



Vanuatu Climate Change Finance Review

Executive Summary

June 2018



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Prepared by the Deutsche Gesellschaft für Internationale Zusammenarbeit,
the Pacific Community, the Pacific Islands Forum Secretariat, USAID Climate Ready,
and the United Nations Development Programme.



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Executive Summary

The provision of international climate change finance is expected to increase as we approach 2020 and beyond. This is in line with the pledges made at the fifteen session of the Conference of the Parties (COP 15) in Copenhagen in 2009 with a reaffirmation at COP 16 in Cancun, in 2010, where developed countries committed to jointly mobilise up to USD100 billion per year by 2020 from a wide range of sources to assist vulnerable developing countries. This is further confirmed in Article 9 of the Paris Agreement, including seeking a new quantitative target by 2025 to build on USD100 billion as the floor. However, this increase in funding opportunity is being accompanied by an increase in the complexity to access these funds and coordinate with a range of implementing agencies.

The range and scale of global climate change funding sources are substantial for small island developing states like Vanuatu, and the administrative requirements to access and manage these funds can be a challenge. However, Vanuatu is quite advanced as one of a few Pacific Island countries (PICs) to have already tapped into both readiness and project funding from the Green Climate Fund, as well as other sources. There are useful lessons learnt that could inform future engagement with bilateral and multilateral sources.

A joint mission by the Pacific Islands Forum Secretariat (PIFS) and its regional partners which included the SPC/USAID ISACC Project, GIZ/DFAT CFRP Project, UNDP PRRP and USAID Climate Ready conducted the review of the implementation of the Climate Public Expenditure and Institutional Review (CPEIR) in June 2017. Findings of this review were incorporated into the Report by the assessment team with an accompanying Executive Summary Report that covered the main recommendations of the climate change finance review.

The Vanuatu Climate Change Finance Review sought to assess actions that have been undertaken since the last Climate Public Expenditure and Institutional Review completed in 2013 by UNDP. The review explored Vanuatu's experience in accessing and managing climate change finance, and identified opportunities to:

1. improve access to resources, so that Vanuatu might be able to solicit further support for implementing its response to climate change and disaster risk; and
2. improve the effectiveness with which available resources are utilised.

This review is timely as it complements the national priorities identified in the "Vanuatu 2030: The Peoples Plan" and the Climate Change and Disaster Risk Reduction Policy 2016 – 2030. In addition, the Ministry of Climate Change Adaptation has also taken a lead role through the National Advisory Board (NAB) to establish a Climate Finance Working Group. The Working Group is responsible for overseeing the implementation of a Climate Finance Roadmap.

Seven thematic areas under the key pillars of the Pacific Climate Change Finance Assessment Framework (PCCFAF) were analysed, namely: (i) Policies and Plans; (ii) Funding Sources; (iii) Public Financial Management and Expenditure; (iv) Institutions; (v) Human Capacity; (vi) Gender and Social Inclusion; and (vii) Development Effectiveness.

In line with these seven key pillars, the review came up with a number of findings and recommendations, which are summarised below and discussed in detail in the report.

Policies and Planning Analysis

1. Utilise the Vanuatu's National Sustainable Development Plan (NSDP) M&E framework to guide the development of an aligned M&E framework for the Climate Change and Disaster Risk Reduction (CCDRR) policy, as a project management tool that includes and recognises the role of all actors and ensures all stakeholders are informed of the process.
2. As part of the CCDRR Policy Framework, ensure a process to track the integration and implementation of relevant CCDRR activities within other sectoral policies.



3. Strengthen sectoral policy inclusion of CCDRR to mainstream CCDRR as a cross-cutting priority issue.
 - a. Future updates to and development of new policies should also include actions, targets, indicators and costings as standardised components.
 - b. Policies should specifically highlight the linkages with other sectoral policies and with the NSDP to ensure a coordinated approach.
4. Progress with the development of a data management system within Ministry of Climate Change Adaptation (MCCA) to provide necessary support for developing M&E processes and more efficient reporting.
5. Ensure consideration of the Climate Public Expenditure and Institutional Review (CPEIR) recommendations relevant to the development of a National Adaptation Plan (NAP). In particular, the need to ensure community engagement and identification of local level adaptation priorities within national processes, as well as comprehensive gender and social inclusion processes. The NAP process must be inclusive and be transparently led by the NAB and build on other planning processes such as the Nationally Determined Contributions (NDC), Vulnerability Assessment Framework (VAF) and Country Program under the Readiness Program and provincial strategies and plans.

Funding Source Analysis

1. Have a clear definition of 'climate finance' for budget tagging and ensure that this is understood by all stakeholders.
2. Support Government aspirations that a larger share of climate change-related funding and climate change funding information are channelled to the government financial system by donors and development partners in alignment with national policies and plans. Where funds are directly accessed by NGOs, private sector, community-based organisations or line ministries, ensure that the information is reported to inform the national budget planning process.
3. Develop tracking, monitoring and reporting instruments to account for off-budget finance flows (e.g. direct technical assistance to line ministries to supplement Government capacity in areas that require specialised expertise, or direct implementation by civil society in vulnerable communities).
4. Improve coordination and information sharing between central line agencies, such as the Aid Coordination Unit within the Prime Minister's Office (PMO), Ministry of Finance and Economic Management (MFEM) and the MCCA.
5. Strengthen and develop capacity of existing staff handling climate change finance in the key central agencies at the national and sub-national level, in accordance with the overall public service human resource development plan.
6. Progress with a climate change financing tracking tool to better monitor the receipt and disbursement of climate change finance.
7. Strengthen existing financial accountability systems to ensure that these systems are operating effectively and efficiently to support decision making relating to climate change financing.
8. Explore potential financing opportunities for new climate change project proposals with non-traditional donors and the private sector through public-private partnership.
9. Develop and strengthen existing systems to ensure that all stakeholders, including the communities are aware of the processes for developing climate change proposals to be externally funded.
10. Incorporate climate change finance issues in the proposed Aid Policy for Vanuatu and strengthen existing development assistance database to be able to effectively record all climate change-related funding.



11. Set up a national climate change fund for Vanuatu as a mechanism for pooling all climate change funds to add value and help reduce the burden of recording, disbursing and reporting to the already limited capacities that exist in the central agencies of Government. The proposed national green energy fund is a good step in that direction.

Public Financial Management and Expenditure Analysis

1. Review and update the National Implementing Entity (NIE) accreditation roadmap to identify gaps for further readiness support from the Green Climate Fund (GCF) to achieve accredited entity status.
2. The updated NIE roadmap should build on key aspects of the Public Financial Management (PFM) Roadmap and the Climate Finance Roadmap and address certain aspects of GCF accreditation not currently identifying specific reforms. These would include:

Basic Fiduciary Criteria:

- i. Code of ethics
- ii. Disclosure and conflict of interest
- iii. Capacity to prevent or deal with financial mismanagement and other forms of malpractice
- iv. Investigation function
- v. Anti-money laundering and anti-terrorist financing

Specialized Fiduciary Criteria (depending on type of accreditation sought):

- i. Transparent eligibility criteria and evaluation
 - ii. Grant award decision and procedures
 - iii. Public access to information on beneficiaries and results
 - iv. Transparent allocation and implementation of financial resources (if not addressed by improvement to procurement regulations)
 - v. Good standing with regard to multilateral funding
 - vi. On-lending and/or blending
3. Use the budget circular more proactively to ensure that climate change issues are reflected in annual policy settings and to instruct all Ministries, even those not normally associated with climate change impacts, of the need to consider and reflect climate change issues in the formulation of ministry and departmental budgets. An improved climate change chart of account is needed.
 4. The Government should incorporate climate change finance considerations into the Medium-Term Expenditure Framework (MTEF) (under development), to harness the different sources of finance from Government, Official Development Assistance (ODA) and private resources to address national climate change priorities.
 5. Development and implementation of a debt management policy to manage, oversee and monitor debt obligations of the Government and government business enterprises where they provide material risk to the fiscal stability of the Government. If needed, enshrine these policies in regulations or through legislative amendment.
 6. Ministry of Finance and Economic Management (MFEM) should use the pending Aid Policy as an opportunity to ensure greater coverage of aid funding and reduction of “off-budget” aid by strengthening the budget process to ensure aid funding identified by Department of Strategic Policy, Planning and Aid Coordination (DSPAC) is reflected in the national budget.



Institutional Analysis

1. A communication campaign targeting all levels of Government on the role of the NAB may help to clarify some misunderstanding around the functions of the NAB and help to re-emphasise the need for consistent cross-sectoral representation for its effectiveness.
2. The NAB's project brief form should also include information capture on the gender and social inclusion components of proposed projects. This would also assist with the NIE accreditation process and demonstrating processes in place to monitor gender and social inclusion within climate change activities.
3. Harmonise processes between DSPPAC and NAB where possible and ensuring strong channels of communication between the two entities so that relevant information is shared.
4. Establish a broad set of criteria (could be similar to the expenditure weighting methodology used in this review) for NAB to provide some clarity on what could be counted as climate change finance.
5. Ministry of Climate Change Adaptation, Meteorology and Geo-hazards, Energy, Environment and Disaster Management (MCCA) utilise criteria to also provide technical expertise to assist Department of Finance and Treasury (DoFT) in correctly identifying and coding climate change-related finances for better tracking of these flows through the existing Chart of Accounts.
6. Increase training in technical aspects of climate change to sub-national institutions, as well as promote Community Disaster and Climate Change Committees (CDCCCs) as key structures for capturing traditional knowledge relevant to preparedness and climate change adaptation.
7. Look at the options for increasing representation of sub-national representatives on the current or newly established NAB technical working groups.
8. Look at opportunities for undertaking readiness programs for local NGOs and Civil Society Organisations (CSOs), to ensure these institutions are also better able to manage and absorb climate change financing.
9. Longer term, consideration of other mechanisms to ensure funds are channelled to the community level, including small grants arrangements, would also be recommended.
10. Strengthen International Non-Governmental Organisation (INGO)/NGO and private sector engagement with the NAB or within the NAB's technical working groups, to further the dialogue and exchange of information between the Government and these partners.
11. Vanuatu to consider an NIE accreditation model that utilises the capacity and processes of a number of entities. This would require nominating either MCCA or MFEM as the entity, but developing processes and working arrangements (through a Memo of Understanding (MoU) or similar) with other key entities.
12. If MCCA is put forward as the recommended entity for accreditation, it is recommended that the National Designated Authority (NDA) function be shifted to another entity (possibly DSPPAC).
13. MCCA and MFEM to consider the GCF self-assessment tool as an immediate priority to determine current progress towards NIE accreditation and outstanding areas that need to be addressed.
14. Consider updating or revising the Climate Finance Roadmap with dedicated actions for achieving accreditation, as per the results of the above GCF self-assessment.
15. Once a nominated entity is chosen, request assistance through GCF for an institutional gap assessment and action plan.



Human Capacity Analysis

1. Capacity building and supplementation for climate change should remain a national priority for Vanuatu. It is recommended that all future climate change projects accessed by Vanuatu must have an embedded component related to capacity development and transfer of knowledge. This can also be considered for future assistance of climate change-related incubator posts within ministries to ensure the position is absorbed into a government agency. This will ensure external consultants provide an added value to Government.
2. MCCA to strengthen its staffing capacity in the NAB Secretariat so the Project Management Unit (PMU) is able to effectively coordinate, share information, monitor and evaluate projects and develop project pipelines. The operationalisation of the proposed Department of Climate Change will enhance this.
3. MCCA to develop a strategy on how to fully maximise and coordinate the range of technical expertise that sit in different line ministries, building on the NAB mechanism.
4. The NAB Secretariat to coordinate with the PMU, to serve as a 'one stop' for capacity-building training sessions and support to line ministries, provincial administrators and community representatives on grant writing for climate change funding.
5. Recognise and support the role of NGOs and the private sector in providing capacity-building initiatives to build the readiness of communities to access and absorb climate change project resources, and to raise ongoing awareness.
6. Fast-track the Public Service Commission (PSC) reforms to provide additional incentives for public servants to attract the best expertise and retain existing human capacity.
7. Donors that provide direct scholarship opportunities to Vanuatu citizens must coordinate closely with the Ministry of Education and the Public Service Commission to ensure their support is tracked and aligned to the human capacity needs of the Government of Vanuatu. Donors are also encouraged to include climate change and disaster resilience as part of their scholarship priorities.

Gender and Social Inclusion Analysis

1. Strengthen representation at regional and international high-level forums on Gender and Social Inclusion (GSI) and CCDRR by aligning and linking objectives to the NSDP and existing corporate plans of government departments to track achievements over time for future reporting.
2. Continue strengthening of partnerships between key government agencies and non-government stakeholders to re-enforce commitments to the implementation of national plans and policies to support GSI in CCDRR and to ensure clear accountability.
3. Department of Women Affairs (DWA) to coordinate the link between government agencies to maximise on available resources but to also align to achieving government priority policies and action plans on GSI integration in CCDRR. This would allow for a more streamlined view of areas that require attention to better target resources but also to improve compliance with GSI criteria to access climate change finance.
4. Support the development of specific indicators to align the GSI action plans for CCDRR and the Gender Policy Action Plan to be included in the M&E framework for the NSDP.
5. Support DWA in the development of the strategic policy area 'Building a Foundation for Gender Mainstreaming' to allow for a national 'pool of experts' to undertake gender analysis and integrate GSI to all national planning and implementation processes.



6. The DWA to strengthen partnership with the consortium of partners, such as the Cluster System and Vanuatu Climate Action Network (VCAN) to pool resources for joint implementation of the GSI action plans of the CCDRR Policy.
7. Support DWA's role in Gender Mainstreaming between key government agencies, such as DWA, DSPPAC of PMO, MCCA and NAB with the consortium of partners.
8. Develop a guideline to support gender mainstreaming through the Gender Responsive Planning and Budgeting process in CCDRR
9. Establish a systemic process to collect, evaluate and report on GSI benefits/impacts recorded through project implementation. This would require the active role of the Prime Minister's Office in collaboration with DWA, MCCA and NAB to coordinate and administer this process to collect, assess and report on GSI information in CCDRR.
10. The NAB approval process for proposals in CCDRR to include a GSI criteria for implementation to be part of the design and estimated budget. A succession plan should also be included on skills transfer to local counterparts for sustainability purposes of project outcomes.
11. The M&E reporting template on projects submitted by agencies to DSPPAC on progress of projects to also include a section to report back on status of GSI benefits/impacts from the project.
12. The NAB portal to be used more effectively and efficiently to diffuse information on best practices and knowledge products in support of GSI integration. This can increase awareness for coordination and resource pooling.

Development Effectiveness Analysis

1. The Government should maintain its leadership on climate change at the national, regional and international levels. Where necessary, speeches by Director Generals, Ministers, the Honourable Prime Minister and H.E the President should have some reference to climate change.
2. There will be a growing influx of new players and non-traditional partners wanting to support Vanuatu on Climate Change and Disaster Risk Management (CCDRM) initiatives. Continuing the national Climate Finance Forum between the Government and its partners, every two years, will strengthen coordination between the Government and its donors on climate change.
3. All climate change support should be communicated to the NAB Secretariat and DSPPAC to ensure tracking and reporting. A streamlined reporting template will be needed and should be used by both the NAB Secretariat and DSPPAC.
4. A donor-to-donor coordination mechanism will be useful to reduce duplication for small grants projects to communities or provincial governments.
5. Government must remain flexible and not limit its options on the kind of instruments that it can access for climate change. Building the capacity of government officials to write project proposals will be vital.
6. Due to capacity limitations, partners and regional organisations that wish to engage with the Government must consider joint missions and approaches. Missions should not be approved during critical periods of budget planning.
7. Government to enhance the M&E capacity of DSPPAC and line ministries to be able to measure, process and report on the tangible impacts and outcomes of all climate change support.
8. The Ministry of Climate Change Adaptation, in particular, the GCF National Designated Authority to engage with the private sector entities to raise awareness on access procedures for the GCF private sector facility.



Conclusion

The Government of Vanuatu is taking leadership in progressing climate change-related actions, and is already accessing climate change finance from a variety of sources, including the GCF. Going forward, there will be an increase in the volume of climate change finance flowing through the Pacific Islands region, including to Vanuatu. That increase will be accompanied by additional complexity for reporting and the need to coordinate different partners and players that wish to engage with Vanuatu. This review facilitates a comprehensive, consultative and validated baseline of information on the national climate change finance landscape for Vanuatu, which can inform policy decisions. It also provides opportunities to strengthen country systems, policies and plans, institutions and human capacity to be able to effectively access and manage climate finance. The Action Plan in the following section presents a tool to assist the Government of Vanuatu to be strategic in undertaking a whole-of-government approach towards improved climate finance readiness. It is linked to the Climate Finance Roadmap.



Vanuatu Climate Change Finance Action Review and Assessment – Action Plan

Recommendations	Link to CF Roadmap	Relevant PCCFAF Pillar	Priority	2018				2019				Indicative Outputs	Lead Agency	Potential Partners
Specific Initiatives				Q3	Q4	Q1	Q2	Q3	Q4					
Develop an M&E framework for the CCDRR Policy that is aligned to the NSDP M&E framework.	Activities 1.3 & 6.1.5	PP	High									M&E framework for the CCDRR is developed.	MCCA, NAB	SPC/ USAID ISACC, SPREP, USAID Climate Ready.
Formulate a process to track the integration and implementation of relevant CCDRR activities within other sectoral policies.	Activities 1.7.3 & 6.3.1	PP	High									Process of tracking the integration and implementation of CCDRR activities is formulated.	MCCA	UNDP, SPC/ USAID ISACC, USAID Climate Ready.
Strengthen sectoral policy inclusion of CCDRR to mainstream CCDRR as a cross-cutting priority issue.	Activities 5.6 & 5.7	PP	Medium									CCDRR issues are incorporated in the sectoral policies.	MCCA	UNDP, SPC/ USAID ISACC, USAID Climate Ready.
Develop a data management system within MCCA to provide necessary support for developing M&E processes and more efficient reporting.	Activities 6.3.1 & 6.3.2	PP	High									Data management is developed and staff trained on how to manage the information.	MCCA	ADB, UNDP, SPC/ USAID ISACC, USAID Climate Ready, SPREP.
Define 'climate finance' clearly to support budget tagging and ensure that this is understood by all stakeholders.	Activities 1.2.1 & 2.1	FS, PFME	High									Awareness is conducted on budget tagging.	MCCA, DoFT	DFAT/ GIZ CFRP, SPC/ USAID ISACC, PFTAC.
Utilise the government financial system to channel all climate change-related funding by donors and development partners in alignment with national policies and plans.	Activity 6.3.2	FS, DE	High									Climate change-related support is properly recorded and information maintained.	MCCA, DoFT	GoV to lead.
Develop instruments to account for direct technical assistance provided by some partners to line ministries to supplement Government capacity in areas that require specialised expertise.	Activities 6.1 & 6.3.1	FS, PFME	Medium									Instrument to monitor direct TA support is developed and implemented.	MCCA, DoFT	GoV to lead.

¹ PP – Policy and Planning; I – Institutions; FS – Funding Sources; PFME – Public Financial Management and Expenditure; GSI – Gender and Social Inclusion; HC – Human Capacity; DE – Development Effectiveness



Recommendations Specific Initiatives	Link to CF Roadmap	Relevant PCCFAF Pillar	Priority	2018		2019			Indicative Outputs	Lead Agency	Potential Partners
				Q3	Q4	Q1	Q2	Q3			
Improve coordination and information sharing between central line agencies, such as the Aid Coordination Unit, MFEM and MCCA.	Activities 4.2, 4.3, 4.4, 5.2, 5.3 & 5.5	FS, I	High						Coordination mechanism is included in the new aid policy.	MCCA, DoFT, DSPPAC	GoV to lead with support from PIFS, SPC/ USAID ISACC, UNDP.
Strengthen and develop capacity of existing staff handling climate change finance in key central agencies in accordance with the overall public service human resource development plan.	Activities 1.7.1 & 2.3	FS, I	High						Capacity building programmes are developed and implemented.	PSC, DoFT	GoV to lead with support from PIFS, SPC/ USAID ISACC, UNDP.
Develop a climate change financing tracking tool to better monitor the receipt and disbursement of climate change finance.	Activity 6.3.1	FS, PFME	High						Climate finance tracking tool is developed.	DoFT, MCCA, DSPPAC	SPC/ USAID ISACC, DFAT/GIZ CFRP, UNDP, PIFS.
Strengthen existing financial accountability systems to ensure that these systems are operating effectively and efficiently to support decision making relating to climate change financing.	Activity 6.3.2	FS, PFME	High						Improved public finance management system.	DoFT	ADB, PFTAC, World Bank, USAID Climate Ready, DFAT/ GIZ CFRP.
Explore potential financing opportunities for new climate change project proposals with non-traditional donors and the private sector through public-private partnership.	Activities 1.3.1, 1.9.3, 3.2.2 & 4.4.1	FS	Medium						Climate change project proposals are funded by potential donor and development partners.	DoFT, MCCA	ADB, PFTAC, World Bank, USAID Climate Ready, DFAT/ GIZ CFRP.
Develop and strengthen existing systems to ensure that all stakeholders, including the communities are aware of the processes for developing climate change proposals to be externally funded.	Activities 1.8, 2.5, 2.6 & 4.2.1	FS	Medium						Awareness is conducted for all stakeholders.	DoFT, MCCA	ADB, PFTAC, World Bank, USAID Climate Ready, DFAT/ GIZ CFRP.
Incorporate climate change finance issues in the proposed new Aid Policy for Vanuatu and strengthen existing development assistance database to be able to effectively record all climate change-related funding.	Activities 3.1, 5.2 & 5.3	FS	High						Climate finance is included in the aid policy and development assistance database is regularly updated.	DoFT, DSPPAC, MCCA	ADB, PFTAC, World Bank, USAID Climate Ready, DFAT/ GIZ CFRP.



Recommendations Specific Initiatives	Link to CF Roadmap	Relevant PCCFAF Pillar	Priority	2018		2019			Indicative Outputs	Lead Agency	Potential Partners
				Q3	Q4	Q1	Q2	Q3			
Develop an accreditation roadmap or action plan to achieve accredited entity status that would be related to the PFM Roadmap and the Climate Finance Roadmap.	Activities 1.3.1, 1.5, 3.2.4 & 6.3	PFME	High						Accreditation roadmap is developed.	DoFT	SPREP, DFAT/ GZ CFRP, USAID Climate Ready, UNDP, ADB.
Utilise the budget circular to ensure that climate issues are reflected in annual policy settings, such as the departmental and ministry budgets.	Activities 1.7.2 & 6.3	PFME	High						Allocation of resources in the budget.	DoFT	GoV to lead.
Develop a climate financial framework (CFF) to complement the Medium-Term Expenditure Framework (MTEF) to harness the different sources of finance from Government, ODA and private resources to address national CC priorities.	Activity 3.2.2	PFME	High						A climate financial framework is developed.	DoFT	ADB, PFTAC, DFAT/ GIZ CFRP, USAID Climate Ready, World Bank.
Formulate a debt management policy to manage, oversee and monitor debt obligations of the Government and government business enterprises where they provide material risk to the fiscal stability of the Government.	Activity 1.7.2	PFME	High						A debt management policy is formulated.	DoFT	Comm. Secretariat, World Bank, ADB, PFTAC, DFAT/ GIZ CFRP.
Strengthen the budget process to ensure more coverage of aid funding identified by DSPAC is reflected in the national budget.	Activities 6.1 & 6.3.1	PFME	High						Timely and accurate provision of aid-related information to the Budget team.	DoFT	UNDP, ADB, EU and bilateral partners.
Increase awareness at all levels of Government on the role of the NAB to alleviate any misunderstanding around this body and to re-emphasise the need for consistent cross-sectoral representation for its effectiveness.	Activities 4.2.1, 4.3 & 4.4	I	Low						Awareness of the NAB's role and process is conducted.	MCCA	SPC/ USAID ISACC, USAID Climate Ready and bilateral partners.
Include information captured on the gender and social inclusion components of proposed projects in the NAB project brief.	Activity 1.8.2	I, GSI	Medium						Revised NAB project brief with gender and social inclusion components incorporated.	DWA, MCCA	UNDP, SPC/ USAID ISACC and bilateral partners.



Recommendations Specific Initiatives	Link to CF Roadmap	Relevant PCCFAF Pillar	Priority	2018		2019			Indicative Outputs	Lead Agency	Potential Partners
				Q3	Q4	Q1	Q2	Q3			
Establish a broad set of criteria (could be similar to the weighting methodology used in this review) for NAB to provide some clarity on the definition of climate change-related projects.	Activity 6.3.1	I	Medium						A guide or set of criteria is developed to define climate change-related projects.	MCCA	PIFS, SPC/ USAID ISACC, USAID Climate Ready and bilateral partners.
Build technical capacity of DoFT officials in correctly identifying and coding climate change-related finances for better tracking of these flows through the existing Charter of Accounts.	N/A	I, PFME	High						Capacity building programme is developed and implemented.	MCCA, DoFT, PSC	PFTAC, World Bank, DFAT/ GIZ CFRP and bilateral partners.
Increase training in technical aspects of climate change to sub-national institutions, as well as promoting CDCCCs as key structures for capturing traditional knowledge relevant to preparedness and climate change adaptation.	Activities 2.4, 2.5 & 2.6	I	Medium						Technical training on climate change to be part of the overall PSC training plan.	MCCA, PSC	SPREP, SPC/ USAID ISACC, USAID Climate Ready, UNDP.
Review and include representation of sub-national representatives on the current or newly established NAB technical working groups.	Activities 2.5, 2.6	I	Low						Inclusion of sub-national representatives in the NAB technical working groups.	MCCA	GoV to lead.
Explore opportunities of readiness programs for local NGOs and CSOs to ensure that these institutions are better able to manage and absorb climate change financing.	Activity 1.5.1	I	Medium						A local NGO or CSO is identified and approached for the readiness program.	MCCA	GoV to lead.
Consider use of long-term mechanisms to ensure funds are channelled to the community level, including small grants arrangements, also recommended.	Activity 1.8	I	Low						A feasibility study is conducted to determine the viable mechanism.	MCCA, DoFT	ADB, PFTAC, World Bank, USAID Climate Ready, SPC/ USAID ISACC.
Strengthen INGO/ NGO and private sector engagement with the NAB or within the NAB's technical working groups, to further the dialogue and exchange of information between the Government and these partners.	Activities 1.9.5, 4.4.1 & 5.4	I	Medium						Regular meeting between NAB and the INGO/ NGO & private sector.	MCCA, MoTI	GoV to lead.



Recommendations Specific Initiatives	Link to CF Roadmap	Relevant PCCFAF Pillar	Priority	2018		2019			Indicative Outputs	Lead Agency	Potential Partners
				Q3	Q4	Q1	Q2	Q3			
Develop an NIE accreditation model that utilises the capacity and processes of a number of entities that would require nominating either MCCA or MFEM as the entity, but developing processes and working arrangements (through an MoU or similar) with other key entities.	Activities 1.5.2 & 1.5.3	I	High						NIE accreditation model is developed that will include MoUs to formalise working arrangements between agencies.	MCCA, DoFT	ADB, UNDP, SPREP, USAID Climate CFRP, SPC/ USAID ISACC.
Review the Climate Finance Roadmap with dedicated actions for achieving accreditation, as per the results of the GCF self-assessment.	Activities 1.1 & 1.2	I	High						Climate finance actions relating to GCF accreditation are prioritised and implemented.	DoFT	USAID Climate Ready, DFAT/ GIZ CFRP and bilateral partners.
Undertake an institutional gap assessment and action plan through the support of GCF once a nominated entity is chosen.	Activity 1.5.2	I	Medium						Institutional gap assessment is conducted and action plan developed.	MCCA, DoFT	SPC/ USAID ISACC, USAID Climate Ready, SPREP and
Incorporate capacity development and knowledge transfer in all future climate change projects to be implemented in Vanuatu.	N/A	HC	Medium						Inclusion of capacity development and knowledge transfer in all climate change project proposals.	PSC, MCCA	GoV to lead.
Strengthen staffing capacity in the NAB Secretariat and PMU to be able to effectively coordinate, share information, monitor and evaluate projects and develop project pipelines.	Activities 1.7.1 & 2.3	HC	High						Capacity building programme is developed and implemented.	PSC, MCCA	GoV to lead with support from bilateral partners.
Develop a strategy on how to fully maximise and coordinate the range of technical expertise that sit in different line ministries, building on the NAB mechanism.	Activities 1.7, 5.2 & 5.3	HC	Medium						Strategy is developed to coordinate the technical support in other line ministries.	MCCA	GoV to lead.
Coordinate with the PMU, to serve as a 'one stop' for capacity-building training sessions and support to line ministries, provincial administrators and community representatives on grant writing for climate change funding.	Activities 2.2 & 2.3	HC	Medium						Capacity building programme is developed and implemented.	MCCA	GoV to lead.



Recommendations Specific Initiatives	Link to CF Roadmap	Relevant PCCFAF Pillar	Priority	2018		2019			Indicative Outputs	Lead Agency	Potential Partners
				Q3	Q4	Q1	Q2	Q3			
Provide support to NGOs and the private sector in capacity-building initiatives to build the readiness of communities to access and absorb climate change project resources, and to raise ongoing awareness.	Activities 1.8, 1.9, 5.4 & 5.5	HC	Medium						Capacity building programme is developed and implemented.	MCCA	ADB, UNDP and bilateral partners.
Fast-track the PSC reforms to provide additional incentives for public servants to attract the best expertise and retain existing human capacity.	N/A	HC	High						PSC reform programme is implemented.	PSC	GoV to lead with support from bilateral partners.
Coordinate scholarship opportunities between donors and the Ministry of Education, including the Public Service Commission to ensure their support is tracked and aligned to the human capacity needs of the Government of Vanuatu.	N/A	HC	Medium						Scholarships are reflective of the human capacity needs of the Government of Vanuatu.	PSC, MoE	GoV to lead with support from bilateral partners.
Support the development of specific indicators to align the GSI action plans for CCDRR and the Gender Policy Action Plan to be included in the M&E Framework for the NSDP.	Activity 6.1	GSI, I	High						M&E Framework for the NSDP to include GSI-related indicators.	MCCA, DSPPAC, DWA	GoV to lead with support from UNDP, SPC and bilateral partners.
Strengthen partnership with the consortium of partners, such as the Cluster System and Vanuatu Climate Action Network (VCAN) to pool resources for joint implementation of the GSI action plans of the CCDRR Policy.	Activity 1.7	GSI	Medium						Awareness of GSI action plans is conducted including regular meeting between DWA and consortium of partners.	DWA	UNDP, ADB, SPC and bilateral partners.
Develop a guideline to support gender mainstreaming through the Gender Responsive Planning and Budgeting process in CCDRR.	N/A	GSI, PFME	High						Guideline is developed.	DWA, DoFT, DSPPAC	UNDP, ADB, SPC and bilateral partners.



Recommendations Specific Initiatives	Link to CF Roadmap	Relevant PCCFAF Pillar	Priority	2018		2019			Indicative Outputs	Lead Agency	Potential Partners
				Q3	Q4	Q1	Q2	Q3			
Establish a systemic process to collect, evaluate and report on GSI benefits/impacts recorded through project implementation.	Activity 3.2	GSI	Low						A systemic process is established and implemented.	DWA	GoV to lead.
NAB approval process for proposals in CCDRR to include GSI criteria for implementation to be part of the design and estimated budget.	N/A	GSI	Medium						GSI criteria are formulated and included in the CCDRR proposal.	DWA	SPC, PIFS, ADB, USAID Climate Ready.
Include some reference to climate change in senior officials' speeches at national, regional and international meetings to maintain Government's leadership on climate change.	Activity 4.1.1	DE	High						Awareness conducted with all agencies to ensure speech writers include reference to climate change.	MCCA, PMO	GoV to lead.
Convene a national climate finance forum between Government and its partners every two years to strengthen coordination between the Government and its donors on climate change finance.	Activity 1.2.1	DE	Medium						Climate finance forum is convened.	MCCA, DoFT	USAID Climate Ready, DFAT/GIZ CFRP, SPC/USAID ISACC, PIFS, UNDP.
Develop a streamlined reporting template for all climate change support to ensure efficient tracking and reporting to the NAB.	Activities 5.2 & 5.3	DE	High						Streamlined reporting template.	MCCA	GoV to lead.
Establish a donor-to-donor coordination mechanism to reduce duplication for small grants projects to communities or provincial governments.	Activity 5.3	DE	Medium						Donor coordination mechanism included in the new aid policy.	DSPPAC, DoFT	GoV to take the lead and supported by UNDP, EU and bilateral partners.
Strengthen coordination of development partners and donors through joint missions and approaches.	N/A	DE	High						Awareness is conducted with all donors and development partners.	DSPPAC	GoV to lead.
Enhance the M&E capacity of DSPPAC and line ministries to be able to measure, process and report on the tangible impacts and outcomes of all climate change support.	Activity 6.1	DE	Medium						Training on M&E is conducted with relevant agencies involved.	DSPPAC	ADB, PFTAC, World Bank, USAID Climate Ready, DFAT/GIZ CFRP.



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