The Government of the Republic of Vanuatu

NATIONAL ADVISORY BOARD

on Climate Change and Disaster Risk Reduction

GOVERNMENT OF VANUATU

Project Development Guideline

Project Development Guideline

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Contents

Acronym List

AE	Accredited Entity
AF	Adaptation Fund
CBA	Cost Benefit Analysis
CC	Climate Change
CCDRR	Climate Change and Disaster Risk Reduction
CFWG	Climate Finance Working Group
COMs	Council of Minister
CPCWG	Policy and Compliance Work Group
CSO	Civil Society Organization
DA	Designated Authority
DG	Director General
DG MoCC	Director General of the Ministry of Climate Change
DRM	Disaster Risk Management
DRR	Disaster Risk Reduction
DSPPAC	Department of Strategic Policy Planning and Aid Coordination
EE	Executive Entity
FBOs	Faith Based Organization
GCF	Green Climate Fund
GEF	Global Environment Facility
GIP	Government Investment Project
IAE	International Accredited Entity
IEC	Information Education Communication
ISM	Information Systems Management Officer
MAE	Multilateral Accredited Entity
MEA	Multi-lateral and Environmental Agreement

MEL	Monitoring Evaluation and Learning
M&E	Monitoring and Evaluation
MIE	Multi-lateral Implementing Entity
MoA	Memorandum of Agreement
MOCC	Ministry of Climate Change
MoU	Memorandum of Understanding
NAB	National Advisory Board
NAE	National Accredited Entity
NDA	National Designated Authority
NGO	Non-Government Organization
NIE	National Implementing Entity
NSDP	National Sustainable Development Plan
OFP	Operational Focal Point
PDO	Project Development Officer
PMO	Prime Minister's Office
PPO	Policy and Planning Officer
PSC	Project Screening Committee
RAE	Regional Accredited Entity
PSO	Principle Scientific Officer
RBV	Reserve Bank of Vanuatu
RFPs	Requests for Proposals
RID	Risk Informed Development
RIE	Regional Implementing Entity
RPSP	Readiness and Preparatory Support Programme
SMR	Six Monthly Report
UNDRR	United Nation Disaster Risk Reduction
UNFCCC	United Nation Framework and Convention on Climate Change

Foreword

Vanuatu's NDA to all major climate funds, including those under the UNFCCC Financial Mechanism (e.g., GCF, GEF, AF) is the Director-General of the MoCC. The Office of the NDA is fulfilled by the NAB Secretariat, in collaboration with the MoCC's CSU

Purpose of the Guideline

This guideline will be a living document and will work alongside the National Designated Authority Project Development handbook providing guidance to the National Advisory Board (NAB) Secretariat on Climate Change & Disaster Risk Reduction on Climate Change procedures for projects (CCDRR) and programme funding proposals, and monitoring and evaluation of projects implementation

In relation to its purpose, the guideline is to be regarded as a valuable instrument in guiding the coordination of CCDRR projects from an early development stage until which the project lapsed. It is therefore deemed to be regarded as an external document, not necessarily limited to the MOCC but rather its relevance reaches our CCDRR stakeholders from across government sector, private sectors, and civil society organizations nationally, including our development partners and crop agencies both regional and international.

How to use the handbook

This guideline is developed to be a 'living document' and to be used as a guide for NAB secretariat to;

- Provide advice to partners on NAB endorsement project procedures
- Support partners in filling out the Project profile form
- Provide advices on types of projects
- Provide advices and guidance on ways to access funds
- Provide advices on policy alignments
- Provide guidance to the process of partnership agreements within the Ministry of Climate Change in terms of financing agreements.

The contents of this guideline are aligned to some sections in the National Designated Authority Project development handbook and other NAB guidelines, national policies, plans, strategies, and related materials.

1 Executive Summary

Vanuatu's National Advisory Board on Climate Change & Disaster Risk Reduction (NAB) is the supreme policy-making and advisory body for all disaster risk reduction and climate change programs, projects, initiatives and activities.

These guidelines have been developed in response to the need for better coordination and governance of climate change (CC) and disaster risk management activities and the need for complete, up-to-date and reliable information on national CC and DRM activities that can be readily obtained by all stakeholders. This information will enhance the CC & DRR effort in Vanuatu, enabling better strategic planning, strengthening governance and coordination, ensuring project outcomes reflect national priorities, minimizing unnecessary duplication and overlap, and ultimately, resulting in more effective delivery of CC & DRM services to Vanuatu communities.

2 Vanuatu National Context

2.1 NATIONAL SUSTAINABLE DEVELOPMENT PLAN (NSDP)

The NAB Project endorsement processes are National Development Aspirations: Vanuatu 2030 is the highest – level policy framework for the country, fully titled the National Sustainable development plan. The NSDP is Vanuatu's national priorities where all priority sectors are linked to the three pillars. The 3 pillars of the NSDP being the

2.2 CLIMATE CHANGE DISASTER RISK REDUCTION (CCDRR) POLICY

The CCDRR policy 2nd Edition 2022-2026 is formally recognized as an overarching sector policy from which its development is informed by recommendations drawn on local, provincial and national consultations reaching all stakeholders from government and private sectors. The policy applies six principles:

1. Accountability,
2. Sustainability,
3. Equity,
4. Community focus,
5. Collaboration, and
6. Innovation.

The government of Vanuatu is committed to six key priorities to direct the country's climate change and disaster risk reduction efforts. These priorities fall into two categories — systems and themes. Systems include governance, finance, knowledge and information, while themes include climate change adaptation and disaster risk reduction, low carbon development, and response and recovery. A number of cross-cutting issues have also been considered in this policy and should be applied during implementation, including social and gender inclusion, capacity building, multi-hazard approaches, partnerships and mainstreaming.

Towards ensuring the implementation of the CCDRR Policy, the development of its implementation plan (phase 1) was launched for an implementation period from 2022-2026.Its M&E framework provides strategic guidance during its implementation. The CCDRR mainstreaming guideline is an integral component of the policy enabling CCDRR policy priorities are mainstreamed and integrated across government sectors, private sectors and Civil Society Organisation.

Statement Guide 1: Therefore, in accordance with statement guide 1.4.2 and 1.4.3 (CCDRR Mainstreaming Guideline, project screening committee appraised and evaluated the project to ensure policy coherency. In doing so, it is crucial for any project to abide by this instrument ensuring project activities are recommended and endorsed to meet national priorities enshrined within the CCDRR Policy 2nd Edition and broadly other sector policies of the government.

Statement Guide 2: All projects submitted to the NAB Secretariat in accordance to guide 1.4.3 must also be reviewed by the NAB Climate Policy and Compliance Work Group (CPCWG) the relevant section related to policy coherency. This will enable CCDRR policy priorities to be mainstreamed, aligned and harmonized with project activities and other sector policies and strategies.

3 National Advisory Board

3.1 NATIONAL ADVISORY BOARD

National Advisory Board dfgh

Vanuatu's National Advisory Board on Climate Change & Disaster Risk Reduction (NAB) is the supreme policy-making and advisory body for all disaster risk reduction and climate change programs, projects, initiatives and activities.

The National Advisory Board on Climate Change and Disaster Risk Reduction (NAB) is a committee made up of key government members. The NAB is also composed of key stakeholders from outside of government, including the private sector, civil society, academia, and technical agencies. The NAB and the MoCC are legislated by the Meteorology, Geological Hazards and Climate Change Act No. 25 of 2016 ("Climate Change Act") which provides a legal mandate for multi-sector and multi-partner climate change governance mechanisms.

The NAB members meet once every two months or as needed to make decisions. The NAB is supported by a secretariat which sits within the Corporate Service Unit of the Ministry of Climate Change.

The NAB secretariat through its functions supports the National Advisory Board and supports the processes of getting programs, projects, initiatives and activities endorsed through certain stages. The NAB secretariat conveys its roles and responsibilities through four main committee's or working groups; NAB project Screening committee, NAB Policy and Compliance Working Group, NAB financing working group and NAB UNFCCC task force.

National Advisory Board Secretariat

The NAB is supported by the NAB Secretariat. The NAB works through technical working groups. These working groups are composed of government, civil society, and private sector stakeholders as mentioned in Section 3.6. Some of these working groups are standing, while others are linked to specific national programs or initiatives, each with their own membership, meeting schedules, annual work plans, and Terms of Reference.
The secretariat's key areas of focus are:

1. Implement national obligations, develop international summits, identify priorities and develop national policy on CCDRR
2. Act as the coordination for the CCDRR matters, investigate funding mechanisms for Vanuatu, provide support and advice on procurement for CCDRR and implement projects.
3. Provide technical advice to Government departments, NGO partners, private sectors and the development partners, starting the endorsement process for projects and information materials working to support standardized approaches.
4. Act out the secretariat role for the NAB board and its technical working groups and carry out operational work for the NDA for key Climate Change fund_ GCF, GEF and AF.

3.2 THE ROLE OF THE NATIONAL DESIGNATED AUTHORITY

As the Head of Agency for the Ministry of Climate Change (MoCC), the Director-General (DG) is Vanuatu's National Designated Authority (NDA) to the GCF. Additionally, the DG of the MoCC also serves as the Designated Authority (DA) for the GEF and Adaptation Fund (AF). This is strategic as the MoCC DG also serves as the Chair of the NAB, the advisory and policy making body responsible for endorsing all CCDRR programs, projects, initiatives, and activities in the country.

The NDA in Vanuatu has other general roles and responsibilities, including but not limited to:

- Raise awareness overall of the GCF GEF and AF.
- Convene relevant public, private and civil society stakeholders to identify priority sectors to inform proposal development.
- Provide advice on how to effectively engage with the GCF.
- Identify and support climate change adaptation and mitigation plans, projects and programs that can be funded by the GCF.
- Provide leadership on the deployment of GCF Readiness and Preparatory Support Programme (RPSP) funding, as well as responding to Requests for Proposals (RFPs) and pilot programmes.

Additional information on the role of the NDA to the GCF, see Section 8 on National Approval Procedures for Climate Projects .

3.3 OFFICE OF THE NATIONAL DESIGNATED AUTHORITY, THE NATIONAL ADVISORY BOARD SECRETARIAT

In Vanuatu, the NAB Secretariat serves as the NDA Secretariat (or Office of the NDA for GCF). Additionally, the NAB Secretariat serves as Operational Focal Point (OFP) for all major climate funds, including the Global Environmental Facility (GEF) and Adaptation fund (AF). This is strategic given the complementarity and overlap in the roles and responsibilities of both bodies with regards to climate finance and governance in Vanuatu. The NAB Secretariat is responsible for the day-to-day operations of the NDA, including but not limited to:

- Implementing climate finance coordination policies.
- Implementing GCF project cycle and No-Objection procedures.
- Implementing GCF Country Program procedures.
- Providing fiduciary and technical support to the NDA.
- Development, appraisal, and submission of proposals for receiving technical assistance from bilateral and multilateral sources to enhance GCF readiness in Vanuatu.
- Specific technical activities may be outsourced to qualified, independent experts, including activities such as training, capacity development, technical assessments.
- Other activities as requested by the NDA.

3.4 THE ROLE OF THE NATIONAL ADVISORY BOARD (NAB) SECRETARIAT

The role and responsibilities of key National Advisory Board Secretariat staffs

The NAB secretariat is made up of a NAB secretariat Strategic Manager, Multilateral Environmental Agreement (MEA) Officer, Project Development Officer (PDO), Information Systems Management (ISM) Officer and Policy and Planning Officer (PPO), and climate finance officer

The goal of these guidelines is to provide guidance and advice to support the NAB strategic Manager, the project development officer, the policy and planning officer, the climate finance officer and any other staffs within the NAB secretariat and/or from the corporate service unit of the Ministry of Climate Change to be able to provide advices, guidance and or instructions to support any project developer or partners, in Climate change and Disaster risk reduction concepts, ideas, documents related to Climate Change and Disaster Risk Reduction in Vanuatu.

Project Development Officer

The responsibility of a Project development Officer is to develop and discuss new and on-going project designs and proposals for CC/DRM projects, program, activities & initiatives in Vanuatu by maintaining strong relationships with a diverse range of donors and stakeholders at provincial, national and regional level. Moreover, considering broadly the monitoring of NAB endorsed project implementations for status of project according to project timeframes and outcome of Projects. A key role of the project development officer is to facilitate and support the process of projects to the Project screening committee (PSC) and the process to present projects PSC recommendation to the NAB meeting and document the endorsement outcome of the NAB meeting in a written letter approved by the chair of the NAB to project developers.

Policy and Planning officer

The Responsibility of Policy and Planning Officer, given that a section on policy coherence has been dedicated to ensure projects meet our national priorities. This is an intervention whereby addressing the synergies between project screening process through this instrument and the Policy working group/NAB Policy and Planning Officer through the CCDRR mainstreaming guideline.

Climate Finance Officer

The responsibility of the Climate finance officer is to provide technical advice on climate and disaster finance, coordinate the implementation of the climate finance roadmap, coordinate actions to address the findings of national climate finance reviews, coordinate the implementation of initiatives proposed by the Vanuatu climate finance working group, maintain strong working relationships with stakeholders at national, regional and international levels and represent Vanuatu in climate finance spaces at all levels in accordance with the UNFCCC mandate.

National Advisory Board Secretariat Strategic Manager

The NAB Strategic Manager is responsible for the overall coordination of NAB secretariat roles that includes management of all CCDRR projects, documents, COMs paper etc. endorsed by the NAB and daily support to the role of the NDA and DG of the Ministry of Climate Change. Oversee the coordination of climate finance initiatives, discussions and coordination of funding allocations. Support the work of the UNFCCC works nationally, regionally and internationally. Oversees and manage the work of the CCDRR policy with relevant officer.

3.5 NAB TECHNICAL WORKING GROUP

NAB secretariat works through five technical working groups.
The NAB Secretariat is the secretariat that officiates the operations of these advisory groups through the NAB secretariat key staff.

Policy and compliance working group

NAB Policy and Compliance Working Group - in relation to its functions to overall coordinate and implement (where necessary) CCDRR related policy development in the country. Including mainstreaming and alignment of priorities with the 2nd Edition of CCDRR Policy 2022-2030. The policy working group also plays an important role in the project screening to ensure policy coherency in project programs to be aligned with our national sector priorities

- Provide an advisory role in the development and review process of existing climate and disaster policies to ensure alignment and policy coherency of priorities across sectors.
- Provide guidance and recommendations for well-coordinated implementation of national and sub-national CCDRR policy priorities.
- Provide reviews, feedback, guidance and recommendations to Government on the mainstreaming of climate considerations into new Policies
- Support the development and implementation of monitoring, evaluation and learning (MEL) Framework, tools and instruments for all CCDRR programs, projects and activities.
- Promote positive experiences, lesson learned and practices on policy development, mainstreaming, implementation and monitoring and evaluation.
- Support the NAB as required to dialogue with partners on climate policy issues and inventions.
- Support research and development of climate-related policies and guidelines that may be adopted by the NAB.
- Support preparation of submissions to relevant governmental and non-government agencies and that advocate Vanuatu's climate policies.
- Support the implementation NAB Policy Annual Work Plan outlining prioritize activities, outputs and possible outcomes.
- Communicate and provide policy advice in the areas of CCDRR to national stakeholder, NGOs, CSOs, and FBOs.

United Nation Framework and Convention on Climate Change Task Force (UNFCCC)

NAB UNFCCC task force : The taskforce is mandate by NAB to plan, share information and seek finance for the delegate to implement initiatives related to Vanuatu's engagement with the UNFCCC and UNDRR. Their main roles and responsibilities include;

- Develop annual and multi-year UNFCCC engagement strategies, plans and budgets
- Oversee selection of delegates and representatives to all UNFCCC meetings, negotiations and events.
- Oversee the preparation of Vanuatu delegates and representatives to all UNFCCC meetings and negotiations;
- Ensure that all delegates and representatives understand and fulfill reporting and debriefing processes upon return from UNFCCC meetings and negotiations
- Develop and finalize, in consultation with relevant stakeholders, national position papers and negotiating positions
- Develop and finalize, in consultation with relevant stakeholders, topical submissions and statements
- Regularly brief the NAB and other high-level government bodies on the status and progress of UNFCCC

engagement and implementation
- Seek and administer finance for the implementation of UNFCCC-related activities
- Act as liaison among Vanuatu's UNFCCC focal points and the National Advisory Board on Climate Change and Disaster Risk Reduction;
- Ensure that Vanuatu meets and follows through on its obligations under the UNFCCC
- Review and make recommendations to the NAB on all reports to and communications with the UNFCCC;
- Ensure that all UNFCCC activities align with the Government of Vanuatu's policies and strategic priorities;
- Ensure effective and transparent communication relating to matters pertaining to the UNFCCC to all stakeholders, particularly through the use of the NAB portal
- Any other business brought before the UNFCCC taskforce by one of its members

Climate Finance Working Group (CFWG)

NAB financing working group : This group assists the NAB to progress issues and provide strategic direction specifically on climate finance matters for the Ministry of Climate change and progress the NIE Accreditation agenda. They also support NAB as required to dialogue Vanuatu Climate finance issues with partners. The main roles and responsibilities include

- - The Climate Finance Working Group serves as a consultative arm of the National Advisory Board to provide strategic direction specifically on climate finance related matters for the Ministry of Climate Change and the Government of Vanuatu.
- - The CFWG shall assist the NAB Secretariat to resolve compliance issues raised in leading to National Implementation Entity status. The order of the items reflects no importance or priority
- - The CFWG shall work on and oversee the development of the Climate Finance Roadmap and Action Plan aligned with several national policies, including the NSDP.

Information Education Communication (IEC) working group

This working group is set up to support the work of climate change and disaster risk reduction in Information educational communication (IEC) material reviews; their main roles and responsibilities are

- To Check all CCDRR IEC materials produce by a developer (NGOs, government agencies, Church groups, development partners etc.) that their Information, Education and Communication (IEC) materials are consistent and factual correct.
- Check all scientific terms and language used on a CCDRR IEC materials are correct and consistent.
- Ensures and do awareness to all CCDRR project to have their IEC Materials by the PSO and formally approved by the NAB IEC endorsement Process
- Ensure all IEC Materials that their content is of CCDRR must be formally approved by the National Advisory Board (NAB) on Climate Change and Disaster Risk Reduction.
- To provide comments and recommendation on a CCDRR IEC material to improve its scientific key messages and make sure content are consistent and factually correct.
- To provide important ideas and structural content that will improve the messaging for all CCDRR IEC Materials so that all IEC Materials that are endorsed must have government standard Key messages to Public

NAB Project Screening Committee

NAB project screening committee :This working group aims to expedite the project appraisal processes
The project screening committee screens all applications that comes into the NAB, making recommendations to the Board on whether the project can go ahead or not. The project screening will look at things like: where (project site) it is being carried out, does it meet with Government priorities (NSDP, Sector Policy), how is fund being brought into the country? (inside or outside government system?), which departments will it work with etc.

- Screening and making recommendations to the NAB.
- Screen the proposals, concept notes or ideas to meet several criteria such as mode of financing, local implementing partner, key government priorities,
- Alignment to the national CCDRR policy and collaboration of other projects with similar objectives.
- Make recommendations to manage duplication of projects in specific sites and or align projects to past or existing projects that might be related to screened project

4 National Advisory Board Project Appraisal Process

The purpose of the NAB is to oversee and coordinate everything climate change and disaster risk reduction related. Therefore, all projects, research, anything related to climate change or disaster risk-related that people want to do in the country they must first get approval from the National Advisory Board (NAB) before work begins. (As stated previously, the NAB provides advise, facilitates and endorses the development of new DRR&CC programs/projects/ initiative and activities (mainstreaming CC&DRR)

Project procedural guide

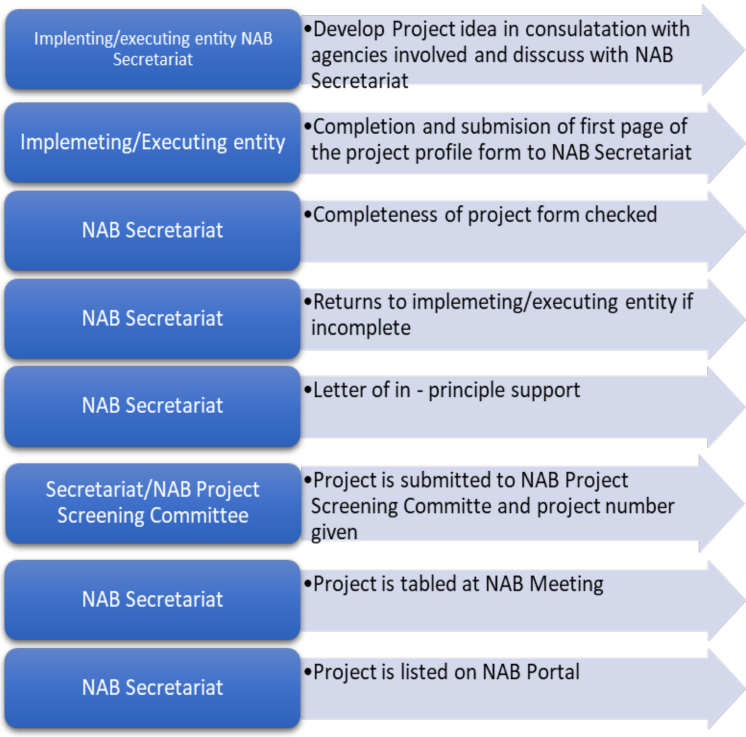
All full-scale Climate Change & Disaster Risk Reduction projects or a component of larger projects addressing CCDRR from various sectors must go through NAB for endorsement and have to follow the NAB project appraisal process . The project development officer ensures the NAB appraisal process is followed, allowing the implementing agency to make changes after recommendations from the Project Screening Committee, and passing it through the National Advisory Board. The NAB appraisal process outlines 3 key stages

4.1 PROJECT IDENTIFICATION STAGE

The project identification stages comprise the initial consideration of a potential project. In accordance to the NAB Project profile form The first page will be populated if the project is at the Identification stage and requires NAB endorsement. There are 6 steps as listed in the Project appraisal form that defines what needs to be done in this stage. As referred to the Project profile form

- Develop project idea in consultation with agencies involved, and discuss with NAB Secretariat
- Completion and submission of 1st page of Project Profile Form to NAB Secretariat or in person at the NAB Secretariat Office
- Completeness of project profile form will be checked by the NAB Secretariat
- Return to implementing/executing entity if incomplete
- Letter of -principal support
- Project is submitted to NAB Project Screening Committee by the NAB secretariat
- Project is tabled at NAB meeting by the NAB secretariat
- Project is listed on NAB Portal by the NAB secretariat

Figure 1 NAB Process of the Project Identification stage

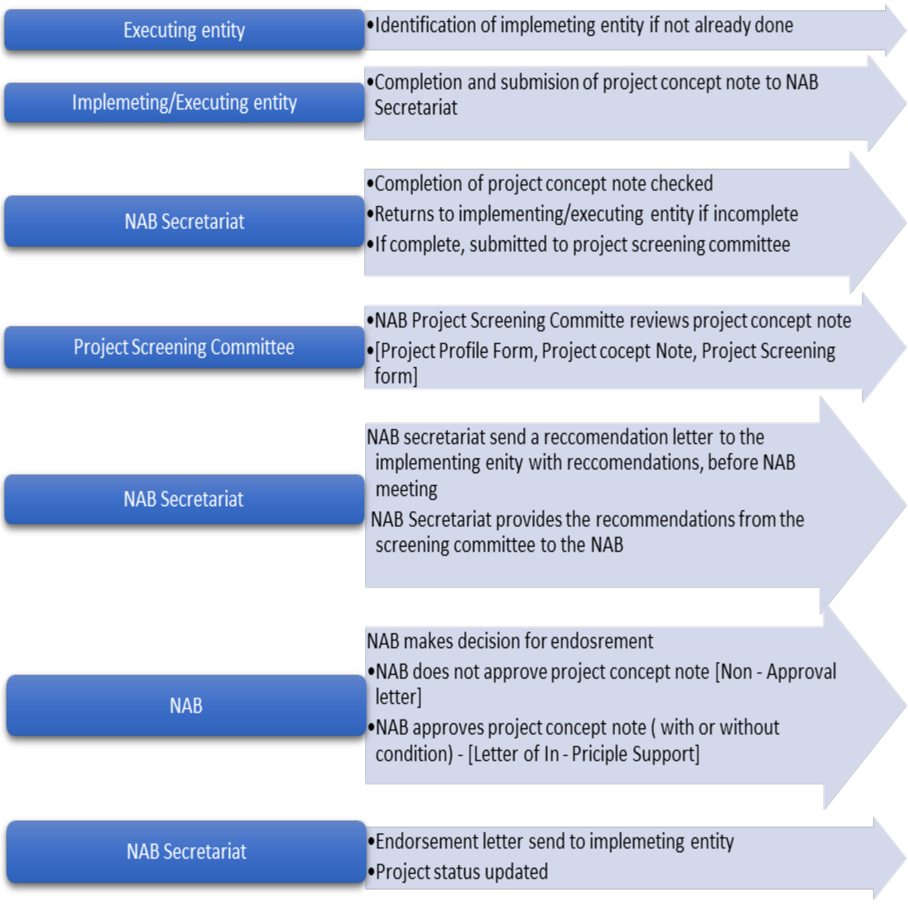


4.2 PROJECT CONCEPT STAGE

The conceptual stage creates the concrete product idea for a new project. In the appraisal process this stage has 7 key steps that can guide what to do in this stage for NAB endorsement.

- Identification of implementing entity if not already done
- Completion and submission of project concept note to NAB secretariat nab@meteo.gov.vu
- Completeness of project concept note checked by NAB secretariat
- Returns to implementing/executing entity if incomplete
- If complete, submitted to project screening committee
- NAB project screening committee reviews project concept note
- NAB Secretariat provides the recommendations from the project screening committee to the NAB
- NAB reviews project documents
- NAB does not approve project concept note
- NAB approves project concept note (with or without conditions)
- Project status updated and letter displayed on NAB Portal

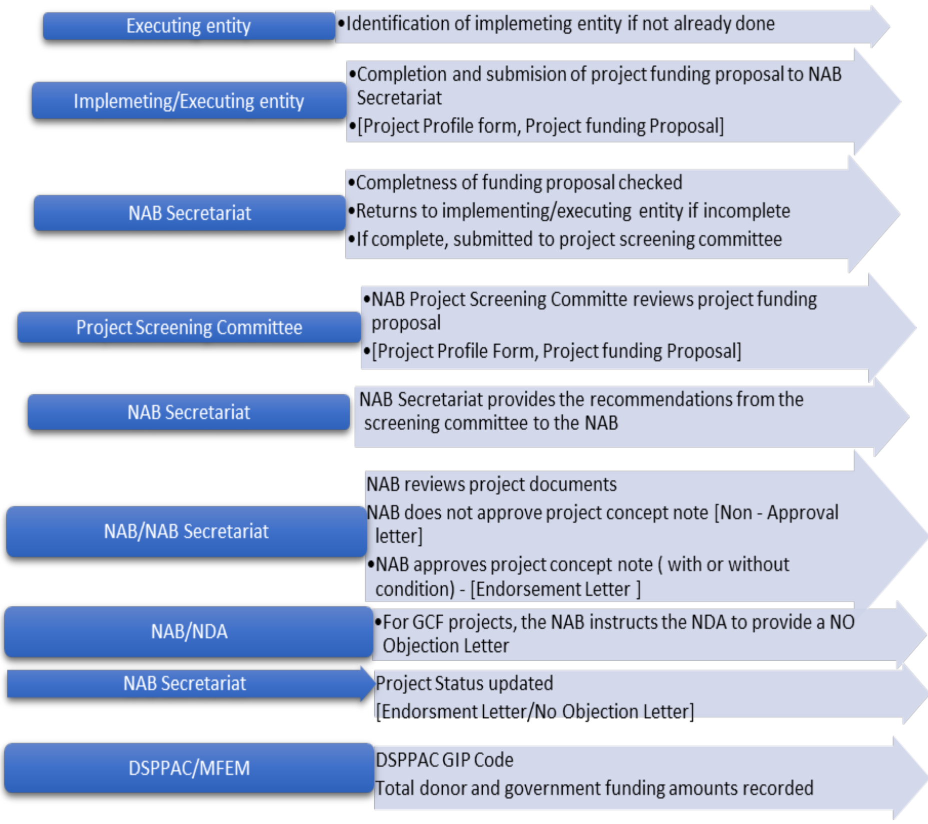
Figure 2 NAB Process of the Project Concept Note Stage



4.3 PROJECT FUNDING PROPOSAL STAGE

- Identification of implementing entity if not already done
- Completion and submission of project funding proposal to NAB Secretariat nab@meteo.gov.vu
- Completeness of project funding proposal checked
- Returns to implementing/executing entity if incomplete
- If complete, submitted to project screening committee
- NAB project screening committee reviews project funding proposal
- NAB secretariat provides the recommendations from the project screening committee to the NAB
- NAB reviews project documents
- NAB does not approve project funding proposal
- NAB endorses project funding proposal (with or without conditions)
- For GCF projects, the NAB instructs the NDA to provide a No Objection Letter
- Project status updated and Endorsement Letter (and No Objection Letter if applicable) listed on NAB Portal
- Total donor and government funding amounts recorded

Figure 3 NAB Process of the Project funding proposal



4.4 PROJECT SCREENING PROCESS

Meeting Schedules

- The Project Screening committee sits approximately 3 weeks before NAB meetings.
- The National Advisory Boards sits 6 times annually and usually have urgent NAB meetings in ad hoc cases
- The Project screening committee usually meets 6 times annually, that is 2 times every quarter.
- Urgent Project Screening
- In ad hoc cases where a project is in urgency for NAB endorsement due to access, approval of fund and is submitted after project screening meetings, the secretariat on behalf of the chair of the project screening will send the project profile and screening form via email for members for online screening
- The NAB secretariat will pull the recommendations and submitted to NAB for endorsement

Order of meeting

- The chair welcomes all committee, and run through agenda, and goes through the background of each project/ the secretariat is asked at time to brief the committee in all the projects.

- After briefing each member is to screen the projects against the screening form and make comments and suggestions and recommendations
- After all projects is screened, the chair will lead on for all committees' discussions of the recommendation and feedbacks for each project whether recommended or not recommended for NAB endorsement.
- The secretariat takes minutes of all the discussions
- The chair upon consensus of all committee makes decision on each project based on the discussions from the screening
- Chair closes the meeting

After Screening

- The secretariat will write up the minutes, and based on the minutes, recommendations letters are issued for the chair to sign off.
- A copy of the letter is filed in the NAB secretariat office while a copy is sent to the project developer 1 week after the screening meeting.
- The secretariat will send an invitation for presentation to the project developer along with a power point presentation template .
- The project developer will provide responses to the recommendations provided by the project screening committee prior NAB meeting
- The secretariat will do a presentation summary of the responses from the project developer for the board along with recommendations from the Project screening committee, before the project developer is invited into the room for the project

Screening Process

- The process of receiving project idea/concept/proposal in is detailed in the project appraisal process.
- For project screening, once the project development office/secretariat receives all the projects with all its information, will request a meeting date with the chair.
- The chair upon agrees on a date, the secretariat will send out an email to all project screening committee on behalf of the chair requesting for a project screening meeting with attachment of all project information
- The secretariat will draft an agenda with briefing backgrounds of all the projects for the chair to brief the project screening committee.
- The secretariat will prepare all project profiles, project documents and screening form.

4.5 CHECKLIST FOR THE PROJECT SCREENING

Purpose of screening

a. Consistent with all other Vanuatu laws and regulations;
b. Has substantial social, economic and environmental benefits and minimal impacts;
c. Enables climate adaptation, mitigation of disaster risk reduction;
d. Has strong government (and/or community?) support; through Departments/provincial Government
e. Enables capacity building amongst participants;
f. is not duplicating work already undertaken in the location;

g. has verifiable monitoring and measuring protocols built in;
h. has clear reporting and result dissemination protocols; and
i. adheres to the concepts of Free Prior and Informed Consent with regard to community and stakeholder engagement.

Checklist

The Checklist of the project Screening committee will all refer to the Project Screening template with additional key points to look at during project screening.

- Policy coherence and alignment (national priorities, country ownership, national support), Is national support sufficiently evidenced, e.g. letter of support from national counterpart(s) (i.e. line ministry and department, provincial counterpart, and/or other community-based institutions)?
- Priorities alignment to national priorities and national sector policies (CCDRR Policies and sector other sector policies)
- Risk management strategies - Risk informed development (cost the RID, so the project can be sustained and come up with plans to address the risk
- Consultation and multi-stakeholder engagement
- Potential overlaps / duplication, to be resolved (and suitability of location)
- Economic and financial viability
- Environmental and social considerations
- Gender and social inclusion considerations
- Monitoring, reporting and evaluation
- Sustainability measures
- Budget (financing agreement)
- GIP Request for small project - external component to approve GIP
- For research project, ensure to work along the Vanuatu national University
- Governance /steering committee (If the project planning to set up a steering committee, need to seek the Ministry of Climate change existing process of establishing new steering committee with consulting the DG's office, the compliance and
- For small grants should be screened and approved by the project screening committee- CFWG

4.6 NAB ENDORSEMENT

As part of the project screening committee's role the national advisory board secretariat will present findings of project appraisals, and make substantiated recommendations to the NAB for a final decision:

a. Endorsement (and/ or without conditions);
b. Rejection;
c. Opportunity for a review (e.g. further studies needed (CBAs, Economic Analysis, Environmental Impact Assessment), more formalities needed...etc.).

During the NAB board meeting, the Implementing agency is required to;

a. Present a summary of the project (a NAB Project presentation powerpoint template will be shared with the presenter) after the project screening recommendations are presented and will respond to questions and queries from the NAB board members.

b. The implementing agency is not allowed in the meeting room until it is called in by the NAB secretariat for the presentation and responses to queries that may have arisen and may leave the room once the presentation is done.
c. Based on the recommendation from the project screening committee and the project summary presentation by the implementing agency, NAB will decide to either endorse the project (with or without conditions).
d. An Endorsement Letter is issued to the implementing agency if the funding proposal is approved
e. and if the funding proposal is not approved a Non-Approval Letter is issued to the implementing agency.
f. If the NAB determines that further information is required in relation to a particular project, notice to this effect will be provided to the implementing agency.
g. If the project is unsuccessful, the implementing agency will be informed by the non-approval letter with a provided statement of reasons explaining why the project is not approved, and will provide advice on how to improve the project.
h. Unapproved project will be based on the project failing to meet one of the criteria below:

*Implementing Entities that have unsuccessful projects are therefore encouraged to re-evaluate their project activities.

After Board Meeting

a. The NAB secretariat collated the meeting minutes
b. Based on the Board's decision on each project, an endorsement letter is issued.
c. The Chair of the National advisory board (Director General of the ministry of Climate Change) will approve the endorsement letter
d. The letter will be delivered by hand and email, a copy will be filed and uploaded to the NAB portal.
e. The process of drafting and issuing the letter after the board will be approximately 1 to 2 weeks' time.

5

Governance

5.1. NAB STRUCTURE AND REPORTING CHANNELS

Project Reporting by Government sectors

Projects working within or affiliates under departments should always report to the Director of the departments through the PSC Six Monthly report (SMR) process and or upon request. Through the SMR best to provide an executive summary to the NAB secretariat and the Monitoring officer for the Ministry of Climate Change.
For large funding projects (for eg GCF big Projects, GEF etc..), the NAB secretariat will seek project updates to be presented to the NAB. The NAB secretariat will also be requesting updates in ad hoc cases for updates to the DG or the Minister of the Ministry of Climate Change.

5.2. PARTNERSHIP AGREEMENTS

This section will provide guidance on partnership agreements. The Ministry of Climate Change and its departments are being supported by partnerships in project forms or by having agreements to support. This section will explain four of these agreements

Legal Agreements

- A partnership Legal Agreement, often referred to as a partnership agreement, is a formal contract between two or more parties who wish to operate an agreement/project/business together.
- This document outlines the terms and conditions of the partnership, including the roles and responsibilities of each partner, the procedures for decision- making and resolving disputes.
- Key elements typically included in a partnership legal agreement are;
    1. Name and Purpose: The name of the partnership and its purposes
    2. Roles and responsibilities: The specific duties and responsibilities of each partner
    3. Decision- Making Processes: How decisions will be made and what authority each partner has.
    4. Dispute Resolutions: Methods for resolving disputes among partners.
    5. Exit Strategy: Procedures for a partner to leave the partnership or for dissolving the partnership
- A well drafted partnership agreement helps prevent misunderstandings and conflicts by clearly defining the expectations and obligations of each partner
- For GCF large Projects, the legal agreement is drafted by the Accredited Entity (AE), which the Vanuatu Government reviews and finalize the agreement as per the process below;
    1. Developed and discuss between Accredited Entity and Executive Entity for eg. MoCC.
    2. After the process of discussion between AE and EE, the legal agreement send to the state law-
    3. State law review and agree and will bend back the agreement to MoCC
    4. Then Signing will take place

Memorandum of Understanding

- A Memorandum of Understanding (MoU) is a formal agreement between two or more parties that outlines the terms and details that outlines the terms and details of an understanding including each party's requirements and responsibilties.
- MoUs are generally used in situations where parties either do not want to create a legally binding agreement or are unable to do so,
- It serves as a written record of the parties intentions and can be used as a precursor to a formal contract.
- These agreements can be used between departments of Ministries or a project developer with a government sector

Memorandum of Agreement (Bilateral)

- A Memorandum of Agreement (MoA) is the document that outlines the terms and details of an agreement between parties, similar to a memorandum of understanding (MOU.
- However, a MoA typically carries more weight and is often considered legally binding, depending on its languages and the jurisdiction.
- It specifies the roles, responsibilities, and actions agreed upon by the parties involved and serves as a formalized and detailed version of their mutual agreement

Multi- lateral stakeholder Partnership

- A multilateral that involves multiple parties or stakeholders' partnership is a collaborative arrangement that involves multiple parties or stakeholders, often from different sectors such as government, business, non-governmental organizations (NGOs), and civil society.
- These partnerships are designed to address complex issues that require diverse expertise, resources, and perspectives. The key characters include:
    1. *Inclusivity*: Engages a wide range of stakeholders to ensure diverse viewpoints and resources are considered.
    2. *Shared Goals*: Focuses on common objectives that all parties agree upon and work towards.
    3. *Collaboration*:Encourages joint decision-making, resource sharing, and coordinated actions.
    4. *Accountability*: Establishes clear roles, responsibilities, and mechanisms for monitoring and evaluating progress.
- Such partnerships are often used to tackle global challenges like climate change, sustainable development, and public health.

5.3. THE CLIMATE FLEXIBLE FINANCING PARTNERSHIP ARRANGEMENT

The Climate Flexible Financing partnership arrangement is type of arrangement where funding is provided by partners and the ministry allocates the fund accordingly to its priorities. Given this is an arrangement and not an agreement - it defines the word 'flexible' in the climate flexible financing.

The Process

For all CCDRR funding that requires a partnership arrangement be discussed involving DSSPAC and the MFEM and MoCC.

a. A committee be formed during the meeting and discussion, and a ToR be drafted outlining the key roles and responsibilities.
b. Formally when the Partnership arrangement is drafted based on requirements of the partnership, leading agency will review, confirm and send to the compliance officer to review the arrangement to be well within the legal agreement of the Ministry.
c. Complementing this process, the MoCC leading agency to conduct an internal scoping on the MOCC priorities as referenced within the Vanuatu Revised and Enhanced 1st National Determination Contribution, the CCDRR Policy 2nd Edition 2022-2030 and the Vanuatu GCF Country Road Map. The outcome of this scoping was a consolidated CFF priorities intact with budget allocation for the MOC
d. After the review and consolidation, the signing will take place between the 2 parties.
e. The Fund will then be released to the Ministry of Finance and economic management under the Ministry of Climate Change account center.
f. According to the Section d above, leading agency in support with MoCC will coordinate relevant key sectors whose priorities are outlined for review and confirmation of priorities and budget allocations.
g. The National Advisory Board will sit to endorse the priorities and budget allocation per sector.
h. For sectors to access this fund for implementation will submit a written proposal to the

Fund Allocation, Implementation and Reporting

- A steering committee be set up with ToR that outline their key roles and responsibilities in overseeing the CFF
- The Steering committee will consist of the NAB Secretariat, M&E of the Ministry, the Compliance officer, the Directors of related sectors, the MFEM and the Aid Coordination unit.
- The Chair of the committee will be decided by the group
- Once the committee is set up, it will meet to discuss and draft the programmatic areas and priority sectors and agree estimated allocation of fund to sectors and setting targets for implementations of activities.
- The Allocation to be endorsed by NAB
- Monitoring and reporting will be done among leading agency and implementing agency/sector and MFEM

Process Post NAB Endorsement

- 1st NAB approval is of ''The Process of the CFF to be approved by NAB
- The Steering committee will meet to allocate funds by programmatic areas and priority sectors according to the CFF priorities
- Validation of priorities by Sectors (Internal)
- Socialize the fund allocation with sectors
- Sectors accessing the fund for implementation through submitting project proposal to the steering committee
- Allocation of fund by Sectors priorities through submitted proposal be endorsed by NAB – 2nd NAB approval of funding allocations

5.4. FINANCIAL ARRANGEMENTS OF PROJECTS THAT AFFILIATES WITHIN THE MINISTRY

The Ministry of Climate Change is advising all projects that are to support the Ministry's priorities and are to affiliate under any of its departments; the project developer must make sure to

- Check if there was a GIP form is filled by implementing Dept
- Check with department of Finance if there is a credit advice from the reserve Bank of Vanuatu (RBV) that funds have been transferred to the government Development fund bank account at RBV
- once these are done then the department of finance will credit funds to project account mentioned in the GIP form
- Finance officers can access the project code

Types of Projects that NAB Approves

All CCDRR Related projects need to be endorsed by NAB. Despite the nature of any project or the size of the project; all climate change and disaster risk reduction projects in Vanuatu must go through the NAB for review and endorsement.

Different climate funding modalities have different project categories depending on the project's value (size). However, for the purpose of this guideline, projects are categorized into Five (5) Categories: large Project, Medium Project, Small Project, Small Grant. Table XX provided details of each Project category.

Table 1 Project Categories and approval requirement

Project Category	Project Value (Vatu)	Required approval from
Large Projects	250 million and more	National Advisory Board (NAB)
Medium Projects	10 million to less than 250 million	National Advisory Board (NAB)
Small Projects/ Small Grant projects	Less than 10 million	Project Steering Committee

Large project

- Large Projects are projects or full-size projects that have a total project value of more than 250 million vatu.
- The timeframe of the project can vary depending on the project implementation plan.
- Large projects must always go through the NAB project appraisal process and be endorsed by the NAB before implementation.

Medium Project

- A Medium Project refers to projects and proposals that have a total value of 10 million vatu to 250 million.
- The project durations can be months to years depending on the project's implementation plan.
- These projects must always go through the NAB project appraisal process and be endorsed by the NAB before implementation.

Small Projects/ Grants (approved by Project Screening Committee)

- Small Projects and Small Grants projects are projects with a project value of less than 10 million vatu.
- This category of projects usually has a shorter time frame for implementation.
- Some of the Climate funding modalities have small grants components and are mostly channels through Civil Societies, Non-Government Organizations (NGOs) or community groups.
- Small projects are approved by the NAB Project Screening Committee (PSC); therefore, it does not need to be endorsed by the NAB, given its circumstances.

- The recommendations of the PSC are submitted to the Chairperson of the NAB for a final decision.
- The Chairperson of the NAB can grant or refuse the PSC recommendation depending on the available information.
- Government recurrent budget is also considered as small grants and recorded as projects under the project data base.

Research (related to CCDRR)

- Research projects refer to projects that are undertaken for educational purposes. It's a unique project category that is related to undertaking research study in Vanuatu or resources (using specific data and other resources) for professional qualification.
- Once the research is completed the final product must be shared with the NAB/NAB secretariat and/or sectors related, including all data and resources collected from the research project.
- Any university, organization or individual who wishes to undertake research in Vanuatu or resources must obtain approval from the NAB.
- The NAB will make recommendations based on the research proposal and its alignment to the national CCDRR priorities.
- The process is similar to submitting of large and medium project as outline in section four of this guideline
- The NAB, based on their recommendations, can request the researcher to involve the University of the South Pacific (USP) and the Vanuatu National University (VNU) in the research project .
- Research information is uploaded to the NAB portal and a data base is stored and managed by the NAB secretariat and relevant sectors

Other documents/Comm Paper- (Reference the internal SOP)

- The NAB endorses every CCDRR related COM Papers, before it is submitted to the COM for endorsement.
- The process of submitting a COM paper to the NAB for endorsement:
- The relevant sector must bring the COM paper to be debated at the NAB meeting for endorsement.

Government Investment Project (GIP) Process

- The Department of Strategic Policy, Planning and Aid Coordination (DSPPAC) at the Prime Ministers' office (PMO) is office responsible for the GIP form.
- Getting projects endorsed by the NAB doesn't mean that other approval will not be required.
- NAB endorsement is a requirement for CCDRR projects, however one of the national requirements is the GIP approval.
- All the projects that were approved by the NAB are required to obtain the GIP Code. The GIP is facilitated through the Aid Coordination Unit within the Prime Minister's Office (PMO).
- Launching a GIP application to the Aid Coordination unit should be after the endorsement of the NAB or be submitted in parallel while going through the NAB endorsement process. The application must be submitted with the endorsement of the NAB.
- The GIP form can be collected in hard copy from the AID coordination Unit

Checklist of the GIP that are relevant for DG's approval

- Section 7 of the GIP – check the estimated cost summary of the project paying close attention to the "loan", "grant" and "aid-in-kind" values, as well the yearly budget allocations. Noting that:
    - "Loans", funds that will be borrowed to be paid back with interest by the Government of Vanuatu.
    - "Grant" refers to all donor contributions that will be channeled through the Vanuatu Government Financial System
- Section 13 of the GIP – check to see how the project's fit with Sponsoring Department/Ministries program: (How does it relate to any sector or other government-accepted plan? What Corporate and Business Plan components does the project respond to? What NSDP Pillar, Goal and Policy Objective does the project respond to
- Section 14 of the GIP – check the project implementation & management plan to be well aligned with ministries governance arrangement and making sure it provides the Implementation and Management Plans for the project, showing implementation schedule and milestones, and arrangements for the successful implementation of the project.
- Section 16 of the GIP – check the other background information as
    - Technical feasibility:
        - Check to see if the technical feasibility of the project after project funding.
        - Have any technical feasibility studies been undertaken? If so, attach to file and provide a brief explanation here.
        - Is the project technically feasible and viable?
        - Does the Ministry or Department have sufficient technical capability to maintain the project once donor funds have been used?
    - Financial viability:
        - Check to see how the project will be financially viable after project funding.
        - Can the project sustain itself financially after donor funds have been used?
        - Is the Ministry or Department going to need funding from the government?
    - Project sustainability:

    - Check to see how the project will be sustained after project funding. Examples of questions:
    - Can the results or intended outcomes of the project be maintained permanently?
    - Is the project fully supported by the intended beneficiaries and surrounding communities?
    - Have the necessary skills and knowledge required to perpetuate this project in the long-run been transmitted to the relevant beneficiaries?
- Detailed plans/locality maps (where constructions are involved):
    - (Provide designs and locality plans)
    - Assessment of any benefit in the project to women and vulnerable groups:
    - Specify any benefits of the project to women and vulnerable groups. This should outline any specific actions that will support vulnerable groups and women.
- Environmental Impact Assessment:
    - Check to see if the project provides any environmental impact the project might have on the population or the natural environment.
    - Indicate that an EIA (or omission of one) is compliant with relevant law and regulations.
    - If needed, but not yet undertaken, please indicate that it will be undertaken as part of the establishment of the project and must be included in the schedule of the project in section 14.
    - If EIA is completed, attach document to this file.
    - Social Impact Assessment
    - Provide details of any social impact the project might have on the population. Summaries and provide any assessments that were undertaken.

8 Monitoring and Reporting

Project Monitoring ensures timely checking and evaluating of project's expected outcome are achieved, which is the basis of the initial NAB's endorsement. The progress on the project outcome is then reported to the NAB for reference.

Development partners and implementing entities are required to provide timely and up-to-date project's update reports to the director of relevant departments and a copy the NAB Secretariat. The reports be provided per the M&E framework of the ministry and through the PSC six monthly report (SMR)template.
Project monitoring and reporting is different from one category to another.

Table 2 Project Categories and reporting requirements

Category	Large projects	Medium projects	Small/Small Grand projects
Format	Report, when necessary, presentation also be required. Reporting template to be obtained from the NAB Secretariat.	Report, when necessary, presentation also be required. Reporting template to be obtained from the NAB Secretariat.	Report, when necessary, presentation also be required. Reporting template to be obtained from the NAB Secretariat.
Reporting to	Director of Department/ NAB Secretariat/ M&E MoCC	Director of Department/ NAB Secretariat/ M&E MoCC	PSC/ NAB Secretariat
Responsibility	Developing Partner or national implementing entity	Developing Partner or national implementing entity	Developing Partner or national implementing entity
Timeframe	Annual	Annual	6 monthly

- Large Project
    - Project partner and the national implementing entity must provide annual executive summary project updates to the director of relevant departments and a copy to the NAB secretariat and to the senior Monitoring and Evaluation officer of the ministry of climate change.
    - Must provide project closure executive summary report and lessons learning report for every project approved by the NAB to the director of the department and the NAB secretariat at the end of the project, as these informations will also be uploaded to the NAB portal for future references.
- Medium Project
    - Project partners and the national implementing entity must provide an executive summary of 6 monthly reports to the director of the relevant department and NAB secretariat and to the Senior M&E officer of the Ministry of Climate Change.
    - Must provide project closure and lesson learning report for every project to the NAB
- Small Project (Small Grants)
    - Project partner or implementing entity must provide monthly or quarterly reporting to the NAB Project steering committee and NAB secretariat.
    - Must provide closure and lesson learning report for every project to the NAB project steering committee.
- Research
    - Research projects as other projects, the results be reported and shared with the director of relevant departments and the research reports be submitted to NAB Secretariat to be recorded and uploaded to the NAB portal.

9 NAB Portal & Project Update

- NAB Portal is the dedicated platform for recording and disclosing information for the general public.
- Once the NAB endorses a CCDRR program, project, initiative or activity it will be uploaded into the NAB Portal by the NAB Secretariat.
- The project update reports and closure reports submitted to the NAB Secretariat will be disclosed.

10

Project Database

- Project Database records all NAB endorsed and PSC endorsed projects. It serves as a tracking and evaluating, and reporting tool for the NAB Secretariat. All project ideas and concept notes submitted to NAB for endorsement are recorded. Information obtained during project reporting is also captured into the database.
- It also keeps records of the progress of the project idea or concept not from the project idea to the concept note stage, to full proposal and funding proposals stage, project implementation stage and project closure stage.
- At the project development stage (project idea and concept note stages) the information is obtained when the project ideas are submitted to the NAB or the PSC for endorsement. The NAB secretariat keeps an up-to-date record of the progress of a project idea through the full NAB endorsement process until the project proposal gets endorsed or refused by the NAB.
- During project implementation and project closure stages the implementing entity and/or the project development partner must provide an executive project progress summary report to the office of the NAB Secretariat. As a requirement they are also required to provide relevant up-to-date information into the database.
- One of the important pieces of information that the NAB is required to know is the actual impact of the project. For example, the amount of CO2 reduces as the outcome of the project.
- The NAB secretariat is in the process of developing a virtual database.

11 Funding Mechanisms

Funding opportunities refers to Climate financing channels that focus on climate change and disaster risk reduction projects. Some of the Climate Financing channels that Vanuatu accessing include:

- Global Climate Fund (GCF)
- Adaptation Fund (AF)
- Global environment Fund (GEF)
- Other donor partners
- Small Grants

The NDA Project Development Handbook gives detailed information on the GCF process. For GCF proposals and programs please visit the NDA Project Development Handbook (PDH link to be inserted here) . For the purpose of this guideline, the GCF process is summarized in the figure below.

13.1 GREEN CLIMATE FUND (GCF)

Green Climate Fund is one of the major global Climate Finance channels, mandated by the UNFCCC.
This section of the guideline focuses on the process of accessing funding from the Green Climate Fund. To apply for project or programme funding, countries need to submit their proposal to an accredited entity (AE). AE can be:

- National Accredited Entity (NAEs)
- Regional Accredited Entity (RAEs)
- International Accredited Entity (IAEs)
- Multilateral Accredited Entity (MAEs)

The NDA Project Development Handbook gives detailed information on the GCF process. For GCF proposals and programs please visit the NDA Project Development Handbook (PDH link to be inserted here) . For the purpose of this guideline, the GCF process is summarized in the figure below.

13.2 ADAPTATION FUND (AF)

The Adaptation Fund finances climate adaptation projects in the following sectors: Agriculture, Coastal Zone Management, Disaster Risk Reduction, Disaster risk and early warning system, Ecosystem based Adaptation, Food Security, Forests, Multisector projects, Rural Development, Urban Development and Water Management.

The Adaptation Fund is accessed through the implementing entity. There four types of entities that are eligible to access implementing AF entities:

- National Implementing Entity
- Regional Implementing Entity

- Multilateral implementing Entity
- Non-Accredited (special agreement)

The Designated Authority is entitled to nominate any interested entity to become an implementing entity or nominate an implementing entity to work together on any project.

Accreditation Process Adaptation Fund

For eligible parties that are interested in seeking financial resources from the Adaptation Fund, they must submit their project and programs proposals directly through an accredited entity .
The process for an entity to become accredited is summarized in the Table 3 below:

Table 3 Adaptation fund accreditation process

Steps	Level	Required actions
1	Nomination	• Designated Authority provides nomination of the entity, but the entity must meet the required accreditation standards. • For National Implementing Entity (NIE), the entity must be nominated by their respective governments prior to submitting an application for accreditation. • Regional Implementing Entity (RIE) must provide supporting letters from at least 2 countries in which they operate. • Multilateral Implementing Entities (MIE) are directly invited by the Board and do not require any endorsement letter.
2	Application	The nominated entity submits their accreditation application and supporting document through the Adaptation Fund's Accreditation Workflow online system. • The AF should grant access to the Accreditation workflow online system once the nomination letter is received.
3	Screening by the AF Board of Secretariat	The Secretariat screens the application for completeness and requests any mission parts of the application and additional information.
4	Review by the Accreditation Panel	The secretariat then forwarded the application to the Accreditation Panel for review. The Accreditation Panel provided its final assessment to the board with a recommendation. • The panel communicated directly with the applicant on any questions until the application is ready for a final assessment.
5	Accreditation Panel Recommendation	The Adaptation Fund Board approves or refuses the application based on the Accreditation Panel's assessment and recommendation.

Accreditation is valid for five years with the possibility of renewable through the re-application process.

AF Program Modalities

AF funding windows is through implementing entities. The summary below gives a guide on the different access modality.

Action Grants - support eligible countries to undertake high quality adaptation projects/programmes consistent with their priority needs, goals and strategies. There are four (4) types of Action Grants financing:

- Single Country: for addressing the impacts of climate changes in one country through tangible outcomes.
    - Access through NIEs, RIEs and MIEs.
    - USD 10 million per Project/Programme
    - Funding window:

- Regional: For addressing impacts of climate change in more than 2 countries through tangible outcomes.
  - Access through RIEs and MIEs
  - USD 14 million per project/programme
  - Excluding Project Formulation Grants (PFG)
- Enhances direct Access : Support bottom-up approaches through local knowledge and locally lead actions at national/subnational levels.
  - Access through NIE
  - USD 5 million per project/programme
  - Including Project Formulation Grants (PFG)
- Project Scale Up: For supporting planning, designs and overall capacity of scale-up pathways for AF funded projects that are nearing completion or ready completed.
  - Access through NIE
  - USD 100,000 per project/programme

Innovation Grants support the development and diffusion of innovative adaptation practices, tool and technologies.

- Small (Single country): For the development of innovative practices, tools and technologies and demonstrate best practices for scaling-up projects.
  - Access through NIEs
  - USD 250,000 per Project/Programme
- Large (Single country or regional): For rolling out or scale-up innovative practices, tools and technologies to a new country or at a regional level (involving more than 2 countries or regions
  - Access through NIEs, RIEs & MIEs
  - USD 5 million per project/programme
- Adaptation Funds Climate Innovative Accelerator: This is administered by UNDP & UNEP/CTCN to accelerate the development of innovative practices, tools and technologies and demonstrated best practices for scale-up.
  - Access through non-accredited entity
  - USD 250, 000 million per project/programme

Readiness Grants enables NIEs to provide peer support to countries seeking accreditation with the Fund and build capacities for undertaking various climate finance readiness activities.

- Readiness Support Package: For facilitating the delivery of enhanced, targeted and tailored readiness supports for accreditation to developing countries:
  - Access through NIEs
  - USD 150 per NIE
- Technical Assistance Grants for the Environmental and Social Policy and Gender Policy: for NIES to strengthen their capacity to address environmental and social risks and gender issues in projects and programmes:
  - Access by NIEs
  - USD 15,000 per NIE
- Technical Assistance Grant for the Gender Policy: For NIEs with robust environmental and social policies to enhance measures to avoid and/minimize and/or mitigate adverse gender impacts.
  - Access through NIE
  - USD 10,000 per NIE

Learning & Sharing

- Support the generation and dissemination of practical knowledge about effective adaptation activities and financing motilities to actors around the world:

- Access by NIEs
- USD 150,000 per project/programme

AF Developing Concept Notes

Concept notes must be identified as adaptation or resilience challenge for it to be supported by Adaptation Fund. It must be well aligned with the national priorities and strategies. Development proposals are submitted in either of the process:

- Step 1 process – Directly as fully developed project/programme
- Step 2 process – Concept Note is first submitted and followed by a full developed proposal

There is a specific requirement for regional projects without the pilot programme.
More information on developing proposal: https://www.adaptation-fund.org/documents-publications/operational-policies-guidelines/

13.3 GLOBAL ENVIRONMENTAL FACILITY (GEF)

Focal areas and Integrated approches

The Global Environment Facility (GEF) is a multilateral environmental fund that provides grants and blended finance for projects related to biodiversity , climate change , international waters , land degradation , persistent organic pollutants (POPs) , mercury , sustainable forest management , food security , and sustainable cities in developing countries and countries with economies in transition. It is the largest source of multilateral funding for biodiversity globally and distributes more than $1 billion a year on average to address inter-related environmental challenges.

Conventions & MEAs

In addition to funding projects through grants and blended finance, the GEF Serves as the "Financial Mechanism" to five international conventions.

- Convention on Biological Diversity (CBD)
- United Nations Framework Convention on Climate Change (UNFCCC)
- United Nations Convention to Combat Desertification (UNCCD)
- Stockholm Convention on Persistent Organic Pollutants
- Minamata Convention on Mercury

Replenishment cycle

The replenishment cycle is the inventory management, the process by which stocks are resupplied from some central location. This process often involves the development of quantitatively based inventory models designed to optimize this resupply process.

- Occurs every 4 years
- Open to developing countries and EIT parties to meet MEA and convention obligations

The GEF Agencies

The GEF Agencies are the operational arm of the GEF. They work closely with project proponents— government agencies and other stakeholders, including civil society organizations —to design, develop and implement GEF-funded projects and programs

There are 18 GEF agencies as listed below;

1. Food Agriculture Organization (FAO)
2. Conservation International (CI)
3. World WildLife Fund (WWF-US)
4. International fund for Agricultural development (IFAD)
5. International union for Conservation of Nature (IUCN)
6. United Nations Environment Programme (UNEP)
7. United Nations Industrial Development organization (UNIDO)
8. United NAtions Development Programmes (UNDP)
9. The World Bank (WB)
10. European Bank for Reconstruction and Development (EBRD)
11. Development Bank (CAF)
12. Western African Development Bank (BOAD)
13. African Development Bank (AFDB)
14. Inter- American Development Bank (IDB)
15. Asian Development Bank (ADB)
16. Development Bank of South Africa (DBSA)
17. Brazilian Biodiversity Fund (FUNBIO)
18. Foreign Economic Cooperation office, Ministry of Environment Protection of China (FECO)

GEF Funding Modalities

The GEF provides funding through four modalities: full-sized projects, medium-sized projects, enabling activities, and programmatic approaches.

Full-sized projects, - USD 2m+
Medium-sized projects - Up to USD 2m
Enabling activities - Fulfilling convention commitments (e.g., plan, strategy, report)
Programmatic approaches - Long-term, large interlinked projects

The family of funds includes the

- Global Environment Facility Trust Fund,
- Global Biodiversity Framework Fund (GBFF),
- Least Developed Countries Fund (LDCF),

- Special Climate Change Fund (SCCF),
- Nagoya Protocol Implementation Fund (NPIF),
- Capacity-building Initiative for Transparency Trust Fund (CBIT).

Among the most common funding modalities are:

- Direct financing, when made directly to borrowers.
- Through intermediary financial institutions, previously chosen by the Bank.
- Through co-financing, when there are other participants in the financing besides the Bank.

Funding Overview

The GEF funding includes the GEF 8 climate change (Star allocations and Trust fund) Integrated program incentive structure, Small grants Program (SGP),Non Grant Instrument (NGI), Special Climate Change fund (SCCF),Least Developed Countries Fund (LDCF)

The GEF 8 Climate Change Focal Area Strategy

Objectives: Support developing countries to make transformational shifts towards net-zero GHG emissions and climate resilient development pathways

Pillars:
- Promote Innovation, technology development and transfer
- Foster enabling conditions to mainstream mitigations concerns into sustainable development strategies.

GEF 8 Integrated Programs

Biodiversity
- Ecosystem restoration
- Wildlife Conservation for Development
- Amazon, Congo, and Critical Forest Biomes
- Clean and Healthy Ocean
- Greening Transportation Infrastructure Development
- Blue and Green Islands

Climate Change
- Food System
- Net-Zero Nature-Positive Accelerator

Land degradation
- Greening Transportation Infrastructure Development
- Elimination of Hazardous Chemicals from Supply Chains
- Circular Solutions to Plastic Pollution
- Sustainable Cities

Small Grants Program (SGP)

- All countries can access SGP Core Resources
- SGP Core Resources are allocated equally
- Countries are encouraged to utilize STAR

Resource Allocation

Figure 4 Resource Allocation

Resources will be operationalized through two tranches split 50/50
- 1st tranche open to UNDP only
- 2nd Tranche open later during the GEF - 8 period once selection of new Agencies process is completed

SGP 2.0 CSO Initiatives
- Pilot new GEF models to engage and support civil society actors to catalyze environmental actions and solutions
- Support innovation of youth, women, Indigenous Peoples and local communities in LDCs and SIDS
- Capitalize on expertise of the GEF expanded Agency network and specialized organizations

Microfinance Initiative
Support Micro Financing Institutions to facilitate microenterprises' access to finance for climate and environmental solutions

CSO Challenges Program
Support competitive opportunities for local civil society organizations to access financial and technical resources to scale up innovative environmental solutions

Non_ Grant Instruments(NGI): 2 Entry Points
- "Blended finance Program" (NGI SET-ASIDE). Goals: Mobilize private sector investment
- STAR OR IW/CW Allocation. Goals: Mobilize public/private sector investment

Special Climate Change fund Financing scenario

Priority Area 1 - Supporting the adaptation needs of SIDs
- Projects in the priority themes
- Joint programming with GCG
- Complementary to GCF Trust Fund Impact Programs (Blue and Green Islands and Clean and Heath Oceans Integrated Programs)
- Regional/global learning and cooperation, strengthening regional organizations

Priority Area 2 – Strengthening innovation, technology transfer and private sector engagement
- Technology transfer, deployment and innovation

- Climate resilient financial product innovation
- Finance and insurance sector innovation
- Blending and global projects for learning and collaborative action

How to Access GEF Funds?

Regarding the access to the fund, the GEF works with Partners Agencies (GEF Implementing Agencies). These agencies are the only institutions that can access GEF funding directly.

GEF Project Development Cycle

Figure 5 GEF Project development cycle

GEF STAR Allocation Process for Vanuatu

- The Office of the DG through the NAB secretariat and the GEF focal points organize a workshop with partners and stakeholders to present the Fund and its priorities and aligning each sectors priority with the GEF STAR Allocations
- The Sectors submit concept notes through GEF accredited entity to the GEF
- GEF accredited entity request funding allocation to the GEF national Focal point within the programmatic area of Biodiversity, Climate Change and Land Degradation.
- The office of the DG/NAB secretariat with the GEF Focal points upon receiving all AE request's priorities the allocations according to the national priorities in relevant to the programmatic areas.
- Allocation letters are drafted and signed of by the GEF focal points and send to accredited entity.
- The GEF focal points has the authority to shift fund from one programmatic area to another, or decided on the fund allocation to AE's
- NAB Secretariat file copy's of the allocation letters

13.4 OTHER KEY FUNDING PARTNERS WITH PRIORITY AREAS FOR FUNDING

Table 4 Key partners and priority area for funding

Partner/Institutions/Donor	Goals/Thematic Area/Needs/Gaps
ADB (Asian Development)	Infrastructure • Climate resilient Water Security • Smart Energy investments – adaptation • Pacific Resilience coastal zones • Schools and training infrastructure – core resilience Emerging Areas • Innovative finance • Natural capital (Food security) • Climate information services • Ocean Health – sustainable blue economy.
Pacific Island Secretariat (PIFs)	Needs based finance pacific Island forums The PIFs are planning on conducting a Technical Assessment on Climate Finance Flows and Needs • The TA aims to deliver technical and evidence- based evaluation of the region's climate finance requirements and priorities, using official documents and UNFCCC submissions, alongside a detailed analysis of current finance flows, to identify financing shortfalls. • It seeks to guide the development of a strategy for Pacific Island Countries to enhance finance mobilization and access from 2024 to 2023, focusing on key mitigation and adaptation projects • The regional strategy, aligning with identified needs and goals from national policies, will seek PIF endorsement for effective implementation. • To produce a description of climate finance needs for the region, latest submissions from counties to the UNFCCC were assessed (NDCs, NCs, BURs, NAPs, LT LEDs), along with information from the national development and sectoral plans as well as GCF country programmes when available. • Climate Finance data was extracted from the latest OECD creditor reporting system (CRS) data base, spanning from 2010 to 2023. This source was selected due to its consistency across countries Financing Gaps • Approximately half of the Pacific Island countries have estimated their climate action costs at USD 13.2 billion • Around USD 2 billion annually in climate finance is needed from international and domestic, public and -private source to 2023 • Between 2010 to 2021, public international funding averaged USD 309 million per year; totally USD 3.4 billion • The region receives only about a quarter of needed climate finance from international

Partner/Institutions/Donor	Goals/Thematic Area/Needs/Gaps
The Pacific Resilience Fund (PRF's)	• PRF is the first Pacific- led, Member – owned and managed International financial Institution with a regional financing mandate. • The PRF's Original mandate to finance community climate and disaster resilience bounce out • Leaders' dissatisfactions with Pacific speed of access to Global Climate Funds • To serve small sized community projects under-served by multi- lateral banks • Plethora of climate financing mechanisms, but not member – owned, and dedicated to communities at risk The Pacific Resilience Fund (PRF's) Unique regional role The approved re – designed PRF Re- designed Pacific Resilience Facility • Climate and Disaster Resilience Grant • Disaster Preparedness Projects (includes Disaster Rapid Response) • Climate Adaptation Projects • Frameworks for resilient Development in the Pacific (FRDP) projects • Nature based solutions projects • Loss and Damage projects • Social & community Resilience Grant • Community financing projects • SDG resilience projects Investing into the PRF is Investing into the 2050 • Global Partnerships funding - 2050 Blue Pacific Continent Strategy -
South Pacific Regional Environment Programme (SPREP)	Climate Finance Pipeline and Planned Investments in Regional Activities Programmatic Approach, Multi- Donor Investments Facility, & Blended Finance • One Pacific Programme – Climate Information Services & Early Warning Systems for a Resilient Pacific • Channeling Climate finance to the frontline in Pacific SIDS: Enhanced Direct Access (EDA) Support for the implementation of National Adaptation Plans SPREP Climate change Resilience Program • Loss and Damage • Adaptation and Resilience • Mitigation and Low Carbon Development • Pacific Climate Change Centre • Pacific Met Desk- Weather Ready • Policy and UNFCCC Engagement SPREP Coordination Mechanisms Climate Change Resilience Programme and PCCC • One CROP • Pacific Met Desk • Pacific Climate Change Roundtable • NDC Pacific Hub and RTSM

Partner/Institutions/Donor	Goals/Thematic Area/Needs/Gaps

The Pacific Community (SPC)	• A lot of the funding is supported to fund the TA's
	• The common document that exist between all that SPC pulls together is the NDC and have 5 tires tiers that countries can look into when submitting a proposal to SPC around these sectors – that aligns to countries priorities.
	    • Tier 1 – Renewable Energy, Forestry/Land Management, Agriculture/Food Security
	    • Tier 2 – DRR, coastal Production, Water Security, Resilience Infrastructure, health
	    • Tier 3 – Marine ecosystems /Waste/Energy efficiency
	    • Tier 4 – Fisheries, CIS/EWS, Transport
	    • Tier 5 – Tourism, Relocation
	SPC's Climate Change Flagship Program Objectives
	• Leverage Climate Finance
	• Enhance collaboration
	• Clarity of Value add in Climate Action
	• Match capability with demand
	SPC's Current Capability and service in Climate Change
	Climate Action
	• Loss & damage and climate security
	• Adaptation and Resilience
	• Mitigation
	Enabling Action
	• Climate Finance
	• Climate science, information and knowledge
	• Policy advocacy and leadership
	• Monitoring, Reporting and Verification

New Zealand's International Climate Finance Strategy – Tuia te Waka a Kiwa	NZ Goals, where specific outcomes come under • Accelerated climate Change mitigation • Enhanced adaptation and resilience to the impacts of climate change • Improved institutional capability and evidence – based decision making • Leveraged investment to achieve greater climate impact Climate Finance (NZ) preference • High Climate impact • Promoting Adaptation • Collaboration is critical • Acting at scale • Pacific – focus Global impacts • Equity & inclusion • Being Partner-led • Encouraging innovation • Supporting Biodiversity, oceans & Nature • Loss and Damage
UNDP and the BLUE Economy	An Interlinked Approach to catalyze development • UNDP Pacific's Portfolio develops projects that enable all the people of the pacific to releases their full potential, with a focus on Climate Resilience and adjusting economic and societal imbalance • Sustainable development and partnership between all stakeholders • As development institutions/partners, there is a need to conducting through assessments to understand climate related challenges and needs • There is much need to advocate for increased climate finance and policy support at the regional level

Partner/Institutions/Donor	Goals/Thematic Area/Needs/Gaps
Global Green Growth Institute (GGGI) Presentation	Strategy 2030: strategic outcomes • Climate Change (Mitigation and Adaptation) • Green Employment Supported • Access to sustainable Services • Sustainably Managed Natural Capital and ecosystem services • Accelerated Socio – Economic development Pacific Regional Strategy • Mobilize 750M USD in green investments • Create an enabling environment through policies, strategies and institutional strengthening • Building on experience in energy, transport, green entrepreneurship, climate smart agriculture and cross- cutting climate action and climate finance • Increasing focus on adaptation, gender & social inclusion • Implementation through country, embedded, tailored support • Localization & building long term partnership.
Pacific Green Entrepreneurs Network	PGEN Major Components Pacific Green Entrepreneurs Network – Pacific Green Preneurs • Incubator Program • Accelerator Program • Entrepreneurship Ecosystem

13.5 SMALL GRANTS

Currently the NAB does not have a process for accessing small grants, but based on this guideline, we are introducing the process in which small grants are coming through the Project Screening Committee.

- The Small grants projects are also required to use the Project Profile form of the NAB and send to the NAB secretariat for review.
- The NAB Secretariat will review and respond for any additional information
- Project developer will present to the Project Screening Committee for review and alignment for records.
- The Project Screening committee will then present the recommendations and updates to NAB just for information

13.6 CLIMATE FINANCE DIRECTORY

The purpose of this directory is to help connect climate finance with those who need it. Climate finance refers to financing channelled by national, regional, and international entities for climate change mitigation and adaptation.

Vanuatu, among the world's most vulnerable countries to climate change and disasters, has a significant and immediate need for investment in climate change mitigation and adaptation. The amount of climate finance approved and disbursed to date fulfils only a small portion of actual needs. A study carried out by the Stockholm Environment Institute revealed that Vanuatu had received roughly USD 49.4 million of climate finance from 2010-2014, with the majority (57.2%) supporting mitigation activities.

The directory details known climate finance sources available to individuals, communities, organisations, government bodies, and the private sector in Vanuatu. Financing amounts, eligibility requirements, and focus areas vary widely depending on the source.

The directory is divided into five sections:

I. Small-Scale Funds: small funding sources, typically grants, with open applications for individuals, communities, and civil society/non-profit organisations;

II. Large-Scale Funds: large3 funding sources characterised by diversified financing mechanisms and generally for government, international/regional organisations, civil society/non-profit organisations, and the private sector;

III. Private Sector Financing: financing sources or networks exclusively for private sector stakeholders;

IV. Bilateral Funding Sources: bilateral funding provided by national development aid organisations, national development banks, diplomatic missions or foreign consuls; and

V. International Agencies: international (including non-governmental, regional, and inter governmental) organisations. Please note that this directory is not exhaustive. It merely serves as a starting point for those pursuing or researching climate finance opportunities.

Link to the Directory: https://drive.google.com/file/d/1AjlrajW-tOdMh0pkylt9kxZGtrNTO6Ss/view

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