**DELEGATION OF AUTHORITY**

**Green Climate Fund Contribution under the Project Preparation Facility (PPF) to:**

***Name of Country:***

***Full Project Title***

***PIMS ID.***

***Quantum BU:***

***Quantum Project ID:***

***Quantum Award ID:***

***BPPS/Thematic Hub: [Nature, Climate, Energy, Chemicals and Waste (pick only one)]***

**(the “Project Preparation Facility Grant (PPF Grant)”)**

The Project Preparation Facility Grant (“PPF Grant”), which amounts to a total of US$ [*amount of the GCF PPF budget excluding the AE Fee*], has received approval, in accordance with the established [Green Climate Fund (GCF) procedures](https://www.greenclimate.fund/about/policies) (the notification of approval can be accessed at: *[add PIMS+ link (in hyperlink format, do not place the link address)*). With this approval, I am pleased to send for your signature this Delegation of Authority.

By accepting this Delegation of Authority, the Resident Representative assumes full responsibility and accountability to sign the UNDP-GCF Initiation Plan for this PPF Grant and to ensure the timely implementation of this GCF-financed PPF Grant. The Resident Representative shall ensure that the project complies with all GCF-specific requirements outlined below and in the Initiation Plan and in accordance with all the terms and conditions set out in the approved application and the Second Amended and Restated Agreement in Respect of the Framework Readiness and Preparatory Support Grant Agreement, entered into between UNDP and the GCF on 22 July 2020 (the “FWA”). Where applicable, the Resident Representative shall provide oversight and quality assurance of tasks undertaken by Responsible Parties. In addition, as with all UNDP projects, the Resident Representative assumes full accountability for ensuring that all requirements set out in UNDP’s Programme and Operations Policies and Procedures (POPP), its Financial Regulations and Rules and Internal Control Framework are complied with.

By accepting this Delegation of Authority, the Regional Bureau Director assumes full responsibility and accountability to provide oversight to the Resident Representative to ensure compliance with all UNDP regulations and rules. In addition, the Regional Bureau Director will ensure that the Deputy Regional Bureau Director provides additional support to the relevant BPPS/Thematic Hub (as outlined above) and the BPPS/Vertical Funds Programme Support, Oversight and Compliance Hub (VF Hub) when needed to ensure the GCF-specific requirements noted below and in the Initiation Plan are met as required and as per the noted schedule.

The BPPS oversight tasks are outlined in the [RACI](https://view.officeapps.live.com/op/embed.aspx?src=https://popp.undp.org/sites/g/files/zskgke421/files/PPM_GCF%20RACI.docx) and shall include:

1. Technical oversight on the nature, climate and energy and chemicals and waste aspects of this PPF Grant during the implementation phase. Technical oversight will be provided by the Regional Technical Advisor (RTA) for the Project (as identified in PIMS+) in the BPPS Thematic Hub (as outlined above).
2. Oversight/quality assurance to ensure this PPF Grant complies with GCF policy and procedures. This oversight will be provided by the BPPS/VF-Hub, through the RTA (responsible), Principal Technical Advisor (PTA) for the PPF Grant, as identified in PIMS+ (accountable), the Regional Team Leader (RTL) and other region-based staff, and other staff based in the BPPS/VF Hub.

Should this PPF Grant be at-risk of non-compliance with any terms and conditions set forth in the FWA or any other applicable GCF requirement and deadlines, including the GCF Minimum Fiduciary Standards, the risk shall be escalated by the Resident Representative to the Deputy Regional Bureau Director for action. The BPPS/VF Hub and BPPS/Thematic Hub should be informed of risks of non-compliance. If such risks of non-compliance are not adequately addressed, the BPPS/VF Hub Executive Coordinator shall retain the authority to suspend or revoke the Delegation of Authority, and if necessary, after consultation with the Regional Bureau Director, transfer the accountability and responsibility for implementation of this PPF Grant to another unit (e.g. the Regional Bureau) or, with the agreement of the GCF, cancel this PPF Grant.

The Office of Audit and Investigation (OAI) conducts portfolio audits on the management and performance by UNDP of the vertical funds supported projects on a periodic basis. This includes, *inter alia*, Country Office audits, HACT audits, as well as the OAI Audits in relation to UNDP’s management of GCF supported projects. The Resident Representative shall ensure that all recommendations made by OAI and during HACT audits are implemented within the timeframe committed. Failure to address OAI audit recommendations in a timely manner shall entitle the VF Hub Executive Coordinator to suspend or revoke the Delegation of Authority and, if necessary, after consultation with the Regional Bureau Director, transfer the accountability and responsibility for implementation of this PPF Grant to another unit (e.g. the Regional Bureau) or, with the agreement of the GCF, cancel the PPF Grant.

The Resident Representative shall ensure that the PPF Grant adheres to UNDP’s [Social and Environmental Standards (SES)](https://popp.undp.org/node/1876) throughout the duration of the PPF Grant. Failure to comply with the SES may lead to PPF Grant suspension or cancellation.

The following GCF-specific requirements for this PPF Grant cover project cycle management services that are to be financed by the GCF Delivery Partner Fee (‘GCF Fee’) received by the Country Office for this PPF Grant. Any other tasks, services, or support functions are not eligible to be covered by the GCF Fee nor can they be charged to the PPF Grant (to which only direct costs for execution (DPC) approved by the GCF can be charged).

**The PPF Grant shall be implemented in accordance with all requirements set out in the FWA and the approved application respectively, which includes, without being limited thereto, the following GCF-specific conditions and deadlines:**

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| **GCF Conditions:** if these conditions are not met, this PPF Grant may be suspended or cancelled by the BPPS/VF Hub Executive Coordinator | | | |
| 1 | GCF (DP) Fee | The total GCF (DP)Fee over the lifetime of this PPF Grant shall be [*USD XX* *- amount to be inserted as the fee approved by the donor]*. This fee will be released automatically and processed monthly to all departments/units based on PPF Grant delivery and the current policy of the POPP.  However, the GCF Fee may be withheld or reverted by the BPPS/VF Hub Executive Coordinator in the event of non-compliance with the POPP and/or GCF project management and oversight requirements outlined below. | |
| The GCF Fee shall only be applied in relation to the performance of project assurance and oversight services as per GCF Policies and Procedures. | |
| 2 | Functional separation between oversight and execution | This project shall be implemented under the Direct Implementation Modality (DIM) and shall be governed by the terms and conditions set out in the approved application and the FWA and shall be performed in full compliance with UNDP guidance and GCF Policies and Procedures including institutional firewalls, cleared by BPPS, between those providing oversight and execution support. | |
| Service costs in relation to execution activities shall be in accordance with and shall be charged fully and exclusively to the relevant budget lines approved by the GCF (i.e. direct project costs for technical support services shall be charged against the concerned outcomes, and direct project costs for administrative support services shall be charged against project management costs (PMC)). The GCF Fee will not be used for this purpose. | |
| UNDP staff and non-staff personnel engaged in execution activities shall under no circumstances be involved in oversight services (and *vice versa)* | |
| * Oversight functions will be performed by: | Country Office, please add programmatic oversight function |
| * Execution activities will be performed by; | Country Office, please add operational execution function and/or functional departments |
| * Oversight functions over activities executed by country office personnel on the basis of execution support to the IP will be performed by: | Country Office, please add operational oversight function |
| The two staffing arrangements above on oversight ensures a strict functional separation between oversight and execution. | |
| 3 | Time Tracking for Oversight Services | All time spent by UNDP staff and non-staff personnel in relation to the provision of project oversight/quality assurance services shall be duly recorded in timesheets (using the system rolled out for tracking time spent on GCF projects in PIMS+). | |
| 4 | Risk Management | The Resident Representative shall ensure compliance with the [UNDP ERM Policy and Procedures](https://popp.undp.org/node/196), including conducting fraud risk assessment and other risk assessment tools, such as PCAT, HACT Micro Assessment, SESP, PQA, PSDD (digitized in Quantum+). Project risk registers in Quantum must be updated and monitored regularly and must be reported annually during the GCF Portfolio Report process. The Resident Representative shall inform the BPPS/VF Hub Executive Coordinator and BPPS/Thematic Hub immediately of any risks of non-compliance. | |
| 5 | Procurement management | The Resident Representative shall ensure compliance with [UNDP policies and procedures on procurement](https://popp.undp.org/taxonomy/term/186), including but not limited to: proper procurement planning, supply chain risk management, adequate procurement strategies and sourcing, mainstreaming sustainable procurement and proper managing of contracts. | |
| 6 | Financial Management | The Resident Representative shall ensure compliance with [UNDP policies and procedures on financial resources management/budget](https://popp.undp.org/taxonomy/term/76), including by ensuring adequate segregation of duties, and that payments are made in line with the PPF Grant workplan and supported by adequate documents. | |
| 7 | Project revisions | All revisions/amendments to the UNDP-GCF Initiation Plan shall follow the procedures set out in the RACI/POPP, which shall include approval by the BPPS RTA and PTA assigned to this PPF Grant for oversight. The Country Office shall ensure that the BPPS RTA shall be duly informed within the timelines set out in POPP and the BPPS RTA and PTA shall consult with the VF Hub and liaise with the GCF as required. | |
| If the proposed changes are deemed by the BPPS RTA and PTA to constitute Major Change, additional BPPS/VF Hub and GCF approvals are necessary.  As defined in the FWA , a “Major Change” may include a change in the scope or implementation arrangements which would result in a material or adverse deviation from the intended objectives or Outcomes, a change of implementing entities or an adverse change in the legal status of the Implementing Entity, or a delay in completion of the project.In the event that any proposed modification to a project is likely to effect a Major Change, UNDP shall be required to inform the GCF and the relevant NDA of any such proposed modification and seek the GCF’s instructions on the necessary steps to be taken to effect such proposed modification, which may involve seeking a new No-Objection Letter. | |
| 8 | Annual oversight missions | The Country Office person responsible for oversight of this PPF Grant will supervise the implementation of this PPF Grant and undertake annual site missions, charged to the GCF fee. | |
| 9 | Budget Revisions and ASLs | PPF Grant budget deviations are not permitted other than in accordance with the guidance set out in the Initiation Plan and in accordance with the terms set forth in the FWA. | |
| Budget revisions proposals must be cleared by VF-Hub MPSU and approved by BPPS RTA assigned to this project for oversight in PIMS+ before it is approved in Quantum. | |
| Any reallocation among the PPF Grant outcomes described in the Approved Proposal resulting in a variation of more than twenty per cent (20%) of the previously agreed amount originally allocated for the outcome must be approved in writing by the GCF in advance. | |
| The PPF Grant budget cannot be increased above the total amount already approved by the GCF Board. Therefore, any over-expenditure on this PPF Grant must be absorbed by other (non-vertical fund) Country Office resources. | |
| The Resident Representative shall submit the Quantum-generated *Annual Work Plan (AWP) (multi-Year)* based on the *Total Budget and Annual Work Plan* in the attached Initiation Plan, along with a copy of the signed cover page and, where applicable and approved by the Fund, ensure that the Procurement Plan is uploaded on Quantum.  The Resident Representative shall ensure that the correct Quantum codes shall be used in the AWP Chart of Accounts (COAs) (Fund Code: 66001 – Donor Code: 12526).  Minimum one budget revision annually – the Country Office submits budget revision (multi-year) to the BPPS RTA assigned to perform oversight functions, through PIMS+, requesting for clearance for Disbursement. All budget revisions must be approved by the BPPS RTA and cleared by VF Hub MPSU. | one week after the Initiation Plan is signed. |
| 10 | Audit | All GCF-funded projects must be audited in accordance with [UNDP Financial Regulations and Rules](https://popp.undp.org/node/18916#search=financial%20rules), [Audit policies](https://popp.undp.org/node/4371) and [HACT requirements](https://popp.undp.org/node/1491), and any audit recommendations resulting from such audits shall be duly implemented and monitored. | |
| 11 | GCF branding | The GCF logo will be displayed along with the UNDP logo where appropriate and relevant, and provided that such display has been agreed with the GCF and in line with the [GCF Branding Guidelines](https://www.greenclimate.fund/sites/default/files/page/gcf-branding-guidelines.pdf) and [UNDP’s branding guidelines.](https://brand.undp.org/) | |
| 12 | Project extensions | Project extensions are unfunded by the GCF and UNDP and in general are not permitted. Extensions must follow the BPPS/VF Hub project extension guidance. Under the exceptional circumstances and subject to the conditions set out in the VF project extension guidance for the submission of a request for extension to the GCF, the Resident Representative shall coordinate with the BPPS RTA and PTA assigned to this PPF Grant for oversight, within the deadlines set out in the VF project extension guidance, for the internal BPPS and RBX clearance and submission of the request for approval to the GCF Secretariat and/or GCF Board, as required. The BPPS VF Hub Executive Coordinator must approve all requests for extension before they are submitted to the GCF.  The BPPS Executive Coordinator shall consult RBX and may reject the extension request if no external (non-GCF) financing for the additional oversight cost of UNDP can be identified. | |
| Should an extension be approved by the BPPS/VF Hub Executive Coordinator and the GCF Secretariat, the additional oversight costs for the Country Office and BPPS/VF Hub shall be covered by the other resources and cannot be charged to the PPF Grant budget. At the time of extension requests, the source of funds to cover such additional costs to UNDP should be declared by all relevant units as part of the extension request. | |
| 13 | Initiation Plan Signature and project start | The Resident Representative shall sign the Initiation Plan and shall provide a copy of the signed Initiation Plan to the Regional Program Associate of the BPPS/Thematic Hub in order to upload a copy of the signed Initiation Plan to PIMS+.  The Resident Representative will sign the Initiation Plan/GCF PPF by no later than 5 days from the date of this Delegation of Authority  In the event that a signature is not secured by the deadline, the VF Hub and BPPS PTA and RTA, with the support of the CO, will discuss with the GCF Secretariat and the National Designated Authority or Focal Point for GCF matters at the country level on whether the PPF Grant should be restructured and/or cancelled. | [PA: Add deadline.  To be noted that the Implementation Period for the project is defined in Section 3.07 of the FWA as: “the period beginning from the date that the Fund notifies the Applicant, the Beneficiary and the Delivery Partner that it has approved a R&P Support Proposal, and ending three (3) months after the expiration of the anticipated duration of the relevant Readiness and Preparatory Support specified in such Approved Project Preparation Funding Grant Proposal, including any extensions approved by the Fund.” |
| 14 | Disbursements | The Resident Representative shall ensure that all requests for disbursement shall be submitted in a timely manner to the GCF (aligned with the Portfolio reporting cycle) and shall ensure that the conditions precedent and supporting documents for such disbursement requests are satisfied as per Section 4.02 of the FWA.  All requisite supporting documentation shall be submitted to BPPS/ VF-Hub for review and clearance no later than 1 month before the deadline for submission of the disbursement request to the GCF. BPPS/ VF-Hub shall not be in a position to submit requests for disbursement if the request and supporting documents are incomplete or do not meet the standards of GCF. | [PA: Add deadline in function of the date of Approval of the Project] |
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| 15 | Project Reporting Requirements | The Country Office shall, together with the project team, complete a high quality draft (i) Portfolio Report (which shall include the Interim Progress Report), by the designated due date. The Deputy Resident Representative shall clear the Portfolio Report and submit for review by the BPPS RTA and subsequent review by the BPPS/VF-Hub. The Resident Representative shall ensure all comments are addressed and share the final report for submission by the BPPS Thematic Hub to the GCF.    The Resident Representative shall provide such other reports as UNDP may require in accordance with its own rules, policies or practices, and any other reports as may reasonably be requested by the GCF in order to enable it to assess the results and impacts of the Funded Activity and/or compliance with the FWA. It should be noted that GCF policies may impose additional mandatory rules/policies that are in addition to UNDP policies. | [Portfolio Reports shall be submitted to the GCF within sixty (60) days of (i) 30 June, in respect of the period from 1 January to 30 June, and (ii) 31 December, in respect of the period from 1 July and 31 December, of each year] |
| 16 | Project Completion Report | The Country Office shall, together with the project teams and in a timely manner, as per the FWA, prepare and complete a high quality draft Project Completion Report (PCR). The CO M&E focal point and Resident Representative shall clear the PCR and submit for review by the BPPS RTA and subsequent review by the BPPS/VF Hub RBM focal point. The Resident Representative shall ensure all comments are addressed and share the final PCR for submission by BPPS prior to the deadline  (within 6 months from the end of the Implementation Period) for submission by the BPPS Thematic Hub to the GCF. | Project Completion Report shall be submitted to GCF no later than six (6) months after the end of the Implementation Period (as defined in the FWA). The RR shall endeavor to align the Project Completion Report with the bi-annual reporting cycle] |
| 17 | Financial Reporting | The Resident Representative shall provide all necessary support to ensure that UNDP can furnish to GCF, as per the requirements of Section 10.02 of the FWA: (a) a preliminary financial report for the PPG Grant based on the unaudited financial statements of UNDP, no later than three (3) months after the end of UNDP’s financial year; and (b) a certified annual financial report for the PPG Grant based on the audited financial statements of UNDP, no later than six (6) months after the end of UNDP’s financial year, which reports shall be independently certified by the controller of UNDP. |  |
| 18 | PPF Grant Completion | The Resident Representative shall ensure that all the PPF Grant activities shall be fully implemented and completed by the completion date as indicated in the Initiation Plan.  All accrued expenses shall be raised by this date and payments without POs or contracts are not permitted after this date. | [PA: Add deadline in accordance with the Initiation Plan] |
| 19 | Project operational closure | The Resident Representative shall ensure that this PPF Grant shall be operationally closed by the indicated deadline. | [PA: Add deadline in accordance with the Initiation Plan] |
| 20 | Project financial closure | The Resident Representative shall ensure that this project shall be financially closed (and supporting documents to the financial closure should be submitted to BPPS/VF Hub) within [6 months] after operational closure.  Failure to financially close the project by the above deadline will result in the elevation of the CO to a high-risk category and no further vertical fund programming will be undertaken until overdue closures are addressed. | [PA: Add deadline that is 6 months after operational closure] |
| 21 | Record Keeping | In the context of this PPF Grant, the Resident Representative shall ensure, in compliance with Section 6.06 of the FWA, that:   * + - 1. any and all documents relating to the Approved Proposal are promptly furnished to the GCF upon its request, in such detail as the GCF may reasonably request;       2. records are maintained (a) to record the progress of the implementation of the Approved Proposal (including its cost and the benefits to be derived from it), (b) to identify the Goods and Services financed out of the proceeds of the relevant Grant; and (c) to disclose the use of such Goods and Services for the purposes of the Approved Proposal;       3. the records referred to in paragraph (II) above are furnished to the GCF promptly upon its request;       4. all records evidencing expenditures in connection with such Approved Proposal are retained until at least five (5) years after the completion of such Approved Proposal, or such longer period, if any, required to resolve any claims or audit inquiries, or if required to do so by the GCF;       5. the representatives of the GCF are able to examine all records referred to above in paragraphs (II) to (IV) and are provided all such information concerning such records as they may from time to time reasonably request. |  |

By signing the Delegations of Authority, the signatories also agree to:

1. Immediately inform each other of any circumstances that may indicate potential misuse of PPF Grant funds, non-compliance with SES policies, a breach (or potential breach) of UNDP’s policy framework or the legal terms and conditions set out in the UNDP-GCF Initiation Plan and/or requirements set out in the FWA or GCF’s policy requirements and processes.
2. Actively discuss project issues that may jeopardize the timely implementation of the PPF Grant or the achievement of the agreed results and/or outcomes as stated in the signed Initiation plan.
3. Assess future programming requests for vertical fund programming by the country in light of existing performance and capacity constraints at all levels.

This Delegation of Authority shall enter into force upon the date of execution (as written below) by all signatories and will remain in force until all legal liabilities towards GCF in relation to the PPF Grant have ceased, unless revoked earlier by the BPPS/VF Hub Executive Coordinator.

A copy of this Delegation of Authority shall be provided to:

[Name of Regional Bureau Deputy Director - Deputy Director, Bureau acronym]

[Name of Regional Service Center or Hub Director, Director, Name and location of Hub or Service Centre]

[Name of Regional Service Center or Hub Deputy Director, Deputy Director, Name and location of Hub or Service Centre]

[Name of Country Director, Country Director, UNDP Name of City, Country]

[Name of Country Advisor - Country Advisor, Location of Country Advisor]

[Name of Country Support person (Desk Officer), Country Support Team, Location]

[Name of DRR (Programmes) at the CO, Title, UNDP Name of City, Country]

[Name of Environment Focal Point at the CO, Title, UNDP Name of City, Country]

[Name of Regional Team Leader, Location]

[Name of Regional Technical Advisor (RTA), UNDP Thematic Hub]

[Name of Principal Technical Advisor (PTA), UNDP Thematic Hub]

This Delegation of Authority is signed for agreement and acceptance by and between:

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| **Pradeep Kurukulasuriya**  **Executive Coordinator and Director**  **Vertical Funds Programme Support, Oversight and Compliance Hub**  **Bureau for Policy and Programme Support**  **UNDP** | Date:  Signature: |
| **Marcos Neto**  **Assistant Administrator and Director**  **Bureau for Policy and Programme Support**  **UNDP** | Date:  Signature: |
| **Accepted By:**  ***[Regional Bureau Director, [Bureau acronym]*** | Date:  Signature: |
| **Accepted By:**  ***[Resident Representative]*** | Date:  Signature: |