



## Pacific Climate Change Roundtable

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SPREP experience with applying for Regional  
Implementing Entity status with the Adaptation  
Fund

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## Objectives

- Direct Access and SPREP's Role in Access
- Accreditations Process
- Where are we now?
- Observations



### Direct Access and MBM

- **CDM** and **share of proceeds** makes the AF unique as a funding source, but introduces a new vulnerability- price of CER's – less than \$1
- **Direct Access**- once accredited, NIE/RIE/MIE propose projects directly to the Board and funds are received directly from the AF. Flexible but dependent on AF cash flow. Late monetization of CER's caused loss of funds.



### SPREP's role in Direct Access

- SPREP acting on a directive from its members to apply as a RIE
- An **alternative option** to NIE using SPREP's CC expertise and in-country networks
- SPREP is directly accountable to its Members
- No Pacific National Implementing Entities
- **SPREP to also act for CROP as RIE**



### Accreditation Timeline

- SPREP started this process in July 2010 and submitted a variety of documents in support of its application in September 2010 – financial regulations, audited accounts, project terminal reports, staff disciplinary reports, code of conduct
- National endorsements required – received from FSM, Nauru, Vanuatu, Cook Islands and Samoa
- Email, phone, meetings between Panel and SPREP, extensive documents flow up to June 2013



### Institutional Changes brought on as result at SPREP

- Internal Audit function set up in the organisation- SPREP now the only CROP to have such a function
- “Firewall” process between project managers and project finance officers, backed by internal auditor. Staff declaration legally binding.
- Fraud- “zero-tolerance” approach to proven allegations of fraud and similar misconduct
- Code of ethics and behaviour changed
- Transparency- organisations in receipt of AF funding need to have the highest possible standards of transparency supplemented by a robust method of reporting, audits, financial management, etc.



### Where are we now?

- SPREP has submitted further responses dealing with the three remaining issues identified by the Panel – internal control, procurement, audit
- The Accreditation Panel now requires evidence that these policies and procedures are functioning and being implemented – a change from the start of the process
- SPREP expects to be recommended for accreditation by the Panel at the next AF Board Meeting



### Observations

- The Fund is new and innovative in structure- but projects in the Pacific are yet to reach a significant regional impact
- The capitalisation of the fund via CER's does not guarantee adequate future funding
- Ease and speed of disbursement was one of the reasons for creating the AF- shortened accreditation procedures and project development and approval cycles are vital to ensure impact, and this is not occurring yet



## Observations

- Helpful exercise in internally assessing the adequacies of SPREP's policies and procedures and overall capacity
- Many of the functions introduced at SPREP are new for CROP Agencies e.g Internal Audit
- Producing the evidence required takes time, and ensuring that Staff are adequately aware and trained on new policies is vital if they are to be implemented effectively
- SPREP has also benefitted from capacity building programmes e.g UNEP- Frankfurt School



Thank you

Questions?

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