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3rd Annual Participatory Review Implementation Report 2021



Badan Kebijakan Fiskal
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1. Introduction

1.1. Background

In response to various challenges related to climate change, including support to climate commitments in the era of Covid-19 pandemic, the Green Climate Fund (GCF) has approved more than USD 1 billion in funding for low emission development and climate resilience by the end of 2020. Of the 16 projects that received approval from the GCF in the 27th Board Meeting, several of which were climate resilience projects responding to the climate crisis and the Covid-19 pandemic. These approved projects are in line with priorities of each country which is in accordance with the GCF country ownership principles. Furthermore, the projects also support GCF gender and social inclusion principles as evident in all stages of their operations.

In Indonesia, the Fiscal Policy Agency of the Ministry of Finance which has been appointed as the National Designated Authority (NDA) continues to carry out its duties as GCF's focal point. Among them is screening and issuing No-Objection-Letters (NOL) by involving the relevant stakeholders and representatives from vulnerable groups and local communities for their input and recommendations. NDA has also implemented the second Call for Project Concept Note towards the end of 2020 and is currently proceeding with the processes. Additionally, NDA is closely collaborating with relevant Ministries/Agencies, who are the focal points for various climate finance in Indonesia, to establish a Climate Finance Focal Points coordination mechanism. The coordination mechanism aims to form communication platform among the focal points, to encourage collaboration and reduce overlap of financing.

As the interface between country and the Green Climate Fund (GCF), National Designated Authority (NDA) represents national priorities and interests of the country by ensuring country ownership within each GCF funded programs/projects which is the core principles of GCF. One of NDA's tasks is to "organize an Annual Participatory Review (APR) for local stakeholders, notably project-affected people and communities, including women and civil society organizations" (Decision B11/10). According to the GCF Board, NDA stakeholders includes Accredited Entities, Executing Entities, CSOs, academia, private sector, national and subnational institutions, and NGOs. The APRs are intended as participatory monitoring activity for the overall portfolio of GCF-funded projects and programmes in each country.

This year (2021) NDA GCF conducted its third implementation of Annual Participatory Review (APR) involving all stakeholders to review and evaluate its processes, including the NOL procedures, NDA's coordination mechanism, and the GCF-funded project monitoring processes. The 3rd APR also aimed to provide information on GCF development in Indonesia during the past year to all stakeholders. **This document records the implementation of the 3rd APR forum, result of stakeholders' group discussions, and their recommendations.**

1.2. Implementation and Results of Previous APRs

The Annual Participatory Review forum has been conducted since 2019 as an annual multi-stakeholder's forum, where NDA presents GCF global update and the update of NDA GCF processes on national level. Moreover, the APR is also used as discussion forum between NDA and its stakeholders, as well as discussion opportunities between stakeholders. APRs have also been conducted in participatory and inclusive manner to ensure no one is left behind. Results of that discussions were recorded and used as reference for improvement and strengthening of NDA processes. This sub-section examined previous



APRs, their focus of discussions which will be different each year, and actions that NDA has taken for improvement based on recommendations from its stakeholders.

1.2.1. The First Annual Participatory Review 2019

On January 2019, the first Annual Participatory Review (APR) was conducted. The APR was the second part of an event titled *Multi-Stakeholder Forum on GCF Country Programme For Inclusive Climate Change Finance*. It serves as a medium to gather inputs from stakeholders that are an important part of GCF funding and climate projects in Indonesia. The forum was attended by representatives from ministries and government agencies, private sectors, banking sectors, development partners or NGOs, as well as CSOs and community-based natural resource management, including women group and people with disability group.

The first Annual Participatory Review aimed to:

- Review the existing GCF Country Programme document that focused on GCF priority sectors and relevant national policies.
- Discuss current national priorities on climate mitigation and adaptation.
- Identify stakeholders’ challenges and expectations on the distribution mechanism of GCF funding
- Collect inputs from stakeholders, including women, persons with disability, indigenous people, and community-based organizations, regarding inclusive natural resource management to ensure benefits of GCF financing can be accessed by everyone.

Table below provide a summary of stakeholders’ discussion and recommendations:

Group Discussion	Recommendations
<ul style="list-style-type: none"> • Discuss and gather input on the GCF Country Programme document • Discuss national priorities on climate mitigation and adaptation with relevant ministries and agencies • Examine various stakeholder’s challenges and expectation in accessing the Fund • Discuss ways to ensure gender equality and social inclusion within GCF-funded projects, including natural resource management, and the importance of addressing local contexts when developing monitoring indicators 	<ul style="list-style-type: none"> • Align the GCF Country Programme document with the national strategies and priorities on climate mitigation and adaptation • Create a simplified mechanism to access GCF funding • Provide small scale grants for specific context in Indonesia to address local issues • Provide technical assistance scheme for project proponents, especially for local government and CSOs • Strengthen NDA’s stakeholder’s engagement, including with representatives of identified vulnerable groups, on processes such as the issuance of NOL as well as the monitoring and evaluation process through meaningful participation and inclusive decision-making process.
<p>Source: Report of the First Annual Participatory Review Forum 2019 at https://fiskal.kemenkeu.go.id/nda_gcf/en/publications/nda-gcf-first-annual-participatory-review-forum-report</p>	

Based on the recommendations, NDA undertook these following actions:

- Revised the GCF Country Programme document by integrating national strategies and priorities on climate mitigation and adaptation
- Organized the first Call for Project Concept Note with simplified mechanism with pathway to technical assistance for selected project proponents



- Developed monitoring and evaluation system in accordance with project conditions and needs in Indonesia
- Executed participatory-based approach to NOL procedures and other decision-making processes by involving representatives of relevant ministries/agencies as well as women and other identified vulnerable groups as representatives of project-affected people and communities

Below are lessons learned from the first APR:

- Selection of group for the Focus Group Discussion (FGD) was based on participants categories, which were ministries/agencies, private sectors, banking/financial institution, development partners, and CSOs. This exercise limited cross-category participant discussions that would be beneficial for all, especially project proponent candidates and representatives of project-affected people and communities. The cross-category group discussion would be valuable for participants to:
 - Establish connection with other participants from different categories (networking)
 - Generate synergy and collaboration amongst different stakeholders
 - Enhance coordination between stakeholders, particularly with private sector and CSOs/CBOs
 - Facilitate dialogue and enhance communication among the government, private and banking sector, development partners, and communities
 - Promote inclusive and meaningful participation
- During the discussion it was apparent that some of the representatives of women and other vulnerable groups were unfamiliar with the GCF and did not understand the importance of their role in the GCF funding process. Although the discussion was fruitful, the need to introduce the GCF to this group became a necessity prior to the implementation of the next APR.

1.2.2. The Second Annual Participatory Review 2020

The second APR, conducted in March 2020, was focused on reviewing the process and activities following the Call for Project Concept Note as the first call by the NDA. This forum was attended mostly by representatives of institutions that participated in the first Forum, including representatives of ministries/agencies, private sectors, banking sectors, NGOs and Development Partners, and CSOs including representatives of women, indigenous people organization, and people with disability organizations. The second APR aimed to:

- Present progress regarding the process of accessing funding from the GCF in Indonesia.
- Obtain input from all stakeholders to enrich the lessons learned from the Call for Project Concept Note (PCN) process and activities.
- Gather input from all stakeholders, including women's groups, people with disabilities, and indigenous peoples regarding inclusive climate change projects.

Based on the lessons learned from the implementation of the first APR, the NDA made some adjustments in the second APR, including:

- Group creation for FGD session was based on sectors, such as renewable energy, agriculture and forestry, coastal, off-grid, and water/health/food. Each group consists of participants from different categories as an effort to generate collaboration between different stakeholders as well as promote inclusive and meaningful participation.
- The second APR was preceded by an initial meeting or pre-event catered for representatives of women and other vulnerable groups. This event aimed to introduce the GCF mechanism and its practice in Indonesia, discuss the relationship between GCF funding and gender equality and social inclusion (GESI), examine the role of civil society organizations in the GCF scheme, and prepare participants for a fruitful dialogue with other stakeholders in the main event which is the second APR. This initial meeting was conducted in February 2020 or one week prior to the second APR, to

provide ample time for the participants to digest the presented information and prepare themselves for the main event or the second APR.

Summary of discussion and stakeholder’s recommendations from the second APR:

Group Discussion	Recommendations
<ul style="list-style-type: none"> Review process and activities following the Call for Project Concept Note Develop formal consultation process between NDA and its stakeholders Gather input on inclusive climate change projects, including from representatives of women’s groups, people with disabilities, and indigenous peoples. 	<ul style="list-style-type: none"> Increase information distribution about GCF, its principles and procedures, by using effective communication tools that is accessible for all Organize GCF multi-stakeholder forum on local level, involving women and vulnerable groups. Involve AE in capacity enhancement effort to strengthen project proponent’s focus on local context and to ensure the integration of gender and social inclusion lens in all stages of proposed project Encourage project proponents to organize multi-stakeholder forum in the area affected by their project as part of GESI mainstreaming effort Provide a clear guidance on PCN writing, aside from the detailed technical assistance provided to the shortlisted project proponents Provide scoring and assessment feedbacks for the reviewed Call for PCN submissions
<p>Source: Report of the Second Annual Participatory Review 2020 at https://fiskal.kemenkeu.go.id/nda_gcf/en/publications/nda-gcf-second-annual-participatory-review-forum-report</p>	

The recommendations were used as reference for improvement by NDA who did the following actions:

- Launched a bilingual website to disseminate information about GCF, its process and mechanisms, as well as template for concept note and proposal for project proponents and template for institutions interested in applying as GCF’s Accredited Entity. The website also disseminates information regarding NDA’s activities and other updates. All information is provided in English and Indonesian language
- Invited more representatives from local governments, CSOs, and academia from local universities on the third APR to broaden its network to more stakeholders on local level that would be beneficial for projects and potential projects in the area(s)
- Involved representatives of women and other vulnerable groups in consultation process for NOL procedure alongside relevant ministries/agencies to gather input and feedback from representatives of affected and potentially affected communities/groups and to ensure projects does not bring harm to the impacted communities
- Implemented the monitoring and evaluation system that has been developed previous year, while evaluating the need to add more indicators, especially for adaptation projects
- In the publication of the 2nd Call for PCN, the NDA provided a guidance on how to fill out the simplified CN form, which include explanation on the expected details on technical aspects such as climate rationale and investment criteria

- Announcement of shortlisted PCN submissions for the 2nd Call for PCN has now attached the feedback for all the reviewed submissions, including for those who does not get into the shortlist, to provide information on possible improvement for the project proponents' future submissions.

Lessons learned from the 2nd APR includes:

- Topic of discussion was very specific and not every stakeholder has been involved in the Call for Project Concept Note to understand its processes and challenges. For the next APR, NDA will prepare infographics on topics of discussion to provide information with ample time for all stakeholder to prepare themselves for the discussion.
- The need of formal consultation forum between NDA and its stakeholders and between each stakeholder have been highlighted again in the 2nd APR. Based on this input NDA will establish the consultation forum in 2020 to address the need.



2. The Third APR: Pre-Event

2.1. Objectives and Participants

The 3rd APR was preceded with a pre-event with similar objectives as the one conducted prior to the 2nd APR, which were to synchronize participants' understanding about GCF funding mechanisms and to prepare them for an equal and inclusive discussions with the other stakeholders during the main event.

For this initial meeting, the NDA invited representatives of CSOs and academia from local universities, including representatives of vulnerable groups. Some of the invitees are newly identified stakeholders, while others have participated in previous APRs. Additional stakeholders were identified based on past roadshow by the NDA to several regions in Indonesia, including CSO and local universities from Papua and Kalimantan.

The pre-event was conducted two days prior to the main event (23 February 2021) and was designed to:

- Introduce GCF funding mechanisms and its operation in Indonesia
- Discuss the relation between GCF climate funding with gender equality and social inclusion (GESI), as well as civil society's role within the GCF funding scheme and NDA's operation
- Introduce topics of discussion for the 3rd APR, included NDA's NOL procedure, coordination mechanism, and monitoring mechanism to ensure participants have equal information as with the other stakeholders

Due to the Covid-19 pandemic, the pre-event was conducted online using Zoom Meeting platform. The pre-event was also equipped with sign language interpreter and accessible reading materials for participants with disabilities.

Pre-Event Programme		
Time	Activity	Resource Person
09.00 – 09.10	Opening remarks	Dudi Rulliadi - PKPPIM
09.10 – 10.00	Presentations: <ul style="list-style-type: none"> • GCF Funding Mechanisms, its operation in Indonesia, and the role of NDA GCF • GESI relations with climate change and their aspects within GCF Funding • NDA process and mechanisms: <ul style="list-style-type: none"> ○ NOL Procedure ○ Monitoring mechanism ○ Coordination mechanism Discussion: Q&A	Dewa Ekayana - PKPPIM Chandra Sugarda – GGGI Titaningtyas – GGGI
10.00 – 11.00	Introduction to the Annual Participatory Review Forum and the 2021 topics of discussion Discussion: Q&A	NDA GCF Secretariat
11.00 – 11.10	Closing remarks	Dudi Rulliadi - PKPPIM

2.2. Pre-Event Summary

First session of the initial meeting consists of presentations on:

- GCF funding mechanisms and its operation in Indonesia
- Relations between GCF funding and GESI
- NDA process and mechanisms

The first presentation was delivered by Dewa Ekayana from PKPPIM. He provided insight on the background of GCF and its architecture, including how NDA's role played an integral part of GCF operation in each country. He then introduced eight (8) strategic impact areas of GCF that includes mitigation strategic impacts and adaptation strategic impacts. GCF available funding windows and its latest global dashboard were also presented, including project portfolio, financial instruments, and current accredited entities from international, regional and national level. Six (6) projects in Indonesia that are currently being implemented were introduced, as well as latest information on national level accredited entities (AE). In this regard, Dewa conveyed that currently Indonesia has two (2) accredited entities, namely PT. Sarana Multi Infrastruktur and Kemitraan (Partnership). Aside from the two, there are 3 other institutions that were in the process of obtaining their AE approval from GCF, namely PT. Indonesia Infrastructure Finance, Kehati, and Bank Artha Graha International. The role of NDA as GCF focal point in Indonesia was also introduced as well as NDA's commitment to have strong coordination mechanisms with relevant ministries/agencies and other stakeholders, including representatives of vulnerable groups and communities.

The second presentation was delivered by Chandra Sugarda from GGGI on the relation between gender equality and social inclusion (GESI) with climate change and the GCF funding mechanism. Chandra started her presentation by briefly describing GESI aspects in climate change, including unequal impacts of climate change to different groups such as women, indigenous people, and persons with disabilities. She discussed how climate change exacerbated the cycle of poverty and aggravated social and economic inequalities. The relation between GESI and GCF funding were also presented, including intersectionality between GCF stakeholders, such as parties involved in the implementation of GCF, parties who can influence GCF implementation, and individuals/groups that are affected or potentially affected by GCF-funded projects. She also introduced GCF GESI policies such as Gender Policy, Indigenous People Policy, Environment and Social Policy, and Sexual Exploitation, Sexual Abuse, and Sexual Harassment (SEAH) Policy and how these policies shape the operations of GCF in Indonesia and around the world. The importance of women's and other vulnerable groups' role within climate financing was also discussed, including how these vulnerable groups can shape the trajectory of GCF-funded programs/projects.

The third presentation was delivered by Titaningtyas from GGGI. She introduced 3 topics that will be discussed during the next APR to ensure all participants have a good understanding of what they were hence can form an opinion and provide a constructive input to the NDA. She started by describing the No-Objection Letter (NOL), its procedure, and NDA's role in the issuance of the letter. She described NOL process in detail, including its trajectory from AE to NDA GCF and relevant ministries, to the GCF Board for evaluation. Monitoring and reporting mechanism of GCF-funded projects were also presented, including semester and annual reports. Further, NDA's consultation and coordination mechanisms were discussed, including between NDA and AEs, ministries/agencies, and other institutions, such as NGOs and CSOs. She presented list of regular activities between NDA and its stakeholders, such as the Annual Participatory Review forum, NOL consultation, national priority consultation, and quarterly coordination.

For the second session Titaningtyas provided brief introduction about the Annual Participatory Review, its background and stakeholders. She discussed about the implementation and results of previous APRs,

including topics of each APR, result of group discussions, and steps taken by the NDA to improve its operations in Indonesia. She then presented methodology and approach of the next APR, which will be using Zoom Meeting platform and Google Jamboard as part of the group discussion.

The presentations were followed by discussion with participants and below is summary of that discussion:

- On proposal development, participant asked about available methodology or approach by NDA to ensure vulnerable groups are consulted by project proponents/AEs and about gender indicators for project application and project implementation.
- On proposal submission, participant asked about NDA's role to introduce format/template for the proposal and whether NDA provided opportunities for a discussion with AEs in proposal development stage.
- On stakeholder engagement mechanism, participant asked about whether NDA has consultation mechanism with its stakeholders especially in the decision-making processes, such as the NOL procedure.
- On funding proposal, participant asked about their own opportunity to apply for GCF funding.
- On Call for Project Concept Note, participants suggested NDA to send the call information to all APR stakeholders

Lessons learned from the pre-event includes the following:

- Invitation for APR pre-event and the main event shall be delivered at once to avoid confusion regarding dates of events.
- Presentation about NDA's role shall be delivered side-by-side with AEs' and EEs' role to provide better stakeholders understanding upon which level each institution can intervene in their capacity in accordance with the GCF mechanism
- NDA to develop a sharing forum with AEs to regularly monitor project implementations

3. The Third APR: The Event

3.1. Objectives

The 3rd APR was conducted on 25 February 2021 and as aforementioned focused on reviewing and evaluating NDA 's process and mechanisms, including the NOL procedures, coordination mechanism, and the GCF-funded project monitoring processes. The objectives of the 3rd APR were:

- Providing the latest update on GCF funding and operations in Indonesia
- Collecting stakeholder's feedback on the implementation of the NOL procedure
- Identifying stakeholder's input on monitoring mechanism for GCF-funded projects
- Discussing NDA's coordination mechanisms with its stakeholders to create an effective, efficient, and inclusive consultation and coordination

In respect to the current pandemic situation, the 3rd APR was conducted online using Zoom Meeting platform, while the group discussions were using Google Jamboard to assist with visual representation of participant's input and suggestions.

To ensure inclusion, the 3rd APR was equipped with sign language interpreter and accessible reading materials for participants with disabilities.

3.2. Participants

The third APR was attended mostly by representatives of institutions that had participated in the First and Second APRs, with few additional participants from provincial level that were identified during recent NDA's virtual roadshows. Participants were representatives from ministries/agencies, private sectors, banking sectors, NGOs and Development Partners, and CSOs including representatives of women, indigenous people organization, and people with disability organizations. Representatives of the current national AEs were also present, along with other institutions in the process of being AEs. For the group discussions, participants were grouped together in a mixed category team to encouraged cross-category dialogue and opened opportunity for knowledge transfer.

3.3. Methodology

For the group discussions, the NDA implemented meaningful and inclusive participation. The forum was specifically designed to enable each participants to convey their input based on their experiences with GCF or with other funding mechanism, and to exchange knowledge with the other group members.

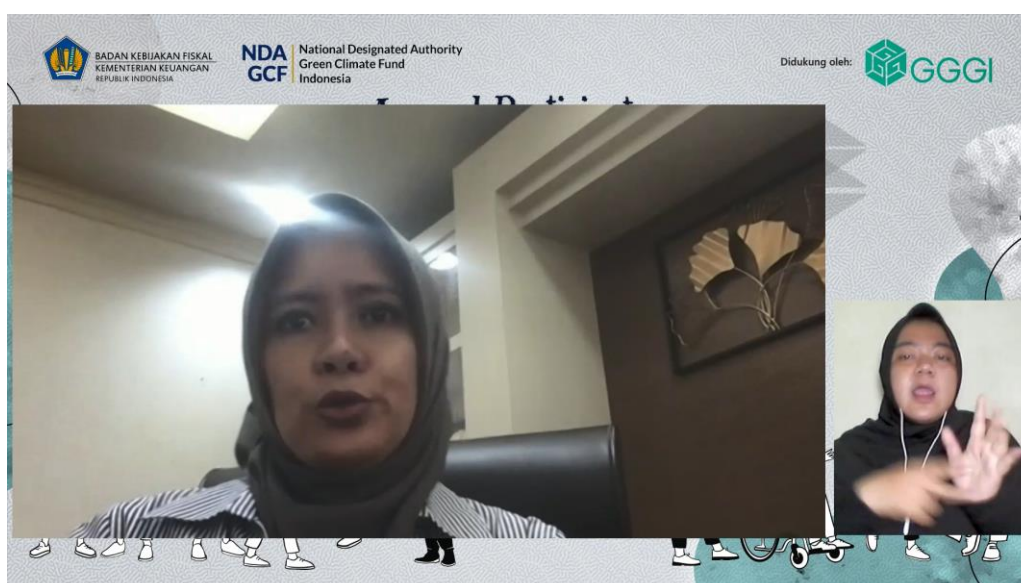


3.4. The Programme

Time	Sessions	Resource Persons
09.35 – 09.40	Opening	MC
09.40 – 09.50	Welcoming Remarks	Dian Lestari – Head of PKPPIM
09.50 – 09.55	Video NDA GCF	
09.55 – 10.15	Update on GCF and its operation in Indonesia	Dudi Ruliadi – PKPPIM
10.15 – 10.30	NDA GCF process and mechanisms: <ul style="list-style-type: none"> • The NOL procedure • Monitoring mechanism • Coordination mechanism 	Dessi Yuliana – GGGI
10.30 – 11.30	Focus Group Discussion: <ul style="list-style-type: none"> • Review of NOL procedure • Review of NDA monitoring mechanism • Review of NDA coordination mechanism 	Facilitator - Spasia
	Group Presentation and Q&A	
11.30 – 11.50	Response to stakeholder recommendations	Dudi Ruliadi – PKPPIM Dessi Yuliana – GGGI
11.50 – 12.00	Conclusion and closing remarks	Dudi Ruliadi – PKPPIM

3.5. The 3rd APR Sessions

The event started with welcoming remarks from Dian Lestari, Acting Head of PKPPIM.



In her remarks, Dian highlighted the following:

- Climate financing mechanism such as GCF complemented state budget shortages for climate-related programme in the country. Currently, state budget can cover 35% of the country's climate financing needs or approximately USD 19.3 billion by end of January 2020, out of the USD 247 billion requirements.
- NDA has conducted their second Call for Project Concept Note that was launched in December 2020. As NDA is progressing with review and selection process, AEs were invited to provide project priorities in line with their focus to increase matchmaking success rate.
- The third APR focused on reviewing NDA processes to date to gather stakeholder's input and feedback for their improvement to ensure that all process and mechanisms are gender-responsive

and inclusive. Pre-event has been conducted two days prior to the 3rd APR to ensure equal participation of all stakeholders for a maximum benefit from the APR process.

3.5.1. Presentations

For the 3rd APR, first session commenced with presentations on:

- Progress of GCF implementation in Indonesia
- NDA process and mechanisms: NOL procedure, monitoring mechanism, and coordination mechanisms.

The first presentation was delivered by Dudi Ruliadi from PKKPI. He presented update on the GCF global dashboard that showed 159 project portfolios by February 2021 consisted of 64% mitigation and 36% adaptation projects. Most projects applied for grants (44%) and loans (42%), while only small number of project proponent applied for the other GCF financial instruments such as equity, results-based payment, and security. Number of Accredited Entities had grown in the past year to 103 AEs, with the following composition: 48% of them are national AEs, 13% regional AEs, and 40% international AEs. He introduced NDA's role as GCF focal point in Indonesia and highlighted the importance of NDA coordination with the other stakeholders for their decision-making processes. List of GCF-funded project in Indonesia and projects in the pipeline were also presented, as well as pipeline for accreditation in Indonesia (approved and nominated). Further, he presented list of projects from the first Call for Project Concept Note and their progress statuses with their respective AEs. He also delivered information about NDA's work plan and activities, as well as the implementation of previous APRs and NDA's follow-up based on APRs recommendations. Dudi also introduced NDA GCF website where stakeholders can find their publications, concept note and proposal template, and other information regarding NDA activities. The bilingual website can be accessed at https://fiskal.kemenkeu.go.id/nda_gcf/en

The second presentation was delivered by Dessi Yuliana from GGGI. She delivered information on NDA process and mechanisms that will be reviewed in the group discussions session. Dessi started by presenting NDA's coordination mechanism with its stakeholders, including regular stakeholder consultation process such as APRs, NOL procedures, and the national priority consultation. NDA is also regularly in coordination with relevant ministries/agencies, AEs, and other stakeholders such as private sector, local universities, and CSOs to ensure effective, efficient, and inclusive process in Indonesia. She also discussed the NOL procedure and NDA's role in NOL issuance process including consultation with ministries/agencies and CSOs to make sure there is no objection on proposed projects from the relevant stakeholders. GESI and ESS aspects in project proposal requirements were also discussed including for concept note, readiness programme, financing proposal, and project implementation. In accordance with GCF policies on gender and inclusion, project proponents and AEs consultation with CSOs and communities is imperative to ensure GCF-funded projects did no harm to the affected and potentially affected community and did not exacerbate existing inequalities. Regarding monitoring mechanism on GCF-funded project implementation, Dessi described requirements for semester and annual report, as well as their indicators. MONEV dashboard for 2020 was also presented to provide more insight about the project implementation progress and financial performance progress.

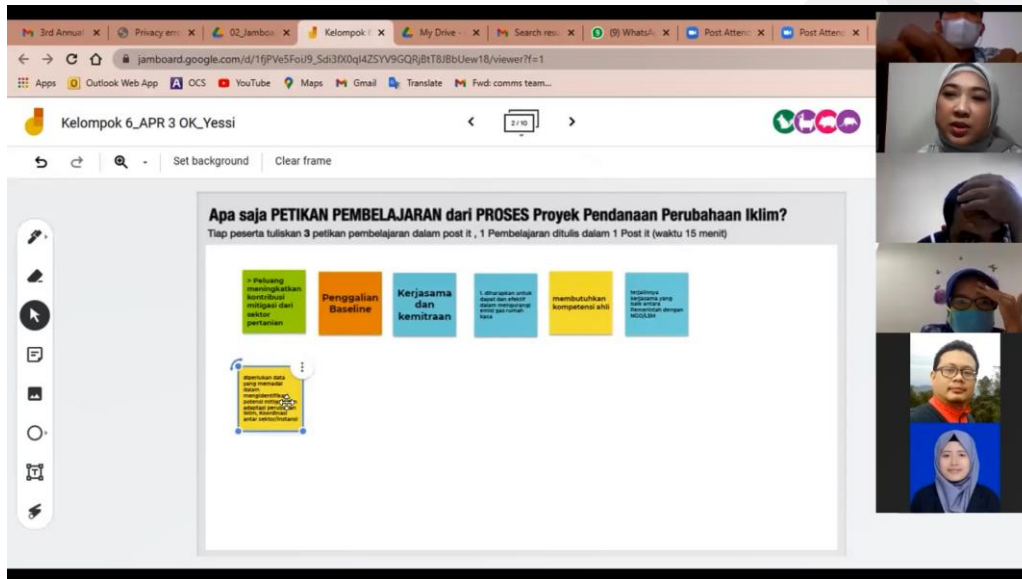
3.5.2. Group Discussions

After the first session, participants were divided into 12 groups for an in-depth discussion. The discussion was divided into 4 rounds, which were:

- Lessons learned based on participant's experience with GCF or other funding mechanisms
- The process of NOL issuance
- Project monitoring mechanism

- Coordination and consultation mechanisms

For the first round of discussion, participants were asked to write lessons learned from their experience with GCF or other funding mechanisms on the Google Jamboard page.



The following are discussion summary from all 12 groups:

- GCF funding opportunities provided greater access for mitigation and adaptation projects and acted as alternative of funding resources for climate-related projects on community level.
- The complexity and requirements for project proposal and its development process were well-understood. Some highlighted the need for technical assistance in proposal development, others felt that the template and requirements are hard to follow.
- GCF funding processes encouraged coordination between stakeholders by aligning projects with community needs as project affected groups. Therefore, stakeholder’s understanding regarding climate issues, coordination with each focal point, and stakeholder mapping became imperative.
- For a well-established coordination, stakeholder’s governance is needed as well as country programme that represents climate adaptation need in Indonesia.
- Aside from high-level coordination organized by NDA, participants saw the need for coordination at the local or community level as well, especially on project level. Additionally, NDA need to involve more local government in their activities, to open data requirement access for project proponents. Coordination on community or local level could assist in building community’s resilience as part of project’s due diligence.
- Technical assistance in development of concept note and proposal are needed, as well as cross-sectoral national adaptation guidelines as reference for project topics.
- GCF policies and NDA implementation of GESI and ESS were appreciated, especially in opening opportunity for a wider range of cross-cutting issues. Most participants admitted that they learned a lot in understanding the needs of all parties or stakeholders through the gender-responsive and inclusive principles that is carried out by NDA.
- Funding mobilization and the use of supporting tools to measure project contribution to mitigation and adaptation effort are listed as technical lessons learned. For project’s progress indicators, NDA need to provide a more specific matrix that focuses on other aspects of the projects aside from GHG emissions and beneficiaries.

Second round of the discussion focused on NOL procedure and result of the discussion is presented at the below table:

Sub-Topics	Summary of Discussion
Benefit of NOL for project proponents	<ul style="list-style-type: none"> • Communication with NDA to assist with project preparation • Participative and inclusive process assists in polishing the project's work plan. The process is also considered ensuring transparency of the proposal submission and ensuring the consideration of public aspirations, including local and community level. The process is inclusive by involving representatives of CSOs and vulnerable groups. It also provides opportunities for non-government entities to offer their input and feedback to the proposed project. • Ensure programme synergy with the national priorities and its contribution to the national NDC. • Supporting project proponents by providing clarification on GCF mechanism, project implementation requirements, its use of budget, and on measuring GHG emissions. • Guarantee project commitment and its support from the beginning (a two-way commitment between project proponent and its relevant ministries/agencies). • Assistance in the preparation of project proposals. Despite the long and arduous process, the NOL procedure help proponents to fully understand GCF requirements to ensure project approval.
Benefit of K/L and CSOs involvement in NOL process	<ul style="list-style-type: none"> • Engagement with K/L and CSOs strengthen synergy between relevant stakeholders as well as ensured alignment of the project with national priority on mitigation and/or adaptation and with the needs of affected and potentially affected communities. • Establish partnership between parties to support the project, especially on its implementation stage. • Present opportunities to provide feedback to the NDA. • From ESS and GESI perspectives, engagement with K/L and CSOs mitigate negative impact of the project both for environment and for the affected communities, including the marginalized groups who are more vulnerable. It also ensures that project considers GESI aspects within each stage to promote equality and empowerment. • Opportunity to synchronize government policy and current issues in the community on grassroots level as well as opportunity to align climate budget nomenclature.
Challenges in engaging with K/L and CSOs in NOL process	<ul style="list-style-type: none"> • Coordination between stakeholders could be challenging in terms of finding common ground and the appropriate communication approach. • Sectoral ego hinders project prioritization and determination of project priority areas. • Access to information and data as required by the GCF might be hard to come by, especially disaggregated data. • Overlapping policies between national and sub-national level. • Many project proponents need capacity enhancement in proposal development and project implementation in accordance to GCF

	<p>requirements; K/L and CSOs understanding of the project's climate rationale is also a challenge</p> <ul style="list-style-type: none"> • Ownership and engagement with K/L and local government might be a challenge for multi-country projects with lack of involvement from the concept note or design phase. Engagement with local government might also be a challenge if project proponents did not consult with them during the project's design phase. • CSOs representation in the NOL process need to be reviewed to ensure CSO engagement is project specific. • AEs have difficulties in identifying relevant CSOs for their proposed projects and in need of NDA's assistance.
Stakeholders Recommendations	<ul style="list-style-type: none"> • Strengthen common goals between relevant stakeholders. • Broaden NDA outreach activities to introduce GCF at local level. • For stakeholder's engagement, they recommended NDA to establish communication forum to support proposal development and publish results of each stakeholders' engagements • Other funding mechanism might be needed to improve existing database and develop climate-related database • GCF standards must be introduced by proving easy to follow guidelines for project concept note development and project proposal development • Mentoring/technical assistance for project proponents during NOL process • Clear coordination flow and stakeholder engagement mechanisms with the integration of gender and social inclusion; as well as regular publication or website update on current NDA processes

Third round of the discussion focused on project monitoring mechanisms and result of the discussion is presented at the below table:

Sub-Topics	Summary of Discussion
Stakeholders to engage	NDA is expected to encourage AEs/EEs to establish community involvement through their representatives or CSOs and the involvement of local government in project monitoring process on site level as well as multi-sectoral involvement at the national level
Complain mechanism	NDA should encourage AEs/EEs to establish complaint mechanisms in the project site that is accessible by communities affected and potentially affected by the project
Monitoring period	Project monitoring period of every 6-month is acceptable according to most participants, however some suggested that period of monitoring should be shorter than 6-monthly to quickly capture issues and find solutions
Indicators	GCF monitoring indicators are considered very rigid and does not cover cross-sector projects. Participants suggested NDA to develop additional monitoring indicators related to sustainability and social or vulnerability aspects, to complement GCF's tangible indicators of emission reduction. Recommended indicators including: <ul style="list-style-type: none"> • Formula to measure negative impact of climate change by sector for adaptation projects to accommodate progress measurement by sector

	<ul style="list-style-type: none"> • Spatial planning (RTRW) indicators often problematic if project does not use them as reference • Mitigation project indicators are strong, however methodology on measurement must be revisited to ensure its broader coverage outside forestry. • Suggested to add indicators on increase in land cover, increase economy, and project financing leverage • GESI indicators should be broader than number of beneficiaries. It should include quality measurement of women and other vulnerable groups' participation to evaluate whether the project promote empowerment or transformation
Data collection and reporting mechanism	<p>On data collection for monitoring:</p> <ul style="list-style-type: none"> • Monitoring tools to be provided • For adaptation project, need clear formulation to determine negative impact of climate change • Suggested to develop stakeholder engagement measurement, especially for national and sub-national government • Each project to develop their own baseline data and analysis to evaluate their implementation progress • Gather information on number of people involved with the project, both directly and indirectly • Impact measurement need to be presented in both qualitative and quantitative indicators • Project benefit distribution must be applied at all levels, including vulnerable groups. <p>On project reporting:</p> <ul style="list-style-type: none"> • Establish online platform (web based MRV system) • One report to be submitted both to NDA and GCF Board • Co-benefit impact report can be submitted in descriptive narrative, not just in numbers
Learning initiative	<ul style="list-style-type: none"> • Capacity building initiatives are needed to accelerate proposal preparation process • Enrich cross-issue / cross-regional collaboration and technical assistance model • Increase number of learning and sharing sessions from projects • Strengthen knowledge management of NDA to share post-project knowledge and experiences

Final round of the discussion focused on NDA's coordination mechanisms and result of the discussion is presented at the below table:

Sub-Topics	Summary of Discussion
Strengths	<ul style="list-style-type: none"> • NDA is responsive, accommodative, and open to all stakeholders • NDA support in every stages of project development is highly appreciated, including their willingness to conduct initial discussions, assistance in the preparation of Concept Note and NOL processes • NDA has provided complete and accessible information to access GCF-funding inclusively and seek to involve multiple actors to access the funding

	<ul style="list-style-type: none"> • NDA as focal point can bridge communication between several parties, including national and international parties • NDA assists communication between parties and seek to synergize its stakeholders to ensure support for national climate change priorities
Weaknesses	<ul style="list-style-type: none"> • Information disclosure mechanism need to be strengthened • Engagement with CSOs can be improved • Monitoring or supervision role need to clarify • Coordination across ministries/agencies to be optimized • Synergy between stakeholders to be strengthened
Recommendations	<p>Regarding APR:</p> <ul style="list-style-type: none"> • NDA to be creative with topics of discussion • Aside from the annual forum, participants suggested NDA to conduct smaller APRs on local levels • Pre-event with vulnerable groups to be maintained and an additional session on climate change for vulnerable groups need to be conducted • Need to conduct thematic coordination forum for an in-depth discussion on specific sector • Proposed to establish Stakeholders Working Group by sector for easier coordination and consultation • Strengthen transparency process • Develop training for project proposal development <p>Regarding project proposal submission:</p> <ul style="list-style-type: none"> • Simplified proposal application process with clear timetable • Conduct accountability process • GCF application progress need to be available online for transparency via web-tracking system, including for its NOL process • Encourage proponent coordination with ministries/agencies <p>Regarding policies:</p> <ul style="list-style-type: none"> • Policy synchronization from project design to project monitoring process (especially for closely related projects, either by sector or by areas)

4. Conclusion and Lessons Learned

The 3rd Annual Participatory Review resulted in several recommendations to improve NDA process and mechanisms and additional recommendations to improve AEs and EEs processes, as seen in the above tables on NOL procedure, monitoring mechanism, and coordination mechanisms.

In terms of APR process, the initial meeting with vulnerable groups and additional stakeholders presented positive impacts as they have the same starting point as the other stakeholder when joining the APR main event and were able to be actively participated in the discussions. The additional infographic handout that was sent along with the invitation complemented the provided information and gave all stakeholders a chance to understand topic of discussions beforehand. Group distribution by means of naming and pre-event determination is supplementing the course of the event and can be replicated for the next APRs.

Aside from participants enthusiasm and active participation during group discussions, there are some lessons learned from the 3rd APR as briefly described below:

- APR pre-event shall be opened to all stakeholders, not only vulnerable groups, to anticipate personnel turn over in institutions previously engaged with NDA. In short, pre-event shall be opened to stakeholders with no previous knowledge about GCF and APR's topic of discussions.
- Based on the group discussions and recommendations it is apparent that many stakeholders did not recognize differences between NDA's role, AE's role, and EE's role. NDA needs to have this clarified by publishing information about each institution's role in its website and conveying the message in its presentations.
- Many participants commented on the lack of information from NDA regarding GCF funding mechanism, most have not visited the NDA GCF website. NDA needs to find ways to promote their website and increase the use of other platforms and communication tools to disseminate information about GCF process in Indonesia (i.e. create a stakeholder mailing list for regular updates).

Annex 1. Pictures from Events

The 3rd APR participants



Presentation Sessions

Aspek ESS dan GESI dalam Syarat Pengajuan Proyek

Concept Note	Persiapan Proyek (Jika membutuhkan)	Proposal Pendanaan	Implementasi Proyek
Syarat: • Persetujuan informal NDA	Syarat: • No-Objection Letter • Proposal pendanaan • Pengajuan Project Preparation Facility (PPF)	Syarat: • No-Objection Letter • Dokumen ESS • Rencana Aksi Gender • Proposal pendanaan	Syarat: • Laporan money kepada NDA dan GCF
Aktivitas: • Konsultasi dengan NDA oleh AE	Aktivitas: • Konsultasi dengan K/L dan CSO oleh NDA	Aktivitas: • Konsultasi dengan stakeholders oleh AE • Konsultasi dengan K/L dan CSO oleh NDA	Aktivitas: • Implementasi proyek dan rencana aksi gender

ESS : Environment and Social Safeguard
 GESI : Gender and Social Inclusion

Publikasi yang telah Diterbitkan oleh NDA

Sejak Annual Participatory Review Forum Kedua, NDA telah mengeluarkan:

- 5 publikasi
- 10 artikel dan 5 press release
- 2 video pengenalan
- Sebuah situs web bilingual di: https://fiskal.kemkeu.go.id/nda_gcf/

 Berbagai publikasi yang disebutkan dan informasi progress GCF di Indonesia, kini dapat ditemukan di situs web.

Focus Group Discussion Session



Annex 2. List of Participants

Participants of Pre-APR

No	Name of Organization	Type of Organization
1	Badan Kebijakan Fiskal (BKF)	Ministry/Agency
2	Global Green Growth Institute	Development Partner
3	Aksi! for gender, social and ecological justice	Non-Government Organization/Civil Society Organization
4	Coaction Indonesia	Non-Government Organization/Civil Society Organization
5	Forest Watch Indonesia	Non-Government Organization/Civil Society Organization
6	Forest Watch Indonesia	Non-Government Organization/Civil Society Organization
7	Independent Forest Monitoring Fund	Non-Government Organization/Civil Society Organization
8	Perkumpulan Huma Indonesia	Non-Government Organization/Civil Society Organization
9	YPAC Nasional	Non-Government Organization/Civil Society Organization

Participants of APR

No	Name of Organization	Type of Organization
1	AFD	Accredited Entity
2	GIZ	Accredited Entity
3	IFAD	Accredited Entity
4	Kemitraan bagi Pembaruan Tata Pemerintahan	Accredited Entity
5	UNDP	Accredited Entity
6	World Bank	Accredited Entity
7	Badan Restorasi Gambut dan Mangrove	Ministries/Agencies/Local Government
8	Bappeda dan Litbang Provinsi Kalimantan Utara	Ministries/Agencies/Local Government
9	Bappeda Provinsi Jawa Timur	Ministries/Agencies/Local Government
10	Bappeda Provinsi Papua	Ministries/Agencies/Local Government
11	Bappeda Provinsi Sumatera Utara	Ministries/Agencies/Local Government
12	Badan Kebijakan Fiskal	Ministries/Agencies/Local Government
13	Dinas Lingkungan Hidup dan Kehutanan Prov. Kalbar / POKJA REDD	Ministries/Agencies/Local Government
14	Direktorat Inventarisasi GRK dan MPV, Ditjen PPI, KLHK	Ministries/Agencies/Local Government
15	Ditjen Bina Bsnгда Kemendagri	Ministries/Agencies/Local Government
16	Indonesia Climate Change Trust Fund (ICCTF)	Ministries/Agencies/Local Government

17	Pusat Pengelolaan Transportasi Berkelanjutan (PPTB), Sekretariat Jenderal Kemenhub	Ministries/Agencies/Local Government
18	Bank Artha Graha Internasional	Financial Institution
19	PT CIMB Niaga Tbk - CIMB Niaga Syariah	Financial Institution
20	GGGI	Development Partner
21	Aksi for Gender, Social and Ecological Justice	NGO/CSO
22	Asosiasi Pengusaha Hutan Indonesia	NGO/CSO
23	Coaction Indonesia	NGO/CSO
24	debtWATCH Indonesia	NGO/CSO
25	FoMMA (Forum Musyawarah Masyarakat Adat)	NGO/CSO
26	Forest Watch Indonesia	NGO/CSO
27	Masyarakat Energi Terbarukan Indonesia (METI)	NGO/CSO
28	Mitra Aksi	NGO/CSO
29	Mitra Masyarakat Inklusif	NGO/CSO
30	Perkumpulan Huma Indonesia	NGO/CSO
31	PPUA Disabilitas Papua	NGO/CSO
32	Spasia	NGO/CSO
33	Terangi	NGO/CSO
34	Yayasan KEHATI	NGO/CSO
35	Yayasan Mitra Aksi	NGO/CSO
36	Yayasan Penabulu	NGO/CSO
37	Yayasan SAPDA	NGO/CSO
38	YPAC Nasional	NGO/CSO
39	Électricité de France (EDF)	Private Sector/State-owned Enterprises
40	PT Astra Argo Lestari	Private Sector/State-owned Enterprises
41	PT Indonesia Infrastructure Finance	Private Sector/State-owned Enterprises
42	Indonesia Research Institute for Decarbonization (IRID)	University/Research Institutions
43	LPEM FEB UI	University/Research Institutions
44	Pusat Perubahan Iklim ITB	University/Research Institutions
45	SMERU Research Institute	University/Research Institutions



KEMENTERIAN KEUANGAN
REPUBLIK INDONESIA

NDA | National Designated Authority
GCF | Green Climate Fund
Indonesia

Sekretariat NDA-GCF Indonesia

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