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The Pacific environment, sustaining our livelihoods and natural heritage in harmony with our cultures.



Twenty Seventh SPREP Meeting of Officials

Alofi, Niue

19 – 21 September 2016

Agenda Item 6.2 : Access to Climate Finance – Adaptation Fund (AF) and Green Climate Fund (GCF)

Purpose

1. To provide the SM with an update on SPREPs delivery as a Regional Implementing Entity for the GCF and the Adaptation Fund and associated climate finance matters.

Background

2. SPREP is accredited, as a Regional Implementing Entity to both the Adaptation Fund (AF) and the Green Climate Fund (GCF). Both funds, established under the United Nations Framework Convention on Climate Change process provide Pacific Island Countries (PICs) with access to finance, through SPREP, to support resilient and low-carbon development.
3. In summary, and to date the Secretariat has made the following progress in supporting access to the GCF and AF for its PIC Members:
 - a. The Secretariat recently prepared and lodged a full proposal to the Adaptation Fund for the Federated States of Micronesia (FSM) titled *Enhancing the Climate Change Resilience of Vulnerable Island Communities in FSM*. It is expected the \$9 million project will be approved at the October Adaptation Fund Board Meeting.
 - b. The Secretariat also prepared and lodged a concept proposal to the AF for the Republic of the Marshall Islands with the working title *Climate Resilient Atolls for Food Security and Community Livelihoods in RMI*. SPREP in collaboration with SPC and led by RMI hope to submit a full proposal for AF approval in 2017.
 - c. The Secretariat has also lodged a GCF full programme proposal titled - *Pacific Climate Information and Services for Resilient Development*, with the first 'sub-project' focused on Vanuatu. Developed in close partnership with the CSIRO and led by the Vanuatu Ministry of Climate Change and Natural Disasters the programme will first target in Vanuatu with the expectation of replication in other PICs. It is expected that the programme will be approved by the GCF Board in December.
 - d. The Secretariat is also progressing a number of other initiatives, including a large-scale Coastal Ecosystem Resilience Programme, as well as 'Readiness' projects which aim to build institutional capacity for PICs to engage with and manage climate finance through the AF and GCF. A summary of the project pipeline is provide at Attachment A.

In response to advice from the GCF, SPREP will prefer framing of Member priorities thematically, establishing phased multi-country programmes. This programmatic approach will be driven by country priorities, include better regional coordination, and provide a platform to engage partners. There are resourcing advantages to such a programmatic approach. Details of the programme approach, which is still in early development, is provide at Attachment B.

4. As well as supporting development of practical projects to support resilient and low-carbon development, SPREP will deliver capacity development to support PICs direct engagement with climate finance (often referred to as Readiness). 'Readiness' projects under the GCF currently in the pipeline are detailed in Attachment A. There are a number of Partners providing climate readiness institutional strengthening and national coordination support to PICs. SPREP will have increased capacity to carry out its coordinating mandate for this work with the new Institutional Strengthening for Climate Change Adviser, (supported by the ISACC programme managed by SPC), and the Pacific Climate Change Centre.

Strategic Issues

5. As a regional implementing agency for international climate finance funds (currently the only one), SPREP's priority over the next 5-10 years will be to facilitate access to and maximise the delivery of climate finance to address the resilience and low carbon development priorities of Members.
6. SPREP will also ensure that climate finance is made available and applied to address key climate challenges which fall within the strategic goals and objectives mandated by Members. SPREP will foster collaborative approaches to meet regional priorities, and use its regional and international networks to leverage opportunities for further collaboration through the Pacific Climate Change Centre, with a particular focus on:
 - a. Leading the coordination of PICs advocacy and negotiation in UNFCCC processes.
 - b. Leading the coordination of PICT climate action via the Pacific Climate Change Centre.
 - c. Leading practical support to PICs to plan for and prioritise climate action in fulfilment of their Paris commitments, including through the development of National Adaptation Plans, Nationally Determined Contributions (NDCs), as well as Adaptation and NDC Communications.
 - d. Providing support for PICs to progress priority projects with appropriate delivery partners, including other Accredited Entities
 - e. Leading the design and delivery of GCF and AF projects within areas of SPREP's mandate.
 - f. Supporting Members to strengthen institutional capacity for managing climate finance including for Members seeking National Accreditation to the GCF and AF, as well as for planning and implementation of projects drawing on climate finance.
 - g. Support easier and more effective PIC engagement and advocacy with key climate funds, including the GCF.
 - h. Supporting the coordination and implementation of regional policy and directives on climate finance including through the Financial and Economic Ministers Meeting. Delivery against the above 6 a) to 6 g) will be lead be the Climate Change Division, with the Climate Change Adviser leading on issues related to access to climate finance through the AF and GCF. Other technical divisions will also look to the AF and GCF as a source of financing to support objectives within their areas of focus. PIC Members, and SPREP focal points, in particular, are encouraged to identify where the AF and GCF could be used to addressed climate change resilience and low-carbon development priorities.

7. SPREP is undergoing accreditation as an Implementing Agency for the Global Environment Facility which includes strengthening SPREP's internal procedures and capacity. This will increase the Secretariat's ability to carry out its Implementing Agency roles under the GCF and AF, and better enable it to leverage funding from other sources.
8. SPREP continues to explore opportunities to achieve sustainable long-term financing to support its leadership in Pacific climate change action. The Secretariat has successfully secured climate finance from:
 - a. USAID Adapt programme - resourcing of Project Preparation Specialist (PPS) until September 2017. The PPS was instrumental in finalising the AF proposal for FSM.
 - b. *Institutional Strengthening in PICs to Adapt to Climate Change* (ISACC) is providing a Climate Change Institutional Strengthening Adviser to focus on developing capacity building initiatives supporting access to climate finance.
 - c. The Regional Technical Support Mechanism (RTSM) and the GCF Project Preparation grants supports PICs access climate finance.
 - d. Griffith University is assisting with the development of an online Climate Finance decisions support tool, and Adaptation Project Planning support tool.
 - e. The Commonwealth and GCF Secretariats among others are considering support for better PIC access to climate finance through the GCF and AF.
9. The Framework for Resilient Development in the Pacific (FRDP) will provide guidance to CROP agencies to better collaborate on key regional climate and disaster management issues including on climate finance. The Secretariat will continue to progress better coordination with the other CROPs, and partners through the FRDP and the Pacific Climate Change Centre including via the Forum Leaders' Meeting, the Forum's Officials Committee and the Working Arm on Resilient Development.
10. The Secretariat will pursue programmatic approaches to climate action driven by country priorities, and continue to deliver key 'Readiness' support for countries.

Recommendation

11. The Meeting is invited to:
 - **note** the issues raised, including the preferred programmatic approach to delivery, and provide feedback; and
 - **consider** and advise the Secretariat on country and / or regional priorities that it would like to see addressed through the AF or GCF.