

**REPUBLIC OF VANUATU** 

## NATIONAL ADVISORY BOARD ON CLIMATE CHANGE AND DISASTER RISK REDUCTION



C/- VANUATU METEOROLOGY AND GEO-HAZARDS DEPARTMENT

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(Address Correspondence to Director)

## **CC/DRR Project Brief Form**

Project Title: Climate Change Finance Readiness for the Pacific Component of SPC/GIZ Coping with Climate Change in the Pacific Island Region (CCCPIR) programme	
Zusammenarbeit (GIZ) GmbH (German technical cooperation) • Pacific Islands Forum Secretariat (PIFS) Collaborating closely with: • Pacific Financial Technical Assistance Centre (PFTAC) • Pacific Community (SPC)	Programme Manager, SPC/GIZ Coping with Climate Change in the Pacific Island Region (CCCPIR) programme wulf.killmann@giz.de
Duration:	Status:
2016- 2018	In progress
Total Funding:	Funding Source/s:
1.5 million Euro	Australian Department of Foreign Affairs and Trade (DFAT)
Mode of financing: [eg: Through GoV system]	Location & site/s: Regional project embedded within PIFS in Suva, Fiji
Technical assistance GIZ's technical cooperation is delivered largely as a direct contribution, which means that	In Vanuatu operating in Port Vila

Scope:	Project Type:
[Regional, National, Provincial, Community]	[Educational, Training, Infrastructure, Research, Pilots]
Regional and national	Capacity development, training, policy and strategy development, project proposal development
Sectors & Themes:	Other Government & Partner Agencies:
[CCA, DRR, Governance, Water, Agriculture, CDC]	
	SPC/USAID ISACC project
CCA, Governance, Public Finance Management	USAID Climate READY (potentially)
	UNDP
Lead Government Department:	NAB Approval sought: [Please tick]
-	Concept stage
<ul> <li>Ministry of Climate Change</li> </ul>	Site selection
Ministry of Finance	Final endorsement
• Finish y of Finance	
	To seek project funding
	• Partnership/implementation $\mathbf{V}$
	<ul> <li>Continuation/extension of existing project</li> </ul>

**Objective/s:** [100 words max]

• What is the rationale for the project? What is the primary need, and how was it identified?

International policies, such as the Paris Climate Agreement, are calling for increased mobilisation and upscaling of financial resources to support developing countries strengthen their climate change adaptation and mitigation responses. However, gaps in national finance systems and Public Finance Management (PFM) processes of PICs could hinder their access to flexible climate change finance modalities including budget support. Addressing these gaps is fundamental to enable PICs to access and effectively manage climate change finance. Specific assistance and capacity development are required targeting institutions, PFM structures and expenditure systems.

• Is this program building on any previous activities or policy?

The Pacific Financial Technical Assistance Centre's (PFTAC) February 2014 Pacific Report discusses several design issues that should be considered by recipient countries when establishing climate change finance architecture.

The project will utilise the opportunity of existing public financial management strengthening to also build capacity for access to climate change finance. Good financial management for climate change activities is the same as good financial management for education, e.g. the basics are embodied in the Public Expenditure and Financial Accountability (PEFA) Framework, a tool used to evaluate PFM systems.

The project will build as well on experiences gained with multi-sectoral and multipartner approaches to strengthen linkages between sectors and linkages between local and/or provincial level and national governments. Such approaches have been piloted in Kiribati (Whole of Island Approach) and in the Solomon Islands (Ridge to Reef). **Description:** [1-2 paragraphs per topic max]

• Outline key project components

Project outcome 1: PFM reforms support enhanced climate finance access, including national GCF accreditations

Project outcome 2: Pipeline "ready to fund" projects result in increased access to climate change finance

• How will it be implemented?

On national level in partnership with the Ministry of Climate Change and Ministry of Finance and on regional level with PIFS, PFTAC and SPC.

• Will the project fund local positions? Where?

Potentially support is available towards the local position that is to be funded by SPC/USAID ISACC project and that is to be embedded in either the Ministry of Climate Change or Ministry of Finance.

Support will be provided as well through technical backstopping made available for locals through PIFS, the implementing partner of the project.

• How does the project link to GoV priorities (PAA)?

The project will be implementing strategic GoV priorities as outlined in the National Climate Change & Disaster Risk Reduction Policy 2016-2030, particularly in the priority action areas of 'Strengthening institutional structures to effectively undertake their functions'; 'Ensuring adequate funding is available for climate change and disaster risk reduction'; 'Establishing and building on robust financial systems including facilitating implementing entity accreditation'. It will as well align (after its endorsement) to strategic priorities as defined in the National Sustainable Development Plan (NSDP) 2016-2030.

It will also support the implementation of the recommendations made in Vanuatu's Climate Public Expenditure and Institutional Review (CPEIR).

- What related projects are being undertaken in the area?
  - SPC/USAID ISACC project
  - o USAID Climate READY Project
  - o National readiness projects
- Potential overlaps/duplication to be resolved

Many partners or projects working in the area of climate finance potentially causing duplication of efforts and posing a challenge for national coordination bodies.

Risk Management Strategies To avoid potential duplication of efforts and coordination problems for national counterparts: Sharing of work plans and where possible development of joint work plans, particularly with SPC/USAID ISACC project Joint planning and coordination missions and joint participation at national or regional meetings, particularly with SPC/USAID ISACC Regular reporting to the NAB as the national steering committee for the project To avoid potential implementation delays: • Building on existing structures and processes such as the NAB as coordinating body • Aligning work plan and activities to national priorities and activities as outlined in national policies and development plans • Follow up on existing recommendations from prior assessments such as the **CPEIR** recommendations How does the project link to GoV priorities: (NAB agenda, NAPA, New CC/DRR Policy....) The project will be implementing strategic GoV priorities as outlined in the National Climate Change & Disaster Risk Reduction Policy 2016-2030, particularly in the priority action areas of 'Strengthening institutional structures to effectively undertake their functions'; 'Ensuring adequate funding is available for climate change and disaster risk reduction'; 'Establishing and building on robust financial systems including facilitating implementing entity accreditation'. It will as well align (after its endorsement) to strategic priorities as defined in the National Sustainable Development Plan (NSDP) 2016-2030. It will also support the implementation of the recommendations made in Vanuatu's Climate Public Expenditure and Institutional Review (CPEIR). Progress to date and current activities: [100 words max] Project agreement signed between DFAT and GIZ in April 2016. Project logframe and M&E framework submitted to DFAT. • Hiring of project team in progress. First national consultations completed for Kiribati, Solomon Islands and in progress • for Vanuatu. Samoa and Tuvalu consultations planned for October, November 2016.

Outputs: [IEC Materials, guidelines & handbooks, certified trainings, resources....]

Project outputs on regional level listed below.

- The PFM performance standards specified by various CC funders that must be met to access CC funds are identified;
- PFTAC's PEFA Self-assessment workbooks are modified to include information/guidance, where required, on PFM performance standards that must be met to access CC-finance from various donors;
- PFTAC's "CC-augmented" versions of the PEFA Self-Assessment workbooks are used to prepare PFM assessments;
- Recommendations from country 'Climate Change Finance or Risk Governance Assessments' are reviewed and priority recommendations are progressed within the framework of current PFM reforms;
- National development fora recognise and secure financings for climate change priorities;
- Costed and prioritised climate change and disaster risk management plans;
- Roles and responsibilities relating to accessing climate change finance clarified;
- Pipeline project proposals, including environmental and social safeguards, developed.

These need to be tailored to Vanuatu priorities and needs in close collaboration and in complementarity with other climate finance related projects such as the SPC/USAID ISACC project (work in progress).