

Third Meeting of the Pacific Meteorological Council (PMC-3)

20-23 July 2015
Nuku'alofa
The Kingdom of Tonga

Agenda Item 16.2: Green Climate Fund and Adaptation Fund

Purpose

- To **inform** members of the accreditation status of SPREP as a Regional Implementing Entity (RIE) for the Adaptation Fund (AF) and the Green Climate Fund (GCF), and
- To **update** on opportunities for resourcing of climate change activities in the region.

Background

SPREP's role as an RIE for the Adaptation Fund

1. The Secretariat of the Pacific Regional Environment Programme (SPREP) secured its status as a Regional Implementing Entity (RIE) under the Kyoto Protocol Adaptation Fund in November 2013.
2. The Adaptation Fund (AF) provides countries with the option of accessing funding directly through a National Implementing Entity (NIE), Regional Implementing Entity (RIE) or Multilateral Implementing Entity (MIE) that meets the international fiduciary standards set up by the AF Board. The Implementing Entity is accountable directly to the Board for the overall management of projects, as well as for the financial, monitoring and reporting aspects of project activities.
3. In order to be accredited as an NIE, RIE or MIE, prospective institutions must demonstrate that they have the requisite staffing, expertise, experience, internal controls and capacity to manage grant amounts of up to US\$10 million disbursed by the AF. This means that organisations are obliged to demonstrate a "track record" over a number of years. The accreditation process is defined and organised around a set of fiduciary standards which prescribe the level of capacity organisations must have across a range of categories. In order to gain accreditation, organisations must satisfy the Accreditation Panel, the independent body setup to recommend institutions to the Board.
4. With this accreditation SPREP can assist countries in developing and submitting climate change adaptation proposals to the Adaptation Fund Board for financing of up to 10 million. This is particularly important for countries in the region with limited national capacity. At the same time, SPREP plans to continue to support efforts in the region that would allow countries to attain NIE status, allowing them direct access. To this effect,

SPREP has produced a report on its experience in gaining RIE accreditation to the AF. To date, there are no NIEs in the Pacific, although some countries have successfully developed AF projects with MIEs such as the United Nations Development Programme (UNDP).

5. SPREP will assist countries to submit proposals, but cannot be involved in the day to day execution of projects.

SPREP's Role as an RIE for the Green Climate Fund

6. As at 25 June a total of \$US 10.2 billion has been pledged with \$US 5.8 billion secured in legal agreements. There is a set-aside for adaptation projects in SIDs, Africa and LDCs. Eligible SPREP Member countries may develop project proposals that when approved by the GCF Board will be delivered in a collaborative manner, that supports low-carbon and/or resilient development.
7. Each eligible SPREP Member now has a National Designated Authority (NDA) who is responsible for coordinating GCF engagement. All GCF activity should be channelled through and in collaboration with the NDA. Eligible countries may also wish to apply for GCF readiness which can support NDA and country institutional capacity as well as country project pipeline development processes and planning.
8. SPREP is accredited to the GCF to deliver 'Category C' (low-risk) projects of up to \$50 million through a project management modality. This means working with eligible SPREP Member countries to develop project proposals that when approved by the GCF Board, would be delivered in a collaborative manner, to support mitigation and adaptation - or in GCF terms - low-carbon and resilient development.
9. Two main delivery modalities are available - one where SPREP would lead delivery/management of project activities (Figure 1) and one where the SPREP Member would lead delivery/management of project activities (Figure 2). In both instances SPREP maintains responsibility for the relationship with the GCF, and ensuring GCF (reporting etc) requirements are met.

Figure 1: SPREP lead delivery/management of project activities:

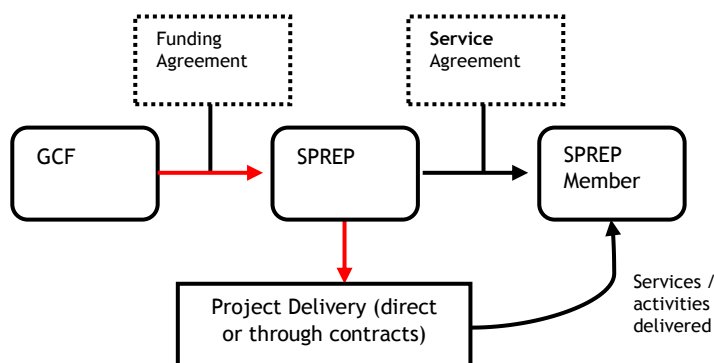
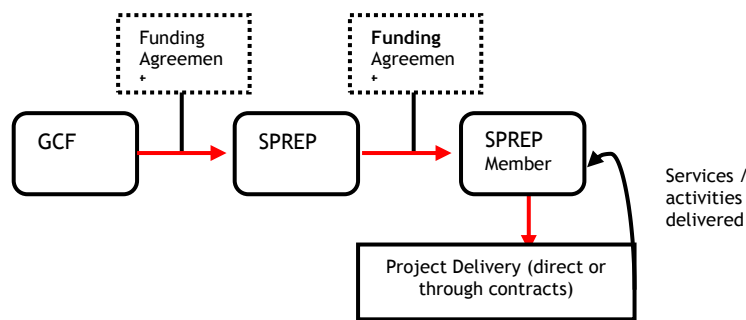


Figure 2: SPREP Member takes lead in delivery/management of project activities



Note: red arrows depict the flow of funds

10. At the 9th GCF Board Meeting held in Korea in March, the GCF Board encouraged accredited entities to work with its constituents to develop project proposals for approval at the 11th board meeting, to be held in 2015. This required full project proposals to be submitted to the GCF Secretariat by early August. SPREP will provide an update on projects that were submitted.
11. Based on input from SPREP Members, SPREP will work to establish a project pipeline of potential future national, multi-country or regional GCF projects for further development and commencement over the next 2-5 years, for submission to subsequent GCF Board meetings.
12. SPREP has also invited other CROP agencies to work with SPREP on potential GCF opportunities that they see. SPREP, in consultation with our Members, will in turn look for opportunities for collaboration and coordination opportunities with our partner CROP agencies and other delivery partners.
13. To assist national entities to engage with the GCF, the GCF has established GCF Readiness programme. The GCF Readiness programme aims to support countries to develop their capacity to engage with the GCF, and benefit from its resources. Readiness support can be accessed directly, or indirectly (through SPREP as an accredited agency) to support NDA/ Focal Point and institutional strengthening, development of a strategic GCF investment framework and project pipeline and national GCF accreditation efforts. If you are interested in applying for readiness support in the short to medium term, please indicate and provide details of this in the attached concept template.

What Process SPREP will use?

14. SPREP has established an internal project evaluation committee that will receive proposals and concepts for consideration, and will allocate relevant staff to work with project proponents, to assist them in either improving the concept or guiding them through the further development of the concept or proposal. SPREP will ensure that GCF deadlines are met, and that projects and concepts that are not yet ready will be entered in the GCF pipeline.

Recommendations

The meeting

1. **Welcomed** the accreditation of SPREP as a RIE for AF and GCF; and
2. **Encouraged** members to submit proposals for the two funds for inclusion in the project pipeline.