

# Pacific Climate Change Finance Assessment Republic of the Marshall Islands National Assessment EXECUTIVE SUMMARY

August 2014



## Executive Summary

The availability of climate change finance to support developing countries take action on climate change is anticipated to increase in coming years. However, this increase in funds is being accompanied by an increase in the complexity to access these funds. The range of available sources is substantial and the administrative arrangements to access some of these funds can be daunting.

The Climate Change Finance Assessment in the Republic of the Marshall Islands seeks to underline the experience of RMI in accessing and managing climate change finance, and to identify opportunities to:

1. Improve access to resources, so that RMI might be able to solicit further support for implementing its response to climate change; and
2. Improve the effectiveness with which available resources are used.

The Assessment builds on the Pacific Climate Change Finance Assessment Framework (PCCFAF) methodology developed as the overarching framework for the Nauru Case Study completed in early 2013. Recognising the value of that Study, the Government of the Republic of the Marshall Islands requested similar assistance in late 2013. Six thematic areas were analysed, namely:

- i. **Funding Sources** – to assess previous and existing funding sources that have been tapped by RMI which support the country's efforts related to climate change, to estimate the scale of resources, their sources, and how they have been utilised;
- ii. **Public Financial Management (PFM) and Expenditure** - to assess the state of the PFM system and how well it functions to track and report on the use of resources and climate change expenditure;
- iii. **Policies and Plans** - to assess the depth to which climate change has been integrated into national policies and plans and the way in which RMI's response to climate change has been framed;
- iv. **Institutional Arrangements** - for coordinating and implementing RMI's response to climate change;
- v. **Human Capacity** – to identify key human capacity gaps that need to be filled to support future efforts; and
- vi. **Development Effectiveness** - to identify ways to improve access to, and management of, climate change resources available from development partners.

The Assessment is timely in that it comes as RMI embarks on a new planning cycle following the recent approval of the National Strategic Plan (NSP) covering the period 2014-2016. The NSP identifies Environment, Climate Change and Resilience as one of its key sectors but in reality RMI's ability to cope with, and adapt to, climate change will be more heavily influenced by how well it implements and achieves its objectives across all sectors of the NSP because of the cross-cutting nature of efforts to build resilience.

Overall, RMI has already had some success in accessing development assistance to address its climate change related challenges. Often this assistance is not labelled as "climate finance", but rather is provided as part of ongoing assistance to RMI, through bilateral development programs. Because of this, climate change projects are not always distinguishable from traditional development assistance. This highlights a general challenge for an assessment such as this, which seeks to quantify flows of "climate finance": This is further exacerbated with no internationally agreed definition of "climate finance".

At present, some funds designated as "climate finance" are disbursed through, for instance, dedicated climate funds under the UNFCCC or institutions such as the World Bank. Other relevant funds might primarily target particular development objectives, but at the same time contribute substantially to a country's efforts to adapt to the impacts of climate change and to build resilience. In this analysis, we consider both kinds as relevant "climate change finance". RMI has significant opportunity to improve coordination across all sectors, institutions and key government functions such as their Public Financial Management (PFM) systems.

While no one doubts the needs of RMI with respect to climate change assistance, it must be recognised that well organised countries with strong PFM systems are likely to access more climate change financing, than



those countries most in need. To this end, improving the PFM system should be seen as a whole of Government effort that will bring whole of Government benefits.

The Government of RMI (GRMI) demonstrated a high level of awareness around climate change, and this is reflected in its policies and plans for the future and in its international advocacy on the issue. Despite this, the institutional structures to cope with the impacts are weak, with unclear roles and responsibilities assigned to relevant bodies. Human capacity also needs significant strengthening.

In light of these factors, the Assessment came up with a number of findings and recommendations, which are summarised below and discussed in detail in the report.

### **Funding Source Analysis**

- The Assessment identified about 40 climate change related projects with clear funding allocations to RMI, totalling around \$34.1 million after project funding were weighted according to an assessment of the level of climate change related benefits they provide. Regional projects that do not have a clear funding allocation to RMI, except their total budget, were not analysed. This was to avoid inaccurate inflation of the total funds accessed by RMI.
- These funds are not always obviously recognisable as “climate change finance”, since the primary objective may relate to, for instance, security for water, energy, food and so on.
- To date most funding has come from a limited number of sources – predominantly bilateral.
- The funds dedicated to addressing climate change objectives have been mostly directed to adaptation measures, in line with RMI’s need for adaptation.
- Most climate change related funds accessed by RMI are primarily project based.
- In the medium-term RMI would probably derive most benefit from focusing its efforts on harnessing resources from bilateral channels and those multilateral funds with which it is familiar. Although there is an opportunity for RMI to diversify funding sources by pursuing multilateral funds, this is likely to require considerably more effort than building on existing bilateral relationships. Nonetheless, in the longer term RMI could most likely access more multilateral climate change funds by strengthening domestic systems – capacity, institutions, and PFM.
- US Compact and ROC/Taiwan funds channelled through the national budget have only been used to a limited extent to address climate change objectives. Since these funds are channelled through the Government budget they have a greater chance of being used in line with RMI objectives. RMI should consider how to use these sources to support the climate change priorities of the government, for instance through climate-proofing of future infrastructure and strengthening local climate change finance capacity.
- Accessing more funds is no guarantee of better use of these resources due to issues relating to the ability to absorb these funds, specifically the structures and capacities RMI has in place to identify, design and implement its climate change priorities.
- As a first step, coordination could be improved by the Economic Policy, Planning and Statistics Office (EPPSO), with assistance from the Office of Environment Planning and Policy Coordination (OEPPC), through developing and actively maintaining a database of all projects funded by development partners, specifically highlighting projects addressing climate change issues.

### **Public Financial Management and Expenditure Analysis**

- The deficiencies in the PFM System identified by the PEFA study will likely be an impediment to accessing new climate change finance. The major deficiencies are poor procurement processes, weak links between budgets, policies and plans, the fragmented budget structure and lack of publicly available information.
- These deficiencies in the PFM System will also limit the modalities through which development partners and funders will make climate change finance available, particularly limiting opportunities for budget support.
- At present most assistance is project based but a strong PFM system will provide RMI with a wider range of modalities by which to receive climate change finance so that it can choose the most appropriate modality to meet its development objectives.

- The draft PFM Roadmap, prepared for RMI by the Pacific Financial Technical Assistance Centre (PFTAC), sets out a medium-term plan to address the majority of these deficiencies. The Ministry of Finance (MoF) should finalise and implement the PFM Roadmap and development partners are encouraged to support these efforts. In particular:
  - MoF should specifically look to overhaul its procurement processes and consider contracting a professional agent to manage public procurement;
  - MoF, EPPSO and line Ministries should collaborate to prepare one integrated policy-focused medium term budget document (with details at the program level and covering all funds including development funds) combining currently separate department plans and budgets. This document should be widely published and available to the public; and
  - the MoF introduce a medium-term budget perspective through its Fiscal Management Model (FMM) and Medium Term Budget and Investment Framework (MTBIF). The FMM could be used to model the long-term fiscal implications of climate change on the Government Budget.
- Implementation of the NSP provides an opportunity to improve PFM systems, especially the link between budgets and plans. MoF and EPPSO should work together to integrate the PFM Roadmap and the NSP since both have same timeframes (2014-2016) and similar objectives in the PFM area.
- RMI faces a tight fiscal environment up until at least FY2023. Without a change in budget priorities, climate change funds in the domestic budget are likely to be squeezed as the impact of the Compact decrement continues.
- As the impacts of climate change increase, demands on Government services to cope with these impacts will also increase. So despite the tight fiscal environment RMI should investigate re-allocation of Compact and other long-term funding to support climate change-related activities.
- RMI to prepare and adopt a Decrement Plan<sup>1</sup> to deal with declining Compact funding and consider how this might impact on Government's climate change - related activities.
- EPPSO, OEPPC and MoF collaborate to develop a methodology to tag and weight spending and projects relevant to climate change to monitor the effectiveness of climate change finance.

## Policy and Planning Analysis

- Future access to climate change finance will be influenced in part by how well RMI's development and sector policies integrate climate change considerations, and how well projects that are proposed for funding are aligned with these policies and plans.
- Future revisions of sector policies and plans:
  - would benefit from more clearly articulating the contributions they will make to building resilience, including to climate change;
  - should articulate more explicitly how their goals and activities make a contribution towards RMI's efforts to reduce climate risks, build resilience to cope with climate change, and increase adaptive capacity. For instance by being clearer how they will help RMI respond to the effects of climate change on livelihoods, infrastructure and economic activity;
  - should spell out how broad policy-level goals will be achieved, i.e. what actions are to be prioritised (and funding solicited);
  - should attempt to develop more integrated programs/actions, such as crafting "whole of government" and "whole of island" responses, that address multiple sectors' goals at once . This could be progressed by identifying overlaps between the goals of energy, water, food security, health, land resources, and other priority sectors; and
  - foster wide stakeholder ownership by engaging all relevant stakeholders in the development of implementation plans and capacity building programs.
- Using climate change finance to support policies and plans that address core development priorities and needs will, simultaneously, make RMI both more resilient to climate change and deliver improved livelihood outcomes.

<sup>1</sup> Under the Compact agreement, each year the annual recurrent grant declines (referred to as the annual decrement), with the declines offset by annual increases in the contributions to the Compact Trust Fund (CTF) which will be accessed by 2023.

- The NSP provides a good basis for utilising climate change finance to address both climate change-related risks and achieve broader development objectives.
- Although there is opportunity to widen the scope of the JNAP to define adaptation priorities, it lays the basis for any future implementation plan to better align development priorities with climate change responses. The JNAP should ideally cover all sectors and climate related risks, but in RMI's case it focuses on a small number of sector policies to draw out its priorities and could integrate a wider array of sectors in future revisions.
- Implementation plans need to be developed for all sectors and for the NSP and JNAP, to spell out how broad policy-level goals will be achieved and linked to annual and medium-term budgets. This should be accompanied by efforts to monitor and evaluate the implementation of these plans.

### **Institutional Analysis**

- Responsibility for implementing climate change-related response measures is widely spread across ministries and sectors which is a sensible approach.
- Two key gaps that should be addressed are (i) improved coordination of climate change activities across RMI, and (ii) increased information exchange and knowledge management.
- To support these:
  - OEPPC needs strengthening to enable it to fulfil its coordination mandate and act as the information hub for climate change-related activities as presently it is unable to meet its international meeting commitments and fulfil its domestic coordination obligations; and
  - the National Climate Change Committee (NCCC) needs re-invigoration, by expanding membership and involving other parts of government, and introducing clear processes for decisions and documentation, and stimulating greater information flow and exchange.
- Cabinet should assign and clarify climate change roles and responsibilities to key actors.
- With regards to learning through monitoring and evaluation (M&E), the roles of EPPSO and OEPPC should be clarified and strengthened, to ensure RMI is learning from its efforts to implement actions that respond to climate vulnerability. These offices should support implementing departments to design and carry out M&E with a focus not only on outputs but also on outcomes and effectiveness.
- Mechanisms should be set up that foster more integrated cross sector proposals, since these are more likely to attract finance and advance RMI's broader development priorities.
- OEPPC should work with EPPSO to build and maintain an active database of past and ongoing projects that have relevance for climate change.
- The NCCC and/or other forums that discuss climate change on a regular basis will enable more integrated planning approaches, and thus the identification of activities that can address multiple development and climate-related activities.
- OEPPC should strengthen its support to mainstreaming of climate change considerations into sector policies, and within future revisions of the JNAP and NSP.
- EPPSO and the Grant Writing Office (GWO) should support project proposal development to make projects more consistent with the NSP, and hence contribute to NSP priorities.
- Government should consider reviewing and updating the OEPPC and EPA Acts to reflect current expectations and responsibilities in line with regional and international priorities and discussions on climate change.

### **Human Capacity Analysis**

- The human resources allocated to the climate change response measures is low relative to the national priority attached to climate change.
- A significant proportion of the existing human capacity consists of expatriate staff undertaking project specific, short term activities. This inhibits the ability of the RMI to build and sustain local capacity, maintain consistency and develop corporate knowledge.
- The Ministry of Finance (MoF) should designate a focal point for climate change as this has been a notable gap given its key role in managing financial resources, including climate change funds.

- As an immediate action, the Government needs to develop a long term strategy and resourcing plan to build climate change capacity in RMI, initially in central agencies such as MoF, GWO, EPPSO, OEPPC and MoFA, then with line ministries.
- OEPPC and GWO should coordinate training and information programs on funding opportunities and grant/proposal writing for line ministries, NGOs, local government and communities.
- The Government should explore how the Regional Technical Support Mechanism (RTSM) and the Australian-funded Pacific Technical Assistance Mechanism (PACTAM) could be used to address short term capacity gaps but also build long term domestic climate change response capacity.
- Ideally the Government should:
  - ensure ToRs for all external technical assistance must include an objective on knowledge transfer to local counterparts;
  - allocate resources under the Compact Public Sector Capacity Building Grant to support the development of human capacity for climate change;
  - each Ministry should designate a focal point for climate change (officer level to ensure staff member has capacity to provide sufficient attention to the issue);
  - review the short and long term benefits of re-focussing existing climate change human resources from international to national activities;
  - strengthen the GWO capacity to address climate change issues, and encourage wider uptake of the service;
  - progress implementation of actions to achieve Objectives 1.3<sup>2</sup> and 2.1<sup>3</sup> of the Joint National Action Plan (JNAP) that relate to human capacity development;
  - expand existing support of the Public Service Commission (PSC) to include formal training on climate change related courses with the University of the South Pacific and the College of the Marshall Islands, where appropriate;
  - identify needs, and build responsibility for information and knowledge management into job descriptions and plans; and
  - strengthen the capacity of OEPPC by creating two new permanent positions – a climate change adaptation officer and a climate change mitigation officer – in addition to the existing positions such as Director, Deputy Director, Climate Change Adviser and Chief of Administration, Finance and Planning.

### **Development Effectiveness Analysis**

- High level political engagement and leadership support are key ingredients for successful reform in countries and donor agencies.
- RMI Government has been active and vocal about climate change matters both regionally and internationally and at the same time also taking leadership in addressing this issue (e.g. Majuro Declaration on Climate Leadership & Cartagena Commitment to ensure future public infrastructure has climate change considerations).
- Despite increasing frequency of informal donor-to-donor consultations development assistance to the RMI is still fragmented, often duplicated, and not properly coordinated.
- The Government should strengthen engagement with its development partners using avenues like a reinvigorated Donor Roundtable Meeting process and explore the development of a single government reporting framework/template to donors and partners.
- Although there are identified gaps in the RMI PFM system, donors and development partners should utilise national systems and ensure timely reporting to the RMI Budget/OIDA Unit within the Ministry of Finance, on fund disbursement, for budget predictability purposes.
- RMI Government must prioritise resources to its planning and aid management functions to implement the RMI National Strategic Plan 2014-2016 while developing, finalising and implementing the RMI Development Cooperation (ODA) Policy with long-term advisory support.

<sup>2</sup> Objective 1.3: Strengthen human resource capacity of key organisations for CCA/DRM including at the national and local government levels, and key local community leaders and NGOs.

<sup>3</sup> Objective 2.1: Plan for the development of human resources to provide, improve and retain the technical, scientific, management skills and expertise in-country.



- Government should request all development partners including CROP agencies for a forward mission schedule (annual and updated 6 monthly) and institute a Mission Free Period during the critical time of Government's budget review.
- Donors and development partners' present in-country should consider some formal arrangement to strengthen sharing of information and lessons learnt across whole of the development partner circle. This will benefit effective coordination and harmonisation among development partners.
- The RMI Government should develop a more structured and regular dialogue with the private sector, NGO community and civil society on overall development priorities including the development, implementation and monitoring of the Private Sector Development Strategy and the NSP.
- Development partners should share common matrices and processes to help expedite the release of funding for project implementation.
- In line with its mandate, OEPPC, in collaboration with the Environmental Protection Authority (EPA), should produce Annual Reports, and State of the Environment Reports (at least every 3 years) to enable consistent reporting on progress in achieving RMI's climate change objectives.
- Developing a Climate Change Coordination Guideline would also be beneficial..
- Government to investigate the benefits of seconding a Government Officer, well versed with climate change and the UNFCCC negotiations, to the RMI Mission in Fiji, to strengthen cooperation and discussions with donors, development partners and CROP agencies not present in-country.

## Conclusions

Ultimately, developing the capacity to access increased climate change finance is a responsibility of the Government of the RMI, although donors and development partners can also make an important contribution.

While RMI's continued advocacy for improved access to international climate change financing is important as part of this broader effort, it is also crucial that strengthened national systems and increased use of those systems by development partners and private sector will build capacity to access and use these funds effectively.

In addition despite the significant attention dedicated to multilateral sources RMI has accessed the vast majority (82%) of its climate change-related funding through bilateral sources. This is not to say that multilateral sources of climate financing will not become more important over time, but for now it appears that bilateral and regional sources of financing are more accessible and offer greater opportunities for increased flows of climate change finance. This situation may persist until mechanisms and policies at the national and international levels can be put in place to help RMI access more climate change finance from multilateral sources.

The Climate Change Finance Action Plan presented in Table 1 can guide RMI's efforts to improve access to climate change related financial support from external sources. OEPPC, through NCCC or another body (and supported by PIFS) should monitor and evaluate progress, and ensure it is integrated and aligned with the Government's overall development efforts outlined in the NSP.

**Table 1: RMI Climate Change Finance Assessment – Action Plan**

Recommendations	Relevant Dimension <sup>4</sup>	Priority <sup>5</sup>	2014				2015				2016				Indicative Outputs	Lead Organisation, Possible Partners	Indicative Estimated Costs (in USD)
			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2			
Specific Initiatives			3	4	1	2	3	4	1	2	3	4	1	2	3	4	
1. Cabinet to approve submission to assign and define climate change roles and responsibilities to key actors.	All	1	X													<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>OEPPC through OCS</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>The JNAP provides an outline of the JNAP Unit but it is not clear exactly how this JNAP Unit works and where it is located (presumably OEPPC). These issues should be resolved for Cabinet endorsement</li> </ul>	N/A
2. Reinvalidate NCCC or creation of new body with specific mandate to coordinate climate related activities with greater stakeholder participation and focus	I, PP	1	X	X												<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>OCS with OEPPC</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>NCCC provides a basis to reinvigorate this coordinating mechanism on climate change or a new body.</li> </ul>	Local: \$5,000 (NCCC procedures manual)
3. OEPPC to enhance its domestic coordination, policy and planning roles to deal with increasing impacts of CC	I, DE, PP	1	X	X	X	X	X	X	X	X	X	X	X	X		<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>OEPPC with potential support from USAID-ADAPT or other partners</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>This revolves around the adequate resourcing (financial and staffing) and also greater domestic focus of OEPPC so will require support from MoF, PSC and other central agencies.</li> <li>Annual State of the Environment Report and Annual reports required under OEPPC Act</li> </ul>	Local: \$10,000 (Annual Reports), \$10,000 (CCC Guideline), \$20,000, (State of the Environment Report) External: \$50,000 (TA support)
3.1 Assignment of additional permanent staff and ongoing financial resources to OEPPC	I, HC, PFME	1	X	X	X	X	X	X								<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>OCS</li> </ul> <b>Comment</b> <ul style="list-style-type: none"> <li>OCS will need to work through the BCC and PSC as part of the budget process to support these new positions preferably for FY2015 but definitely no later than FY2016. In the interim GRMI should consider sourcing external support for these positions and functions</li> </ul>	Local: ~\$70,000 per annum for two positions inclusive of benefits
3.2 Recruit Senior Climate Change Adviser	I, HC	1	X													<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>OEPPC through PSC</li> </ul> <b>Comment</b> <ul style="list-style-type: none"> <li>Position is in the process of being recruited with expectation of position being filled by June 2014. Current US funding continues until January 2017.</li> </ul>	External: \$300,000 inclusive of benefits
4. Finalise and Implement PFM Roadmap	FS, PFME	1	X	X	X	X	X	X									

<sup>4</sup> Funding sources (FS), Policies and Plans (PP), Institutions (I), Public Financial Management and Expenditure (PFME), Human Capacity (HC), Development Effectiveness (DE) and Relevant to all dimensions (All)

<sup>5</sup> Level of priority from 1 – “Implement immediately”, to 3 – “Implement as opportunities arise and resources become available”.



Recommendations	Relevant Dimension <sup>4</sup>	Priority <sup>5</sup>	2014				2015				2016				Indicative Outputs	Lead Organisation, Possible Partners	Indicative Estimated Costs (in USD)
Specific Initiatives			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
4.1. Approval and commitment to PFM Roadmap	FS, PFME	1	X														<div>Lead Organisation<ul style="list-style-type: none"><li>MoF</li></ul>Comments<ul style="list-style-type: none"><li>MoF should seek Cabinet endorsement and commitment to the implementation of the PFM Roadmap</li><li>Commitment should also endorse an implementation timetable</li><li>EPPSO will be a key partner in a number of components of the PFM roadmap especially strengthening the links between budget and NSF.</li><li>LMs should be co-opted to support the process</li></ul></div> N/A
4.2 Collaboration between MoF and EPPSO on the implementation of the PFM Roadmap and National Strategic Plan (NSP)		1	X	X	X	X											<div>Lead Organisation<ul style="list-style-type: none"><li>MoF in close collaboration with EPPSO</li></ul>Comments<ul style="list-style-type: none"><li>Same timeframes</li><li>Similar goals</li><li>Similar activities (e.g. linking plans to budget)</li></ul></div> Potentially supported by ADB TA on implementation of NSP
4.3 Preparation of one integrated policy-focused medium term budget document (with details at the program levels and covering all funds) and publicly available	PFME, PP	2		X	X	X											<div>Lead Organisation<ul style="list-style-type: none"><li>MoF, and EPPSO</li></ul>Comments<ul style="list-style-type: none"><li>With possible external support from ADB and PFTAC or other partners</li></ul></div> External: \$60,000
4.4 Strengthened Procurement Management <ul style="list-style-type: none"><li>MAPS Update</li><li>Updated Procurement Manuals</li><li>Revised and updated purchasing systems</li></ul>	PFME	1	X	X	X	X											<div>Lead Organisation<ul style="list-style-type: none"><li>MoF with PFTAC</li></ul>Comments<ul style="list-style-type: none"><li>This initiative will need considerable support from organisations with strong credentials in this area. PFTAC, ADB have a track record of improving procurement systems around the region.</li></ul></div> External: \$270,000
4.5 Introduce a medium-term perspective to budgeting through the use of the MTBIF and FMM	PFME	2	X	X	X	X											<div>Lead Organisation<ul style="list-style-type: none"><li>MoF</li></ul>Comments<ul style="list-style-type: none"><li>Continued support from PFTAC and other partners such as ADB on FMM</li></ul></div> External: \$60,000
4.6 Use FMM to model the fiscal impacts of climate change on the GRMI Budget	PFME	3				X	X										<div>Lead Organisation<ul style="list-style-type: none"><li>MoF</li></ul>Comment<ul style="list-style-type: none"><li>ADB have been the main supporter of developing the FMM with MoF</li></ul></div> External: \$60,000
5. Prepare Decrement Plan covering how climate change spending will be affected and different scenarios of how RMI could strengthen its climate change response with varying budget allocations.	PFME	2	X	X													<div>Lead Organisation<ul style="list-style-type: none"><li>OCS with support from MoF and BCC</li></ul>Comments<ul style="list-style-type: none"><li>USDA Graduate School have proposed a consultative process to prepare Decrement Plan in discussions with RMI Government with a focus on Education and Health Ministries</li><li>OEPPC collaborate with USDA; MoF to model and investigate climate change responses based on budget scenarios</li></ul></div> Local: \$40,000 External: ~\$110,000

Recommendations	Relevant Dimension <sup>4</sup>	Priority <sup>5</sup>	2014				2015				2016				Indicative Outputs	Lead Organisation, Possible Partners	Indicative Estimated Costs (in USD)
Specific Initiatives			Q3	Q4			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
6. Develop and maintain a database of all projects funded by development partners including all climate related projects	FS, PFME, PP	1	X	X			X	X	X	X	X	X	X	X	<ul style="list-style-type: none"> <li>Maintained database of development projects (including those tagged as climate related)</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>• EPPSO</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>• EPPSO will take the lead but in close collaboration with MoF and OEPPC. ADB support through implementation of NSP.</li> </ul>	External: ~\$60,000
7. Adopt a methodology to tag and monitor climate change spending in the Government Budget as part of the implementation and monitoring of the NSP	PFME, FS	3				X									<ul style="list-style-type: none"> <li>Manual outlining classification criteria for projects and activities in the Budget and NSP</li> <li>• Include indicators that link with broader monitoring system to be able to assess "who" benefits from climate change initiatives (apportion the budget by social category or island for example).</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>• EPPSO with MoF and OEPPC</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>• Possible support from USAID-ADAPT, UNDP or other partners.</li> </ul>	External: \$30,000
8. Develop detailed and costed implementation plans for existing Government plans and policies	PP, DE	1															
8.1 Prepare NSP Implementation Plan including resourcing plans	PP, DE	1	X	X											<ul style="list-style-type: none"> <li>Implementation and resourcing plans prepared</li> <li>• Implementation Matrix</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>• EPPSO</li> </ul> <b>Comment</b> <ul style="list-style-type: none"> <li>• TA support from ADB</li> </ul>	Potentially part of current ADB TA
8.2 Prepare JNAP Implementation Plan including resourcing plans covering all relevant stakeholders (broader engagement)	PP	1	X	X											<ul style="list-style-type: none"> <li>Implementation and resourcing plans prepared</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>• OEPPC</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>• Potential support from SPREP, SPC and GIZ or other partners</li> </ul>	External: \$30,000
9. Review and update of OEPPC Act (2003)	DE, PP	2				X									<ul style="list-style-type: none"> <li>Review of OEPPC and its legislation, redrafting of OEPPC Act in line with recommendations of review</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>• OEPPC</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>• Envisaged for first half of 2015 with potential support from Office of the Attorney General</li> </ul>	N/A
10. Review and update of the Environmental Protection Authority Act (1986)	PP	3					X			X					<ul style="list-style-type: none"> <li>Review of EPA and its legislation, redrafting of EPA Act in line with recommendations of review</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>• EPA</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>• Envisaged for second half of 2015 with potential support from Office of Attorney General</li> </ul>	N/A
11. Increase RMI Human Capacity for climate change finance																	
11.1 Develop a long term strategy and resourcing plan to build human capacity for managing climate change in the RMI	HC	1	X	X											<ul style="list-style-type: none"> <li>HRD Strategy for Climate Change management</li> <li>• HRD Resourcing plan including cost-benefit of re-allocating existing resources from international to national efforts</li> <li>• Capacity building to focus on central agencies first before moving to line ministries (LM)</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>• PSC with OEPPC and OCS</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>• Explore the possibility of using TA support through RTSM or PACTAM</li> <li>• RTSM will become effective in Q3 2014</li> </ul>	External: \$40,000
11.2 Strengthen capacity and involvement of GWO with regards to the RMI's climate change program	HC	2			X										<ul style="list-style-type: none"> <li>Training for GWO to incorporate climate change aspect in grants and integrate with all relevant sector plans and policies, and identify appropriate grants for climate change activities</li> <li>• Encourage GWO participation in climate change meetings and discussions</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>• PSC with OEPPC</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>• Seek external assistance to support GWO training from PIFS or other CROP agencies</li> <li>• OEPPC to ensure GWO involvement in CC discussions</li> </ul>	External: \$10,000

Recommendations	Relevant Dimension <sup>4</sup>	Priority <sup>5</sup>	2014				2015				2016				Indicative Outputs	Lead Organisation, Possible Partners	Indicative Estimated Costs (in USD)
Specific Initiatives			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2			
11.3 OEPPC and GWO coordinate training and information program on funding opportunities for LMs, NGOs and local governments	HC	2				X									<ul style="list-style-type: none"> <li>GWO to undertake training of Government agencies in grant writing specifically related to integrating climate aspects with other sectors</li> <li>Training program for LGs and NGOs on grant writing,</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>GWO with OEPPC support</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>Seek external assistance to support GWO training from PIFS or other CROP agencies</li> </ul>	External: \$20,000
11.4 Central and Line Ministries (LMs) to designate Climate Change focal point	HC	1	X	X											<ul style="list-style-type: none"> <li>Climate change focal points designated in all LMs in line with Action 1. (see above)</li> <li>Focal points to be at Assistant Secretary or Director Level</li> <li>MoF actively participating in climate change agenda</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>OCS on advice from OEPPC with line Ministries and NCCC</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>Seek external assistance to support GWO training from PIFS or other CROP agencies</li> <li>Engagement of MoF will be essential to improving access to climate finance</li> </ul>	N/A
12. Draft, finalize and implement RMI ODA Policy	DE	1	X	X											<ul style="list-style-type: none"> <li>Finalised and Endorsed ODA Policy with implementation timetable</li> <li>Clear roles and responsibilities assigned for development partner coordination</li> <li>ODA Unit established</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>OCS with EPPSO</li> </ul> <b>Comments</b> <ul style="list-style-type: none"> <li>PIFS will support TA to help draft policy and establish ODA Unit</li> </ul>	External: \$50,000
13. RMI to formalise more regular development partner dialogue through a program of ongoing consultations	DE	1	X	X	X	X	X	X	X	X	X	X	X	X	<ul style="list-style-type: none"> <li>Initial round table meeting (RTM) held</li> <li>Timetable on ongoing development partner consultation determined.</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>OCS with MoFA</li> </ul> <b>Comment</b> <ul style="list-style-type: none"> <li>The lead organisation could change depending on the outcome of the ODA Policy and the resulting assignment of roles and responsibilities.</li> <li>ADB already supporting initial RTM in mid-2014 for new NSP</li> </ul>	Potentially supported by ADB through support of NSP. Other external funding will depend on process agreed.
14. Institute a Mission Schedule including Mission Free Periods for Development Partners to follow	DE	2			X										<ul style="list-style-type: none"> <li>DPs and CROPs to provide annual mission schedules</li> <li>RMI Mission Schedule agreed and communicated to all</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>OCS with MoFA</li> </ul> <b>Comment</b> <ul style="list-style-type: none"> <li>The lead organisation could change depending on the outcome of the ODA Policy and the resulting assignment of roles and responsibilities.</li> </ul>	N/A
15. National Implementing Entity Rapid Assessment	FS, PFME	2		X	X										<ul style="list-style-type: none"> <li>Report outlining findings of initial review of RMI's capacity to achieve NIE status,</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>OEPPC and OCS</li> </ul> <b>Comment</b> <ul style="list-style-type: none"> <li>OEPPC seek assistance from UNDP, USAID-ADAPT or other relevant CROP agency</li> </ul>	External: \$10,000
16. Track and monitor the implementation of key recommendations and action plans identified for RMI's Climate Change Finance Assessment.	All	1	X	X	X	X	X	X	X	X	X	X	X	X	<ul style="list-style-type: none"> <li>Quarterly report and annual report on implementation of Action Plan to NCCC</li> <li>NSP M&amp;E reports reflect climate change progress.</li> <li>OEPPC Annual report includes a summary of activity in implementing the Action Plan</li> <li>CROP and development partners provide updates to OEPPC on action items being completed when requested.</li> <li>Progress report (e.g. desktop review) by PIFS in collaboration with CROP and development partners in Q3 in 2015 to GRMI.</li> </ul>	<b>Lead Organisation</b> <ul style="list-style-type: none"> <li>OEPPC through OCS to NCCC</li> </ul> <b>Comments:</b> <ul style="list-style-type: none"> <li>A follow up review of progress on the implementation of recommendations/action plans to be supported by PIFS in partnership with CROP and development partners.</li> <li>Monitoring to be undertaken within the M&amp;E framework of the NSP conducted by EPPSO</li> </ul>	External: \$20,000 (TA support and logistics for review of progress in Q3 of 2015).





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