LOGICAL FRAMEWORK

Outcomes	Baseline ⁴	Targets	Outputs	Activities (brief description)	Deliverables ⁵
Outcome 1.1: Country NDAs or focal points and the network/systems that enable them to fulfil their roles, responsibilities and policy requirements are operational and effective.	NDA has limited knowledge and capacity to effectively engage with GCF.	The NDA Secretariat is strengthened through the creation of a permanent secretariat, an enhanced coordination mechanism, a framework for national monitoring and evaluation and a series of targeted capacity building.	Output 1.1.1: A permanent NDA secretariat is created.	Activity 1.1.1.1: Establish a permanent NDA secretariat to improve coordination so that the NDA and the NFP can effectively fulfil their roles. Description: This activity consists in the creation of an NDA secretariat (permanent management unit) that can support the day-to-day work of the NDA and coordinate the consultation activities of the NFP and NDA members. The NDA secretariat will support the NFP on all activities related to the NDA. The NDA consist of the NFP, relevant stakeholders and is hosted at Ministry of Environment. This secretariat to be set under this activity will include two (02) national experts: an assistant and an IT specialist. An assistant to support the NDA day to day activities including collaboration of the delivery partner. He/She works under the supervision of the NFP activities. This assistant will be in charge of the monitoring of activities and the periodic reporting to the NDA members; and an IT expert in charge of all IT maintenance work including the maintenance of the platform, etc. Furthermore, IT equipment will be procured to ease the work of the Secretariat.	Deliverable 1.1.1.1: a) Creation Act of NDA permanent secretariat; b) ToR(s) for the recruitment of each of two (02) national experts.
				Activity 1.1.1.2 Organize training sessions to build the capacity of NDA members, its secretariat and the NFP in climate change and climate finance. Description:	Deliverable 1.1.1.2 a) Training reports to build the capacity of the NDA, its secretariat and the NFP, on climate change and climate finance; b) Gender balanced list of participants; c) Pre and post training survey of trainees to assess the impact of the training.

Outcomes	Baseline ⁴	Targets	Outputs	Activities (brief description)	Deliverables ⁵
				This activity relates to the facilitation of two training sessions for capacity building of the NDA, its secretariat and the NFP, on climate change and climate finance.	
			Output 1.1.2: A coordination mechanism with the necessary capacity to support the planning, programming and implementation of GCF-funded activities is established and strengthened.	Activity 1.1.2.1: Identify relevant stakeholders and the suitable institutional arrangement for the coordination mechanism and assess their capacity needs. Description: In this activity, stakeholders will be identified and the institutional arrangement of the coordination mechanism will be proposed. It also consists of assessing of capacity needs. The coordination mechanism is broader than the NDA team and includes the NDA and other stakeholders and institutions.	Deliverable: 1.1.2.1: a) ToR for the coordination mechanism including composition; b) Gender balanced list of members of the coordination mechanism; c) Capacity need assessments report.
				Activity 1.1.2.2: Organize a workshop to establish the coordination mechanism with identified stakeholders and institutions. Description: This activity relates to the facilitation of a workshop for the validation of the institutional arrangement concerning the mission of the coordination mechanism.	Delivery 1.1.2.2: a) Modules for each capacity building topic; b) Pre and post training survey of trainees to assess the impact of the training for each topic; c) Workshop report for the establishment of the coordination mechanism; d) Gender disaggregated list of participants.
				Activity 1.1.2.3: Organize workshop sessions to build the capacity of the coordination mechanism's members in areas relevant to the objectives of the GCF such as project/program development, international procurement, accounting, oversight, and planning. Description: This activity consists of building the capacities of the above-mentioned stakeholders and institutions in areas relevant to the objectives of the GCF. These two workshops will cover the following topics The 1 st session will be dedicated to the following topics: a) development of projects/programs (adaptation and mitigation, b) the principles and fiduciary standards of the GCF,	Deliverable 1.1.2.3 a) Module for the capacity building for each topic; b) Two workshop reports; c) Pre and post training survey of trainees; to assess the impact of the training for each topic; d) Gender disaggregated list of participants.

Outcomes	Baseline ⁴	Targets	Outputs	Activities (brief description)	Deliverables ⁵
				c) environmental and social safeguards, d) gender policy, procurement. The 2 nd session will be held for the following topics: a) budget planning and project monitoring, b) accounting, supervision, This activity will be carried out by the OSS. In fact, the OSS is accredited to the GCF and has the necessary skills to train the NFP, the NDA and its secretariat.	
			Output 1.1.3: Framework and mechanisms for monitoring and evaluation of the Fund's projects/programs project are operational.	Activity 1.1.3.1 Establish a framework including tools for national monitoring and evaluation of the Fund's projects/programs project. Description: This activity starts with the development of the framework for M&E and related tools for the Fund's projects/programs. The framework refers to project level monitoring and is associated with adaptation projects, but for this activities metrics for monitoring mitigation project will be also developed.	Deliverable 1.1.3.1 a) A framework for national monitoring and evaluation of the Fund's projects/programs; b) M&E tools adopted by the NDA to monitor the GCF and the associated climate finance portfolio; c) Gender disaggregated list of participants.
				Activity 1.1.3.2 Assess the capacity needs and organize a workshop to build the capacity of NDA, its secretariat and relevant stakeholders on national monitoring and evaluation of the Fund's projects/programs. Description: This activity consists of assessing of the needs of the NDA and relevant stakeholders based on Activity 1.1.3.1 in order to organize two workshops to provide a tailored capacity building on monitoring and evaluation of the Fund's projects/programs	Deliverable 1.1.3.2 a) Needs assessment report; b) Capacity building/ workshop reports; c) Pre and post training survey of participants; d) Gender disaggregated list of participants.
Outcome 1.2: Direct access applicants and accredited entities (DAEs) have established capacity to meet and maintain the GCF's accreditation standards; and accredited DAEs have the capacity to develop a pipeline of projects and effectively	Libya has not yet designated a national institution for accreditation. The awareness-raising and experience-sharing	Direct access applicants including private sectors that are suitable to meet the Fund's accreditation requirement are shortlisted and road map for their	Output 1.2.1: A Shortlist of national entities (public and private) suitable for GCF accreditation is developed.	Activity 1.2.1.1: Map national entities including both public and private sectors in the country that can meet the GCF's accreditation requirement. Description: This activity consists of identifying potential entities based on their performance in the accreditation self-assessment. The selection of the two potential entity for accreditation will be based on the GCF's self-assessment tool. The two entities to	Deliverable 1.2.1.1: a) Shortlist of selected entities for accreditation; b) A report of the workshop.

Outcomes	Baseline ⁴	Targets	Outputs	Activities (brief description)	Deliverables ⁵
implement GCF-funded activities.	workshops held during the first readiness project did not allow the NDA to assess and shortlist applicants for accreditation.	accreditation process developed.		be selected are those that have high performance score from the self-assessment. A workshop session to identify and appoint 2 national entities that wish to be accredited to the GCF will be organized.	
			Output 1.2.2: Capacities of selected entities suitable for GCF accreditation are built and GCF accreditation road map is developed.	Activity 1.2.2.1: Assess capacity gaps, develop a road map to build the capacity of each of the two selected direct access entities, in areas such as ESS, the GCF gender policy and action plan, and monitoring, reporting and evaluation, as appropriate. Description: This activity consists of assessing the availability and relevance of key policies and procedures by the applicants and to building the capacity in order to fill the identified capacity gaps. The activity will develop an accreditation road map for each selected entity. The road map will describe the steps to fill the accreditation gaps (information, documentation, capacities for project development etc.). This activity will be conducted by OSS, since OSS is accredited with the GCF and has the necessary experience and skills to support a national entity process.	Deliverable 1.2.2.1: a) A personalized and time-bound road map for each entity nominated for accreditation by the GCF is available; b) Needs Assessment and Accreditation Gap Report; c) Gender disaggregated list of participants; d) Module for the capacity building for each topic.
				Activity 1.2.2.2: Organize meeting sessions to share experiences between national entities nominated for accreditation. Description: This activity will bring together some national accredited entities, who will be invited or will participate to share their experiences. The workshop will pursue a south-south cooperation approach and will create linkages and partnership between the applicants and the accredited entity.	Deliverable 1.2.2.2: a) A report on the information and experience-sharing workshop; b) Set of recommendation to be implemented by the shortlisted accreditation candidate; c) Pre and post meeting session survey to assess the impact of the experience sharing.
Outcome 1.3: Relevant country stakeholders (which may include executing entities, civil society organizations (CSOs) and private sector) have established adequate capacity, systems and	CSOs have shown strong interest in the GCF during the first readiness. However, they don't have any engagement	A public-private partnership (PPP) is established and a CSOs engagement plan with the GCF and the NDA is developed	Output 1.3.1: A public-private partnership is established.	Activity 1.3.1.1: Organize a workshop to identify and raise awareness for relevant private sector actors and establish a public-private partnerships to foster their role on climate finance. Description:	Deliverable 1.3.1.1: a) A report including a preliminary analysis identifying private sector companies existing in Libya and working on climate change; b) A report of the workshop on awareness-raising, dialogue and discussions between the private sector and the relevant entities;

Outcomes	Baseline ⁴	Targets	Outputs	Activities (brief description)	Deliverables ⁵
networks to support the planning, programming and implementation of GCF-funded activities.	plan and lack capacity to engage on climate change and GCF matters			A workshop will be organized to analyze and identify existing private sector companies working in the field of climate change in Libya.	c) A Public-Private Partnership Act.
			Output 1.3.2: Civil society organizations (CSOs) engagement plan with the GCF and the NDA is developed.	Activity 1.3.2.1: Elaborate a preliminary analysis identifying CSOs relevant for climate finance. Description: A workshop will be organized to analyze and identify existing CSOs working in the field of climate change in Libya.	Deliverable 1.3.2.1: a) A report of preliminary analysis identifying CSOs relevant for climate finance; b) A guide on the GCF financing for CSOs.
				Activity 1.3.2.2: Develop an engagement plan on GCF for all relevant stakeholders, including a national awareness-raising workshop on climate change finance bringing together different CSOs. Description. This engagement plan will clarify the role of different stakeholders will play in the national planning processes including climate change. This activity is preceded by Activity 1.3.2.1 to identify and CSOs and allow them to get involved in the elaboration of the engagement plan. The plan will guide how CSOs could contribute in the different consultation at national level relevant for the GCF.	Deliverable 1.3.2.2 a) A report of awareness-raising workshop on climate change finance for CSOs; b) Pre and post training survey on the gap to assess the impact of awareness raising; c) An engagement Plan for relevant Stakeholders for climate finance d) Gender disaggregated list of participants.
Outcome 2.1: GCF recipient countries have developed Country Programmes to guide GCF investment and programming of readiness support resources.	Libya has not yet developed a country programme to guide GCF investment and programming	Country has elaborated a country program to guide GCF investment and programming	Output 2.1.1: Libyan country program validated and submitted to GCF.	Activity 2.1.1.1: Develop a country program that identifies strategic priorities for engagement with the GCF, and disseminate information in a workshop involving stakeholders. Description: This activity consists of the development of the country program of Libya and of organizing a presentation workshop thereof. The elaboration of the country program (CP) will be informed by the climate change strategy in Activity 2.2.1.1. The workshop will bring together a range of relevant	Deliverable 2.1.1.1: a) Libyan country program document; b) A report of the dissemination workshop; c) Pre and post Survey for each participant assessing the understanding on the country program and its relevance for future engagement of Libya with the GCF; d) Gender disaggregated list of participants.

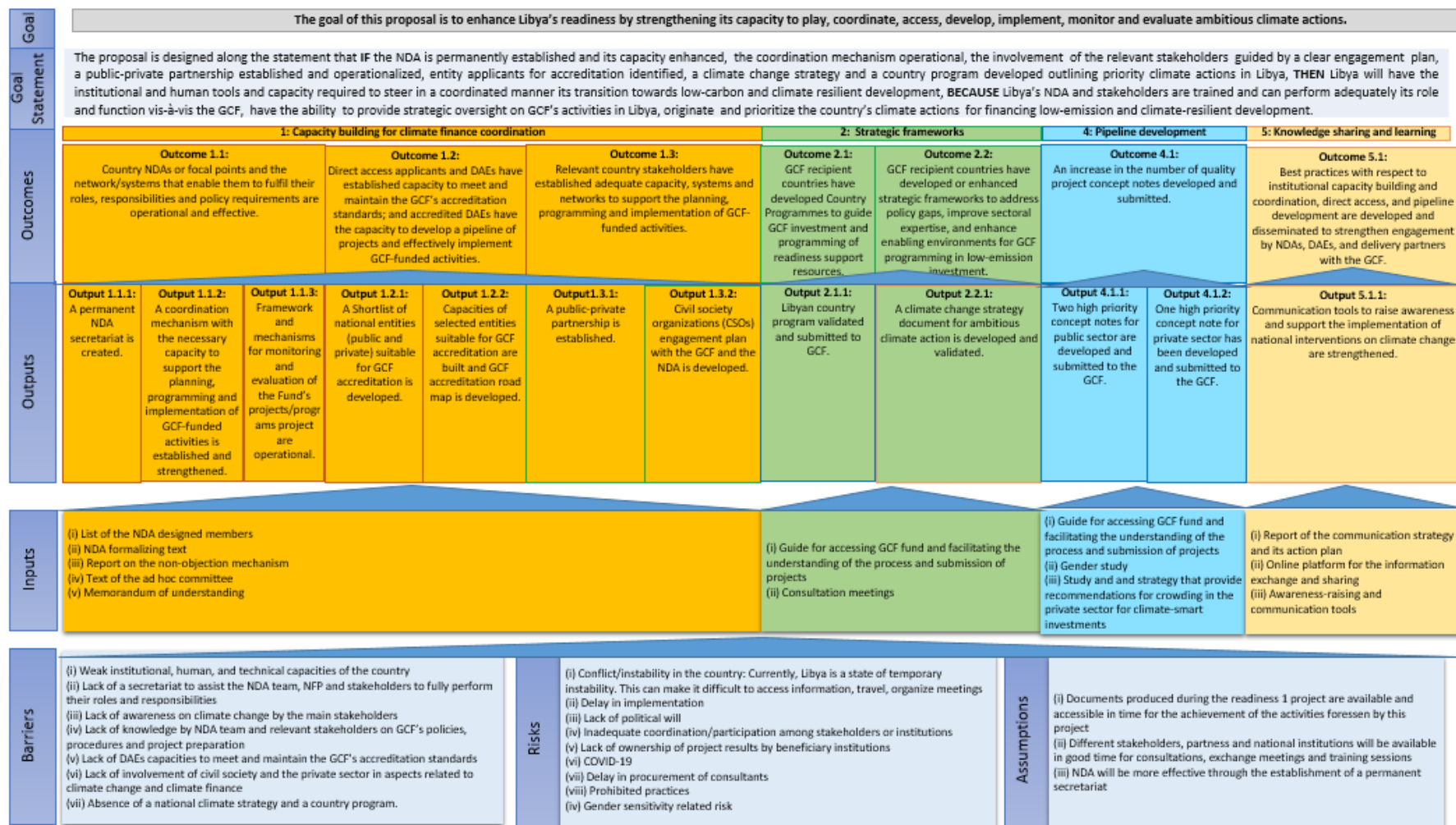
Outcomes	Baseline ⁴	Targets	Outputs	Activities (brief description)	Deliverables ⁵
				stakeholders, government, stakeholders and the different partners, taking into account a gender balanced representation. During the workshop, the CP will be presented validated by the stakeholders. In the workshop an emphasis will be put on the opportunities the CP represents for Libya to realize its climate priorities. It will also inform on the role each stakeholder could play to facilitate the implementation of the country program.	
Outcome 2.2: GCF recipient countries have developed or enhanced strategic frameworks to address policy gaps, improve sector expertise, and enhance enabling environments for GCF programming in low-emission investment.	Libya has neither a NDC nor elaborated a climate change strategy to address policy gaps, improve sector expertise, and enhance enabling environments for climate change	The country has a climate change strategy for climate action, including long-term strategies to achieve net-zero emissions	Output 2.2.1: A climate change strategy document for ambitious climate action is developed and validated.	Activity 2.2.1.1 Undertake the necessary studies, modeling efforts, and other data-gathering efforts in order to develop an ambitious climate change strategy, including long-term orientations to achieve net-zero emissions Description: Libya has no climate strategy. This activity aims at developing a first ever climate strategy for Libya. This climate strategy should inform the development of the country program. The climate change strategy will be based on precise knowledge of the relevant sources of emission and an assessment of the associated opportunities and risks for the company's business model. Formulating this climate change strategy will create a framework to guide for action and provides guidance for the further development of the business later through the country program.	Deliverable 2.2.1.1 a) A national climate change strategy document.
				Activity 2.2.1.2 Assess the needs and build the capacity of relevant stakeholders through a workshop to disseminate the climate change strategy. Description: In this activity we will make a two-day workshop in which we will present the strategy and assess the needs of the stakeholders and NDA. It will build the capacity of stakeholders to understand the relevance of the climate change strategy for future national development planning process.	Deliverable 2.2.1.2 a) Needs Assessment Report; b) Report of the dissemination workshop on climate change strategy; c) Pre and post Survey for each participant assessing the impact of training; d) Gender disaggregated list of participants.

Outcomes	Baseline ⁴	Targets	Outputs	Activities (brief description)	Deliverables ⁵
Outcome 4.1: An increase in the number of quality project concept notes developed and submitted.	No project or concept note has been so far submitted to the GCF. There is no identified portfolio of high priority projects to feed into the country program.	Two (02) concept notes for public sector and (01) for private are developed.	Output 4.1.1: Two high priority concept notes for public sector are developed and submitted to the GCF.	Activity 4.1.1.1: Develop two (02) concept notes for public sector for priority sectors -adaptation and mitigation for submission to the GCF. Description: This activity consists of developing two (02) concept notes for public priority sectors -adaptation and mitigation- to be submitted to the GCF and organizing workshop to consult and validate the two (02) concept notes. The selected concept notes will emanate from the priority sectors and projects identified in the country program and their selection will be based on priority setting criteria developed in the frame of the country program.	Deliverable 4.1.1.1: a) Two (02) concept notes for public sector developed and submitted to the NDA; b) Reports of the validation meetings of the two (02) concept notes; c) List of participants with a gender balanced representation.
			Output 4.1.2: One high priority concept note for private sector has been developed and submitted to the GCF.	Activity 4.1.2.1: Develop a concept note with the private sector. Description: This activity consists of developing one concept note for private sector to be submitted to the GCF. This concept note will emanate from the priority sectors and projects identified in the country program (Activity 2.1.1.1). A meeting will be organized to consult and validate this concept note.	Deliverable 4.1.2.1: a) One (01) concept note developed by the selected accredited entity; b) Report of the validation meeting of the concept note; c) List of participants with a gender balanced representation; d) Pre and post Survey for each participant assessing the impact of training.
Outcome 5.1: Best practices with respect to institutional capacity building and coordination, direct access, and pipeline development are developed and disseminated to strengthen by NDAs, DAEs, and delivery partners with the GCF.	Communication strategy developed but not operationalized and action plan is not implemented"	Country has adopted a communication strategy and has enhanced the level of awareness of the different stakeholders	Output 5.1.1: Communication tools to raise awareness and support the implementation of national interventions on climate change are strengthened.	Activity 5.1.1.1: Update and maintain the platform for exchange and sharing of data and information, developed during the first phase of the readiness project. Description: The current platform is underused due to the low level of dissemination and the lack of understanding of the application. This activity will update the platform to make it user-friendly and help disseminate it among relevant stakeholders. The platform will help disseminate information on climate change issues, impact in Libya, but also to communicate on events, projects being considered by the NDA, relevant studies and enhance the visibility in Libya. This tool will be available and accessible to all target groups and users (Schoolchildren, students, private sector, NGOs, decision-makers ...). The NFP and the Ministry of	Deliverable 5.1.1.1: a) Platform is updated, disseminated and operational; b) Web link of the platform.

Outcomes	Baseline ⁴	Targets	Outputs	Activities (brief description)	Deliverables ⁵
				<p>Environment will be responsible for maintaining it after the completion of the project.</p> <p>Activity 5.1.1.2: Organize workshop sessions to familiarize the platform with stakeholders and disseminate information and awareness-raising material.</p> <p>Description : This activity consists of organization of three workshops to familiarise the platform with relevant stakeholders disseminate communication tools and carrying out awareness-raising activities on climate change and climate finance (such as the ME tools, No objection procedures, the national climate strategy, the country program, the stakeholders engagement plan, a newsletter, a website, social networks, press) with a particular focus on local stakeholders (civil society, private sector, researchers and academics) based on the strategy and action plan developed during the first phase of readiness project.</p> <p>Activity 5.1.1.3: Organize an inter-ministerial workshop involving several decision-makers on climate finance, particularly the GCF.</p> <p>Description: This activity will bring the different ministries to introduce the GCF, the national climate change strategy and the country program and highlight the opportunities offered by the fund to combat climate change while ensuring the country's development. The purpose is to change the paradigm of the government of Libya to understand the necessity of informing their different sectorial policy with the country climate strategy in order to mainstream it in their action.</p>	<p>Deliverable 5.1.1.2: a) Reports of the three (03) workshop sessions at the local level; Communication tools (leaflets, flyers, brochures, posters, media, newsletter, website, social networks and press); b) Pre and post Survey for each participant assessing the understanding of the platform and climate change issues in Libya.</p> <p>Deliverable 5.1.1.3: a) List of participants with a gender balanced representation; b) Report of the inter-ministerial workshop.</p>

4. THEORY OF CHANGE

1. THEORY OF CHANGE DIAGRAM



2. THEORY OF CHANGE NARRATIVE

The above designed diagram shows the theory of change for this readiness project, highlighting the goal, outcomes, outcomes, inputs, barriers, and assumptions/risks.

This project aims to enhance Libya's readiness to plan, manage access to climate finance. Drawing from the initial readiness, Libya intends to consolidate -through this readiness proposal- its results and impact by enhancing the institutional, technical and human capacity of the country.

This will be realized by enhancing the capacity of the NDA/NFP and relevant stakeholders on GCF's modalities and coordination, by raising of the profile of climate change issues in national development planning process, the development of the first ever national strategy on climate change and the country program, which will determine the country portfolio including the preparation of three high quality concept notes to access climate finance from the GCF, as well as the nomination of two suitable institution for accreditation applicants. Other main outputs are among other things: the establishment of a country permanent NDA secretariat, the setup of a coordination mechanism with the necessary capacity to support the planning, programming, and implementation of GCF-funded activities, the development of a framework and mechanisms for monitoring and evaluation of the Fund's projects/programs, further strengthening stakeholder engagement through an engagement plan and public-private partnership. Throughout this proposal a set of capacity building and training activities for the different institutions and stakeholders are planned to help strengthen the country ownership and help raise the level of awareness of all the target groups on the necessity of mainstreaming climate change aspects in the development priorities and planning, especially enable a high-level involvement of policy makers, parliamentarians, and governors.

Accordingly, this proposal is designed along the statement that **IF** the NDA is permanently established and its capacity enhanced, the coordination mechanism operational, the involvement of the relevant stakeholders guided by a clear engagement plan, a public-private partnership established and operationalized, entity applicants for accreditation identified, a climate change strategy and a country program developed outlining priority climate actions in Libya, **THEN** Libya will have the institutional and human tools and capacity required to steer in a coordinated manner its transition towards low-carbon and climate resilient development, **BECAUSE** Libya's NDA and stakeholders are trained and can perform adequately its role and function vis-à-vis the GCF, have the ability to provide strategic oversight on GCF's activities in Libya, originate and prioritize the country's climate actions for financing low-emission and climate-resilient development.

Throughout this proposal, capacity needs assessment will be conducted, which later will serve as input for both the country program as well as the country readiness need report to inform future readiness proposals. Also, capacity building and training activities for the different institutions and beneficiaries are planned to raise the level of awareness of all the target groups for a better consideration of the climate change aspects in the development priorities and planning, especially enable a high-level involvement of policy makers, parliamentarians, and governors. The grant focuses on building the institutional framework and the capacity of the country's stakeholders through trainings, informed by institutional analysis so that they can be able to lead by themselves once this project is over. Altogether, the proposal will lead to strong ownership and capacity for a stronger engagement of Libya with the GCF and the submission of quality projects in the coming two years. In addition, this proposal will help the country to identify through an objective assessment, national entities to be accredited and help develop a road map that the applicant should follow in order to master the accreditation process.

To sum up, activities are planned in this project as to further advance the process initiated during the first readiness meeting, which consists in supporting national institutions, particularly those that have expressed interest, in becoming accredited to the GCF. The general approach of the project is based on a progressive approach going from the mobilization of actors and partners to strengthen ownership and institutional anchoring of the climate change issue and specifically of climate finance.

Against this background and need expressed by Libya's partners, stakeholders among other the NFP and members of relevant ministries during the implementation of the first readiness, the projected outcomes and expected outputs have been identified to further enhance Libya's engagement with the GCF.

Also, the barriers that the country has faced so far have been clarified in the situation analysis but could be summarized as such:

(i) the weak institutional, human, and technical capacities of the country to deal with climate change and the lack of a secretariat to assist the NDA team, NFP and stakeholders to fully perform their roles and responsibilities; (ii) the lack of awareness on climate change by the main stakeholders especially enable a high-level involvement of policy makers, parliamentarians, governors; (iii) the lack of knowledge by NDA team and relevant stakeholders on GCF's policies, procedures and project preparation; (iv) the lack of DAEs capacities to meet and maintain the GCF's accreditation standards. Accredited DAEs have the capacity to develop a pipeline of projects/programs and effectively implement GCF-funded activities; (v) the lack of involvement of civil society and the private sector in aspects related to climate change and climate finance; and (vi) the absence of a national climate strategy and a country program to systemically program ambitious strategies to guide GCF investment.

To sum-up, this proposal addresses the barriers related to the lack national strategies and policies related to climate change, by developing the first ever climate change strategy and country program. Further to enhance country ownership and facilitate access to GCF, direct access applicants including private sectors that are suitable to meet the Fund's accreditation requirement will be shortlisted and road map for their accreditation developed.

5. BUDGET, PROCUREMENT, IMPLEMENTATION AND DISBURSEMENT PLAN

5.1 Budget plan

Please refer to the "Budget Plan" section in the Excel.

5.2 Procurement plan

Please refer to the "Procurement Plan" section in the Excel.

5.3 Implementation Plan

Please refer to the "Implementation Plan" section in Excel.

5.4 Disbursement schedule

The annual planned disbursement is presented as follow:

☒ Readiness Proposal that requires a bilateral Grant Agreement

First disbursement	Second disbursement	Third disbursement
USD 320,000	USD 380,000	USD 65,000

- The first disbursement amount USD 320,000 will be transferred upon approval of the readiness request and effectiveness of the Grant Agreement;
- The second disbursement amount USD 380,000 will be transferred upon submission of an interim progress report [and audited financial report]⁶, in form and substance acceptable to the Fund, [including an audited expenditure statement]; and
- The third disbursement amount USD 65,000 will be made upon submission of a completion report and financial report, in form and substance acceptable to the Fund, including an audited expenditure statement.

6. IMPLEMENTATION ARRANGEMENTS AND OTHER INFORMATION

6.1 Implementation arrangements

The Sahara and Sahel Observatory (OSS) will be the delivery partner and will work under the leadership and guidance of the NFP/NDA to implement the program. The OSS, being an accredited entity with the GCF, will perform the various functions of the procurement process to hire the consultants and procure other services to deliver according to the planned activities.

Payment of expenses related to the project activities will be carried out by OSS who is the fund manager at the request of NFP/NDA from the account dedicated to the project in accordance with the procedure manual in force. OSS will be in charge of compilation supporting documents related to expenditure and submitting regular reports to the GCF secretariat.

The second phase of GCF readiness Libya project is expected to have no execution risks. This is based on the lessons learnt from the past project. Based on the first phase experience, implementation arrangements as experienced have provided the best framework for management in a coherent manner of the project activities while achieving its objectives. This has built a strong collaboration between both parties which will facilitate a continued execution process.

The project will be implemented through an institutional mechanism including mainly the following entities:

GCF

The GCF is the Donor of the grant and which supports the partner to first complete its proposal and will then make sure, in collaboration with the delivery partner (DP), i.e., OSS to implement the project. The GCF provides the national partner and the DP with experts to support them throughout the process from the preparation of the proposal to the implementation of the

⁶ For the second disbursement, audited financial report and audited expenditure statement are only required for readiness and preparatory support proposals expected to last over 12 months.

activities. The GCF reviews the progress reports of the project prepared by the DP and gives its recommendations and guidance for possible adjustments and improvements.

NDA and NFP

This is the main beneficiary of the project. They will assist OSS as a DP and they will have a key role of contact and coordination, especially with partners and national stakeholders (public structures, private sector, civil society, etc.) for the purposes of organizing events and accessing information. The NDA and the NFP will play a decisive role in the identification and choice of consultants and service providers. They will also communicate and disseminate information on the project and climate finance.

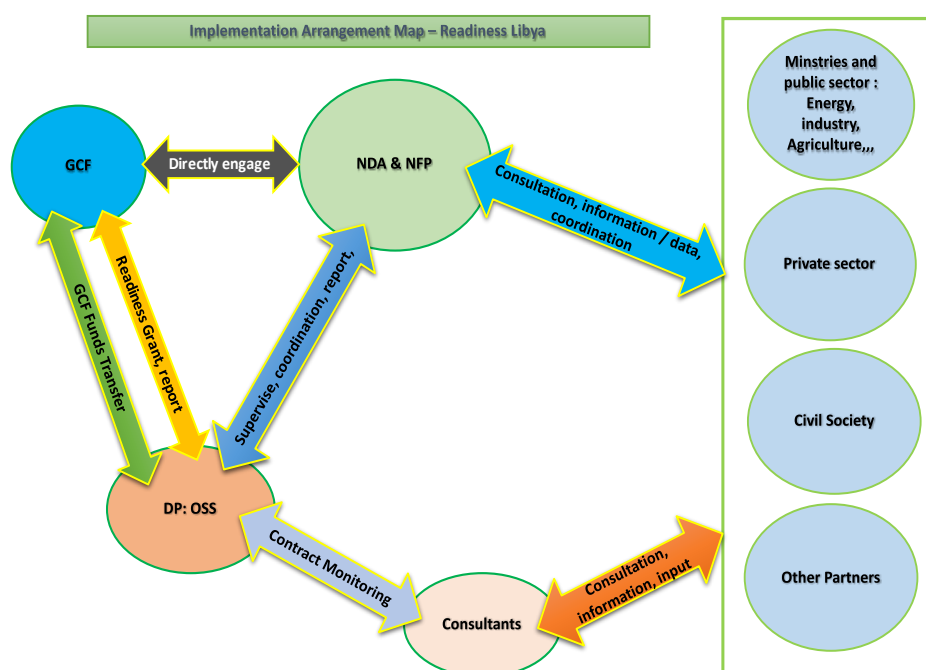
DP: OSS

OSS will play the role of delivery partner (DP) and will work under the leadership and guidance of the NDA/NFP to implement the project. OSS will be responsible for implementation of the readiness support and will carry out all fiduciary and financial management, procurement of goods and services, monitoring and reporting activities under this proposal in compliance with OSS's policies and procedures in accordance with the Bilateral Grant Agreement to be signed with GCF or its fiduciary agent.

The project's fund will be managed by OSS. Payment of expenses related to the project activities will be carried out by OSS at the request of NDA/NFP from the account dedicated to the project in accordance with the procedure guide in force and the agreement signed with GCF. OSS will be in charge of compilation supporting documents related to expenditure and submitting regular reports to the GCF secretariat. The OSS role will be decisive, especially considering the Libyan context marked by insecurity and political instability, in addition to the difficulty to conduct prospecting missions in Libya. OSS action will be to support the Libyan partners for a better control of the process of climate finance particularly through capacity building and knowledge sharing.

OSS has acquired experience in the design and implementation of several projects related to climate finance. In particular, OSS has successfully managed, as PD, of readiness projects such as those in Tunisia, Libya and Guinea-Bissau.

The following Implementation Arrangement Map illustrates the architecture and institutional flow of project management:



6.2 Implementation and execution roles and responsibilities

Currently, there is a NFP of GCF who is the Technical Environmental Advisor to the Ministry of Environment of Libya. As part of the project, OSS, in collaboration with the NDA, will recruit the consultant. However, OSS will manage and fund this recruitment.

Two national consultants to support the NDA and the project activities with the collaboration of the delivery partner and under the supervision of the NFP:

Title of the national consultants	Roles and responsibilities	Qualifications	Output	Activities
An assistant	Monitor of activities and prepare periodic reports to the NFP and the NDA members	The expert has a university degree in environment, agricultural sciences, or economics.	1.1.1	1.1.1.1
IT expert	Maintenance of IT and platform	The expert has a university degree in knowledge management, computer sciences, and graphic design.	1.1.1	1.1.1.1

As for OSS side being the DP, the team that will be responsible for monitoring the execution of the project will be made up of the following:

Title of the national consultants	Roles and responsibilities	Qualifications
Senior expert	The expert is responsible for closely monitoring the project. He will be directly responsible for the execution of project activities in accordance with the project document. He will also ensure compliance with procedures, required deadlines and compliance of deliverables/products with pre-established requirements.	He was the Director General of Environment of Tunisia and he ensured the follow-up of the first readiness project in Libya. The expert has over 24 years of experience in project management.
Junior expert	The expert is responsible for closely monitoring the project and assisting the senior expert.	The expert has years of experience. She monitored and managed the first readiness project in Libya and is currently supporting the monitoring and management of the readiness Guinea-Bissau project.

Also, an OSS team will provide partial support to the project as a:

- **Financial manager**, with more than 20 years of experience, who will be responsible for supervising the financial management of the project account;
- **Accountant**, with more than 20 years of experience, who will assist the accountant and will have the task of daily monitoring, reporting, account monitoring, etc.;
- **Administrative manager**, with more than 20 years of experience, who will provide administrative support (recruitment of consultants, establishment and monitoring of contracts, purchase of supplies, etc.).

Finally, eight (8) international consultants will lead the different activities mentioned above. They will be distributed as follows:

Title of the international consultant	Roles and responsibilities	Qualifications	Output	Activities
1. An international capacity building and monitoring and evaluation consultant	To facilitate the training sessions to build capacity of the NDA and its secretariat on climate change.	Expert with skills related to capacity building and training in climate change issues, climate finance and project monitoring and evaluation.	1.1.1	1.1.1.2
	To facilitate the training sessions to train the NDA and its secretariat in project M&E.		1.1.3	1.1.3.1 1.1.3.2
	To facilitate the inter-ministerial workshop.		5.1.1	5.1.1.3
2. An international environment, social and gender consultant	To assess capacity needs and institutional arrangement, establish and conduct a capacity development for the coordination mechanism.	Expert with skills related to capacity building, especially on institutional aspects.	1.1.2	1.1.2.1 1.1.2.2 1.1.2.3
3. An international	To support the entities involved in the GCF accreditation process.	Expert with qualifications related to climate finance,	1.2.2	1.2.2.1

environment and climate change consultant		and specifically the accreditation process.		
4. An international climate finance consultant	To analyze and identify existing private sector companies working in the field of climate change in Libya and to facilitate the workshop session to promote the private sector roles and contributions to climate change.	Expert with experience and skills in private sector engagement and mobilization.	1.3.1	1.3.1.1
5. An international environment and climate change consultant	To develop a guide on the GCF financing for CSOs and to facilitate the workshop session.	Expert with experience and skills in the field of civil society involvement and mobilization.	1.3.2	1.3.2.1 1.3.2.2
6. An international environment and climate change consultant	To elaborate the Libyan country program.	Expert with skills in developing policies, strategies and action plans and with references in the elaboration of studies and projects of adaptation and mitigation of climate change.	2.1.1	2.1.1.1
	To develop a national climate change strategy and to facilitate the workshop session.		2.2.1	2.2.1.1 2.2.1.2
	To develop two concept notes and to facilitate the meeting sessions evaluate and validated concept notes.		4.1.1	4.1.1.1
7. An international energy and climate change consultant	To develop one concept note and to facilitate the meeting sessions evaluate and validated the concept note.	Expert with references in the elaboration of studies and projects of adaptation and mitigation of climate change.	4.1.2	4.1.2.1
8. An international communications consultant	To facilitate the workshop session to present the communication tools.	Communication expert with a track record in designing and implementing communication strategies and action plans.	5.1.1	5.1.1.2

6.3 Risks and mitigation measures

Risk category	Specific risk(s) / Risk(s) description	Probability of occurrence (low, medium, high)	Impact level (low, medium, high)	Mitigation action(s)	Entity(ies) responsible to manage the risk(s)
Conflict/instability in the country	Currently Libya is in a state of temporary instability. This can cause difficulties for access to information, for travel, organization of sessions, etc.	Medium	Medium	We will try to choose the most relevant approaches and tools to overcome these risks such as remote meetings, grouping of activities, reducing travel and holding the meeting in areas that are secured.	NDA/NFP
Delays in implementation	This may be due either to the lack of adequate consultants, cumbersome administrative procedures for the choice of consultants, lack of data, lack of commitment of the various	Medium	Medium	We will ensure the right choice of consultants and enhance the oversight role as to ensure that deadlines are respected. Besides, the OSS, as an experienced DP, will take care of the close monitoring and management of the activities in order to	NDA/NFP/OSS

Risk category	Specific risk(s) / Risk(s) description	Probability of occurrence (low, medium, high)	Impact level (low, medium, high)	Mitigation action(s)	Entity(ies) responsible to manage the risk(s)
	stakeholders and beneficiaries.			ensure the execution of the activities on time.	
Lack of political will	This lack of political will may be caused by the unstable situation in Libya.	Low	Low	The NDA, the PF will try to make the political operators, the parliamentarians aware so that they provide the necessary support for the execution of the activities and the achievement of the expected results.	NDA/NFP
Inadequate coordination / participation among stakeholders or institutions	Lack of coordination between participants and/or institutions in the context of capacity building activities, exchanges and/or access to information.	medium	medium	Based on the experience of the first readiness project, this risk is minimal. The NDA in which sits representatives of several public and private departments can play a decisive role in ensuring coordination between the different participants and institutions.	NDA/NFP/OSS
Lack of ownership of project results by beneficiary institutions	It is possible that the institutions, decision-makers and project actors do not take ownership of the project for reasons of non-conviction or lack of awareness. This situation can undermine the activities, the expected results, the objectives and the sustainability of the project.	Medium	Low	The project approach is based on transparency and the participation of stakeholders in the preparation of project implementation. It is also planned to hold several communication / awareness activities on the topics of the project and specifically on climate change and climate finance. This will help establish better ownership of the project.	NDA/NFP/OSS
COVID-19 pandemic	The COVID 19 pandemic, if it persists, can be a constraint to carry out all the project activities, especially those requiring travel, face-to-face meetings or meetings with actors and stakeholders. This constraint will be dictated in particular by the restrictive sanitary measures and procedures that	Medium	Low	If the pandemic persists, thwarted activities will be carried out at a distance. Besides, the OSS is familiar with these types of alternatives. Throughout this last period marked by COVID-19, the OSS was able to mobilize its partners and organize all events remotely (training sessions, seminars, launch workshops, etc.).	NDA/NFP/OSS

Risk category	Specific risk(s) / Risk(s) description	Probability of occurrence (low, medium, high)	Impact level (low, medium, high)	Mitigation action(s)	Entity(ies) responsible to manage the risk(s)
	may be introduced by the country.				
Delay in procurement of consultants	The risk is not getting candidates in time due to the country political situation and having to re-tender.	Medium	Medium	OSS will issue a call of tender as soon as this project is approved and well before the signing of the agreement to anticipate this risk. In addition, OSS has a roster of experts and is in some networks that will be used to make advertisement on due time.	OSS/NDA/NFP
Managing a large pool of consultants and ensuring timely delivery of their deliverables	The management of a large pool of consultants and ensuring timely delivery of their deliverables may be challenging due to the multitude and diversification of tasks.	Medium	Medium	As soon the project is approved, OSS will issue a tender for the consultant to ensure timely deliveries of the activities. Consultants will not always work over the same period of time. OSS staff will follow up very closely to ensure that deliverables are completed in a timely manner. Moreover, in their contracts, there will be a late penalty, which alerts them on the delay.	OSS
Prohibited practices, money laundering or terrorist financing	Potential risks and vulnerabilities related to prohibited practices, money laundering or terrorist financing.	Medium	Low	OSS as a DP of the project have a "DISCLAIMER OF ABUSE POLICY" This strategy aims to prevent all acts of fraud and corruption including money laundering.	OSS/NDA/NFP
Gender sensitivity related risk	Resistance against or lack of interest in, the project activities from stakeholders, especially with regard to the active promotion of gender equality.	Medium	Low	This grant will pursue a thorough gender responsive integration and ensure stakeholder involvement at all levels through engagement of stakeholders with a mandate and interest on gender equality and empowerment.	OSS/NDA/NFP

6.4 Monitoring

OSS in close consultation, with the NFP and possibly the NDA, will be responsible for monitoring the execution of project activities, in particular the organization of project evaluations, budget verification, as well as monitoring progress. The NFP and his team will be responsible for identifying problems and proposing corrective actions that will facilitate the achievement of project results in the allocated time and support coordination and networking with other related initiatives and institutions.

A semi-annual-progress reports will be prepared and sent to the GCF.

During the implementation, attention will need to be paid to the communication and coordination mechanisms in place to ensure that areas of common interest are addressed in a cost-effective manner.

The project will be followed by the below activities:

Monitoring and evaluation activity	Responsible parties	Year 1				Year 2				Notes
Design of a simple M&E system for the project	NDA/NFP/OSS									Weekly
Exchanges between the NFP and the OSS	OSS/NFP									Daily
Elaboration of semi-annual progress report.	OSS									At the end of each semester. A semester is six months
Technical evaluation and final reports	OSS									At least two months before the end of the project
Audits	OSS									Annually

6.5 Other Relevant Information

Cooperation between the Ministry of Environment and OSS began with the establishment of the first readiness project. The choice of OSS as the delivery partner (DP) was made based on two reasons:

- Inadequate capacity in climate finance and entities accredited to the GCF in Libya; and
- Recognized and proven experience and skills in the design and management of projects specifically related to climate change and climate finance.

Moreover, the success in the execution of the first readiness project despite the unfavorable situation which the country is witnessing confirms our choice of this partnership and strongly encouraged us to have this partnership renewed for this second phase of the project.

The two readiness projects will catapult Libya to fulfill the minimum skills and capacities to easily access climate finance, project design and management related to climate change.

On the other hand, and given that the first readiness project made it possible to set up several entities and structures (NFP, NDA, Memorandum of Understanding, etc.), the achievements, teachings and knowledge management will be secured through these structures and others.

Teachings from the implementation of the project will be well documented and shared among stakeholders. These activities will be an integral part of the project platform created during the first phase of the project. This activity will also facilitate joint learning and the sharing of experiences between different stakeholders. It is therefore expected that the project will develop both printable and audio-visual communication and information material and disseminate climate change information through a series of workshops for the identified stakeholders.

The present project foresees the development of several activities including the development of a country program, a climate change strategy, the integration of national entities in the accreditation process with the GCF in addition to the establishment of a permanent NDA secretariat. This will enable Libya to build a strong institutional base for better integration into climate finance.

Libya, through the Ministry of Environment, will ensure that these various achievements are anchored in Libya's competent structures, in this case the Ministry of Environment. Ministries and national structures will also be involved to ensure maximum ownership of climate change and climate finance in particular.

The project will also strive to accredit national entities to the GCF. However, and if necessary, OSS will ensure, even after the project is completed to provide technical support to accompany the national entity/ies most advanced in the accreditation process.

Further during the development of this project discussion have taken place between the NDA and OSS to discuss how to ensure the sustainability of the different actions carried out during this project. The discussion has led to a set of commitment by the government

to support some the follow up of certain activities and to take on some consultants that have been hired in frame of this project. Therefore, the exit strategy of the project is described below:

Steps	Timelines	Responsible	Resource
Ensure the definitive integration of the experts recruited (assistant and IT) to strengthen the NDA secretariat within the relevant state structures.	2 months after the project achievement	Ministry of Environment and Ministry of Finance	State budget
Identify best practices and lessons learned from project implementation.	3 months after the project achievement	Ministry of Environment	State budget
Elaborate a "climate change and finance register" summarizing best practices and lessons learned.	4 months after the project achievement	Ministry of Environment	State budget
Disseminate the climate change strategy and the country program to the widest public and make the necessary lobbying of decision-makers and technical and financial partners.	2 months after the project achievement	Ministry of Environment	State budget
Initiate the development of Libya's INDC and the national communication on the greenhouse gas inventory.	-	Ministry of Environment	State budget With the assistance and support of relevant international organizations
Continue supporting accredited entities so that they can support the country in terms of mobilizing climate finance.	From the date of completion of the project	Ministry of Environment and OSS	State budget (OSS in kind support)
Transfer of capacities and skills to the NDA and the other relevant stakeholders at the national and subnational levels. At this level, information, sensitization and training sessions will be organized by the Ministry of Environment services and with the support of resource persons and experts related to climate change and climate finance. These sessions will be dedicated to public and private structures and civil society.	From the date of completion of the project	Ministry of Environment	State budget
Organize meetings to mobilize partners and donors to help the country implement its new policy on climate change and particularly finance illustrated in its strategy and country program.	4 months after the project achievement	Ministry of Environment	State budget

This exit strategy was discussed between the NFP, the NDA and the national structures and directorates concerned, who gave their approval and committed themselves to supporting the project during its implementation and after its completion. During the implementation of this project, negotiations will continue to ensure the actions that will be funded by the government.

OSS have a "Disclaimer of Abuse Policy". This strategy aims to prevent all acts of fraud and corruption including money laundering.

Mechanisms are available for third parties or anonymous persons to report allegations of possible wrongdoing in the project activities. In fact, OSS has a grievance mechanism through which complaints can be made. See the following link: <http://www.oss-online.org/en/grievance-mechanism>

"To avoid any possible conflicts of interest derived from the delivery partner's role as an accredited entity, the prioritization of investments and projects in the context of this readiness grant, will be made through a broad consultation process with relevant stakeholders, including other potential implementing entities. The final validation of these priorities will be carried out through the countries' own relevant coordination mechanism and institutional arrangements, with the participation of other government agencies, as well as representatives from civil society and private sector as the NDA deems relevant, to ensure chosen priorities are fully aligned with national plans and strategies and adequately includes inputs from consulted stakeholders."