Supplementary Appendix 1

CLIMATE CHANGE AND THE PACIFIC REGION

A. Climate Change and Its Implications for the Pacific

1. The Pacific Ocean encompasses the shorelines of some 50 countries, states, and territories, of which 14 developing countries are members of the Asian Development Bank (ADB). These Pacific developing member countries (DMCs) are: Cook Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia (FSM), Nauru, Palau, Papua New Guinea (PNG), Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu, and Vanuatu.

2. Economic growth in Pacific island countries remains low. For the region as a whole, real per capita income has remained virtually unchanged since the mid-1990s. The Solomon Islands is a low-income economy with a gross domestic product (GDP) of less than $995 per capita; several Pacific island countries are lower-middle income economies with per capita GDP of $996 to $3,945 (Kiribati, Marshall Islands, Federated States of Micronesia, Papua New Guinea, Nauru, Niue, Samoa, Timor-Leste, Tonga, Tuvalu, and Vanuatu); only three have upper-middle income economies with per capita GDP of $3,946 to $12,195 (Cook Islands, Fiji, and Palau).[1]

3. Most Pacific island countries seek to generate high, sustained rates of broad-based economic growth from small, narrowly-focused economies, which are also vulnerable to human-made external shocks, such as increasing prices of fossil fuel and imported food. Despite limited financial, technical, and human resources, they try to deliver essential public goods and services. Most Pacific island economies are also largely reliant on agriculture, fisheries, and other natural resources. Many households depend on remittances, while tourism is a growing industry for some of the countries.

4. The Pacific islands lie in the midst of the world's largest ocean and include some of the world's smallest countries. Pacific island countries exhibit wide diversity in physical and socioeconomic features. The region's islands can be broadly classified into two groups: high islands and low islands. Volcanoes form high islands, which generally have fertile soil; low islands are reefs or atolls, which are relatively small and infertile. Of the three subregions, Melanesia is the most populous and consists mainly of high islands; the other subregions, Micronesia and Polynesia, consist mainly of low atolls and islands. The islands are dispersed and remote, have fragile environments, and face similar challenges. They generally have small, scattered populations. The number of microstates—states with resident populations of fewer than half a million—is one of the region's key identifying geopolitical characteristics.

5. Given these features, the Pacific countries are highly vulnerable to a wide range of natural hazards, predominantly weather- and climate-related, which often adversely affect lives, livelihoods, and economies. In particular, many inhabited low-lying atolls and islands are especially vulnerable to the impacts of climate change, especially sea level rise. The economies of small island developing states are often narrowly based on subsistence and continue to suffer severe constraints from the economic impact of disasters.[2] Tropical cyclones and floods are the most frequent cause of disasters in the region, and these are expected to intensify due to climate change.

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[1] GDP per capita data from: http://data.worldbank.org/about/country-classifications/country-and-lending groups East Asia and Pacific and http://unstats.un.org/unsd/demographic/products/socind/inc-eco.htm

[2] SOPAC. 2011. *Developing an Integrated Regional Strategy for DRM and Climate Change by 2015*. Report to First Meeting of the SOPAC Division. Nadi, Fiji Islands, 17-22 October 2011.

6. The island countries in the Pacific have been reporting serious socioeconomic, environmental, physical, and cultural consequences of climate change.[3] Numerous studies suggest that climate variability and change is likely to accentuate the spatial and temporal variations, including variability, which result from the El Niño–Southern Oscillation (ENSO) events. Climatologists project that the Pacific region will experience the following changes:

- Sea level rise of 0.19–0.58 meters (m) by 2100,[4] resulting in accelerated coastal erosion and saline intrusion into freshwater sources;
- Surface air temperature increases of 1.00°–4.17°C in the northern Pacific and 0.99°–3.11°C in the southern Pacific by 2070, leading to increases in sea surface temperature (SST) of 1.0°–3.0°C;
- Acidification of the ocean through increased absorption of CO_2, causing pH to drop by an estimated 0.3–0.4 units by 2100 and adversely impacting coral growth rates;
- Rainfall increases or decreases from –2.7% to +25.8% in the northern Pacific and -14% to +14.6% in the southern Pacific, causing worse floods or droughts;[5] and
- Less frequent occurrences of cyclones, although these may be of a higher intensity, with increased peak wind speeds and higher mean and peak rainfall.

7. Building on the Intergovernmental Panel on Climate Change (IPCC)'s Fourth Assessment Report, **a 2011 peer-reviewed publication[6] reports the following key findings for the Pacific:**

- The projected warming over the region is about 70% as large as the global average warming for all emissions scenarios. Regional warming is expected to be greatest near the equator. Large increases in the incidence of extremely hot days and warm nights are also projected.
- Increases in annual mean rainfall are projected to be most prominent near the South Pacific Convergence Zone (SPCZ) and Intertropical Convergence Zone (ITCZ), while the remainder of the region is generally expected to experience little change. Little change is projected in the annual number of rainy days, except for increases near the equator. A widespread increase in the number of heavy and extreme rain days is projected.
- Increases in potential evaporation are expected. The ratio of annual average rainfall to potential evaporation decreases in most regions (increased aridity), except near the equator where the relatively large projected rainfall increases exceed the smaller changes in potential evaporation.
- Surface wind speed generally decreases in the equatorial and northern parts of the region, while increases are indicated in the south, but these changes are projected to be relatively small in most locations.
- Projected changes in humidity and solar radiation are also relatively small (less than 5% by 2090).

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[3] ADB. 2009. *Mainstreaming Climate Change in ADB Operations – Climate Change Implementation Plan for the Pacific (2009–2015).* Manila.

[4] Recent studies have indicated that previous assessments have considerably underestimated anticipated sea level rise, which is now expected to be between 0.9 and 1.6 m by the end of this century, depending upon current and projected rates of polar ice and glacial melt.

[5] While there are relatively large uncertainties in rainfall projections for the Pacific region, much of the systematic change is likely to be associated with increased El Niño-like conditions, the consequences of which are more predictable for local areas where they can be based on previous responses to El Niño-like conditions.

[6] *Climate Change in the Pacific: Scientific Assessment and New Research*. 2011.

- Sea surface salinity is expected to decrease in the West Pacific Warm Pool. The regional pattern of change closely matches projected changes in net rainfall (i.e., rainfall minus evaporation). The intensified warming and freshening at the surface is projected to make the surface ocean less dense compared to the deep ocean, so the ocean becomes more stratified.
- Sea level is projected to rise. However, improved understanding of the processes responsible for ice-sheet changes are urgently required to improve estimates of the rate and timing of 21st century and longer-term sea level rise. For the region, total sea level rise is projected to be similar to the global average.
- The projected growth in atmospheric carbon dioxide concentration is expected to cause further ocean acidification, leading to increasingly marginal conditions for sustaining healthy coral growth and reef ecosystems.
- The El Niño Southern Oscillation (ENSO) will continue to be a major source of climate variability. However, the impacts of climate variability and change on ENSO amplitude and frequency are unclear.

8. **Consequences of Sea Level Rise.** The IPCC has recognized that the Pacific DMCs are at extreme risk from sea level rise as more than 50% of the population in the region lives within 1.5 km of the shore and many of these countries are less than a few meters above sea level. Thus, an increase of as little as half a meter, along with increased incidents of storm surges, would inundate many critical areas and threaten their populations. While the rate of sea level rise will vary from country to country, and even within countries, the uncertainties are generally too large for responses to be based on any value other than the regional projections given above. The one exception is where tectonic movement results in locally rising or sinking coasts. In general, the impacts of sea level rise differ between low (e.g., atoll) and high (e.g., volcanic) islands. This is especially the case for saltwater intrusion into groundwater and soils, generally making low islands more vulnerable. However, in many other respects, both low and high islands are equally vulnerable to sea level rise due to the concentration of human activity in coastal areas and the difficulty of relocating populations to the interior of high islands. Nevertheless, even perceptibly small changes in sea level will have impacts in several ways, for example, through the exponential relationship of sea level to wave heights.

9. **Extreme Weather Events.** Several well-documented recent events show an increase of extreme weather, such as tropical storms, cyclones, droughts, floods, and heat waves. In 2004, Cyclone Heta caused storm waves to rise over the 30-m cliffs in Niue, leaving one person dead and many others homeless, and causing $150 million (2004 figures) in damage. In another example, the Cook Islands experienced five cyclones within one month in early 2005, three of which were classified as Category 5. In prior decades, the Cook Islands could expect one storm of this magnitude approximately every 20 years. Storm surges and extreme high tides (king tides) have also been documented as causing widespread damage in Kiribati, Marshall Islands, and Tuvalu, and parts of Micronesia.

10. **Changes in Mean Rainfall.** Changes in rainfall can have wide-ranging and significant impacts, including effects on water supply, agriculture production (which is almost entirely rainfed in the Pacific) and food security, and erosion. Rainfall is expected to become significantly more variable in various parts of the Pacific region, along with increased frequency, duration, and intensity of droughts and floods. During summer, more rainfall is projected, as are more frequent heavy rainfall events. An increase in drought conditions will significantly reduce the soil's ability to cope with a sudden intense rainfall, exacerbating flooding and erosion. These

effects will also impact on communities, particularly those most dependent on rainwater harvesting for drinking water.

11. **Impacts on Coral Reefs**. Coral reef ecosystems are vital to all Pacific DMCs, providing at least one-quarter of the fish catch in most developing countries. They also provide one of the biggest tourist attractions in the Pacific. Increasing sea surface temperatures and rising sea level, damage from tropical cyclones, and decreased growth rates due to the effects of higher carbon dioxide concentrations are very likely to affect the health of coral reefs and other marine ecosystems that sustain island fisheries. Research conducted by the Secretariat of the Pacific Community (SPC) and the Forum Fisheries Agency (FFA) indicates that their possible destruction or degradation poses a threat to every Pacific country.

12. **Fisheries.** Climate change will affect the productivity and economic viability of both inshore and deepwater fisheries. Alterations in ocean temperatures and currents due to increased ENSO-like conditions will impact on coral reef areas, which serve as fish nurseries, and change the distribution and abundance of tuna, a significant fish harvest in the Pacific region. For example, the 1997-1998 El Niño event saw a significant westward shift of major tuna stocks. Increased incidence of bad weather is likely to increase costs of ocean fishing due to safety considerations and lost days at sea. Increased acidification of the oceans will have considerable impact on all marine ecosystems. Aquaculture, a developing industry in the Pacific region, will also face difficulties due to the effects of changing rainfall patterns (e.g., increased sediment and rainwater flooding of some ponds, and drought affecting others), as indicated by research carried out by SPC and FFA.

13. **Agriculture and Food Security/Water Supply.** Extreme weather events, irregular rainfall (with resulting floods and droughts), changing weather patterns, and saltwater intrusion will all have significant impacts on agriculture production and food security. These will, in turn, produce effects on diet (with more reliance on imported, often less healthy, foods) and livelihoods/income for families relying on agriculture for their existence. Some farmers have already been forced to grow crops (e.g., taro) in raised tin containers, and some of the smaller islands have lost coconut palms to saline intrusion. These changes also affect the secure supply of potable water. The combination of changes in rainfall patterns and saline intrusion has a large impact on freshwater supplies. Climate change models indicate that these effects will be more significant in the future. For example, a possible 10% reduction in average rainfall by 2050 for Kiribati would lead to a 20% reduction in the size of the freshwater lens on Tarawa Atoll.

14. **Threats to Human Settlements and Infrastructure.** The majority of human settlements and critical infrastructure in the Pacific DMCs are located in coastal areas. These include hospitals, schools, churches, power plants and distribution systems, fuel depots, telecommunication systems, disaster coordination centers, hotels and other tourist infrastructure, airports, wharves, and business structures. It is estimated that coastal flooding will potentially affect between 60,000 and 90,000 Pacific Islanders by 2050. Therefore, any factors that impact coastal areas—such as extreme weather events, coastal erosion, and sea level rise—would exact a very high human and economic toll. Climate change threatens some of the most fundamental needs of society: a safe place to live, access to water, health care (e.g., disease and nutrition), food supplies, and the ability to earn a living. When these needs are threatened, whole economies and societies are at risk. Building codes and other design standards for commercial and residential structures and many other infrastructure investments do not address climate change impacts (including return periods for extreme events, wind, and rainfall loadings to address more intense storm events). The assumed weather and climate conditions in many project designs will need to be adjusted to take better account of projected

changes. Increased costs for infrastructure maintenance and rebuilding place a large burden on the limited resources and budgets of Pacific island countries. Due to rising insurance costs for vulnerable coastal infrastructure, many critical infrastructure assets (airports, ports, jetties, roads, hospitals) are not insured, and their loss presents a setback to social development, economic growth, and business competitiveness.

15. **Consequences on Human Health.** Diseases that are sensitive to climate change are among the largest global killers. These include waterborne and vector-borne diseases, such as cholera, typhoid, malaria, and dengue. Occurrences and mortality rates of these diseases are likely to increase as the climate changes. Rising temperatures and increased humidity create perfect conditions for pathogens to grow and spread, resulting in increased incidence and prevalence of infectious diseases. Urban areas can expect more heat waves, the risks from waterborne diseases will rise due to increased flooding, and the areas susceptible to malaria, dengue fever, and other communicable diseases are expected to widen, as are injuries and other health impacts from extreme weather events.

16. **Natural Disasters.** Pacific Island countries rank among the most vulnerable in the world to natural disasters.[7] Since 1950, natural disasters have directly affected more than 3.4 million people and led to more than 1,700 reported deaths in the region (outside of Papua New Guinea). In the 1990s alone, reported natural disasters cost the Pacific Islands region $2.8 billion in real 2004 value. Between 1950 and 2004, extreme natural disasters (such as cyclones, droughts, and tsunamis) accounted for 65% of the total economic impact from disasters on the region's economies. Ten of the 15 most extreme events reported over the past half a century occurred in the last 15 years.

17. There has been a substantial increase in the number of reported natural disasters in the region since the 1950s, with a growing human impact per event. While this may be due to improved reporting, higher populations and increasing environmental degradation, there is no doubt that disasters in the region are becoming more intense and probably more frequent. Certainly, the number of hurricane-strength cyclones has increased in the southwest Pacific in the past 50 years, with an average of four events now occurring each year. Significant wave heights of recent cyclones have exceeded even climate change model projections.

18. With the climate trend for the Pacific pointing to more extreme conditions and increased climate variability in future, Pacific Island countries have little choice but to develop comprehensive risk management plans for the natural hazards they face.

B. The Pacific Region's Response: Climate Change Adaptation (CCA) and Disaster Risk Reduction (DRR)

19. The Pacific Leaders have endorsed a regional strategic framework to guide the regional organizations and partners to address the adverse impacts of natural hazards and climate change effects. These consist of the (i) *Pacific Plan*, (ii) *Pacific Islands Framework for Action on Climate Change, 2006-2015 (PIFACC)*, and (iii) *Pacific Disaster Risk Reduction and Disaster Risk Management Framework for Action, 2005-2015 (Regional DRM Framework).*

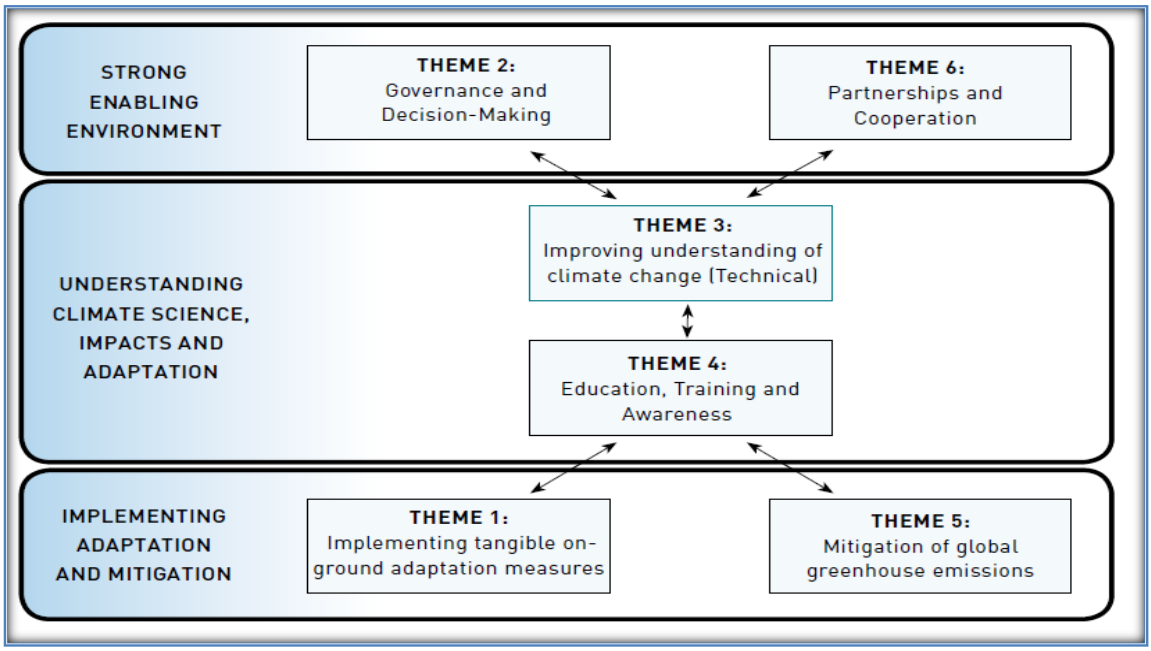
20. Climate change and DRM are key priorities under the *Pacific Plan*, which calls for national action plans for climate change and DRM to be developed, implemented, and

[7] World Bank. 2006. "Not If, But When: Adapting to Natural Hazards in the Pacific Islands Region." *Policy Note.* Washington, DC, USA.

mainstreamed into national development planning. Both the *Pacific Climate Change Framework* and the *Regional DRM Framework* guide regional cooperation among PICs, regional organizations, and donors in reducing disaster risks and promoting climate change adaptation and mitigation.

21. Other relevant regional coordination mechanisms are the *Pacific Climate Change Roundtable (PCCR)* and the *Pacific Disaster Platform*, where stakeholders (countries, private sectors, NGOs, donors, community groups, and scientific community) come together to coordinate and build partnerships for climate change and DRM. PCCR is a biannual meeting while the DRM platform is an annual meeting.

22. **Climate Change Adaptation.** The *Pacific Islands Framework for Action (PIFACC), 2006–2015,* adopted by Pacific Island Leaders in 2005, states that adaptation is the key priority for responding to climate change. Importantly, this emphasis acknowledges that adaptation measures undertaken now will greatly increase national and regional capacities to better adapt to future climate change impacts. Measures based on risk management principles increased understanding of how projected changes in climate are affecting freshwater, marine and coastal resources and the built environment/infrastructure are preferred. Where this is not possible, "no regrets" and precautionary approaches that focus on improving people's livelihoods, safety, and security are preferred. Overall, there is a recognized need to improve the region's climate change governance and institutions, to establish and coordinate practical working alliances and partnerships, and to strengthen the climate change knowledge base. Pacific countries have also highlighted the importance of developing scientific capacity and strengthened communications about climate change science to stakeholders and climate change officials.



23. The region has also recognized the need to mainstream CCA with all sustainable development activities. The Pacific Islands Forum Secretariat (PIFS), therefore, initiated a mainstreaming exercise with other CROP agencies, which was aimed at reaching a common understanding of 'mainstreaming' and its methodology. At the regional level, SPREP coordinates the regional framework for climate change and its attendant roundtable process and

assists with mainstreaming of climate change into developmental processes and capacity building activities. Priority areas of work include the following: (i) strengthening of meteorological and climatological capacities of Pacific countries in order for them to plan and respond to climate variability and extreme weather events; (ii) conduct of research to understand climate variability, climate change, and sea level rise through information, modeling, and clearinghouse mechanisms; (iii) assessment and implementation of feasible CCA options and accessing funds for CCA implementation in key development sectors (viz., food production and food security, water resources management, coastal zone management, and infrastructure development); and (iv) provision of technical and legal advisory services to Pacific countries to implement the UNFCCC.

24. At the national level, Pacific DMCs also highlight actions necessary to address climate change risks in their sustainable development strategies, which are, in turn, linked to national budgetary and planning processes. These countries recognize that their commitments to sustainable development, including addressing the challenges of climate change, are national responsibilities but realize that these cannot be achieved without the support of development partners.

25. As called for in PIFACC, a large number of CCA projects are being implemented at the local, national, and regional levels. Among these are the following regional initiatives that are funded by the major development partners:

- *Pacific Adaptation to Climate Change (PACC),* a $14-million project being implemented by SPREP with funding from the Global Environment Facility (GEF) to reduce vulnerability and increase adaptive capacity to the adverse effects of climate change in Pacific island countries through (i) policy change; (ii) demonstration measures to reduce vulnerability in coastal areas, crop production, and water management; and (iii) improved capacity to plan for, and respond to, climate-related risks;
- *International Climate Change Adaptation Initiative (ICCAI),* an A$12-million project funded by Australia to support CCA programs of SPC and SPREP, mainly for policy improvement, capacity building, and implementation of practical CCA measures;
- *Pacific Australia Climate Change Science and Adaptation Planning (PACCSAP),* an A$38-million program implemented from 2011-2013 to strengthen the links between climate change science and how information is used to support well-informed adaptation planning and decision making;
- *Coping with Climate Change in the Pacific Island Region (CCCPIR),* a joint SPC/GIZ program funded by the Government of Germany in the amount of Euro17.2 million up to 2015 to support a range of climate change-related activities in several sectors including agriculture, fisheries, forestry, energy, education, and tourism;
- *Increasing Climate Resilience of Pacific Small Island States,* an EU-funded project implemented by SPC to support the further development of national climate change plans and strategies, fund pilot CCA activities, and support regional climate change coordination and technical support mechanisms (Euro11.4-million), as well as support to DRR, including capacity building in Pacific Island ACP states, to improve the understanding of hazards and risks in-country and strengthen the capacity of national agencies to assess, predict, mitigate, and manage disasters;
- *Pacific Island Climate Adaptation Project (PICAP),* a $4-million US-assisted project implemented from 2011-2014 through SPC and SPREP to enhance vegetation and land use mapping capabilities and support the adoption of farm management

techniques to improve food security and climate resilience in Pacific island communities;

- *Pacific Environment Community (PEC),* a financing initiative endorsed by Forum Leaders and Japan at PALM 5 in Hokkaido, which made available $66 million to PIFS to support climate change projects with a focus on solar power generation and desalination plants; and
- *Pacific Catastrophic Risk Assessment and Financing Initiative (PCRAFI),* a $2-million initiative of SPC/SOPAC, World Bank (WB), and ADB with financial support from the Government of Japan and the Global Facility for Disaster Reduction and Recovery (GFDRR), which will provide Pacific island countries with disaster risk modeling and assessment tools for enhanced disaster risk management (DRM) and engage them in a dialogue on integrated financial solutions to increase their financial resilience to natural disasters and climate change.

26. **Disaster Risk Reduction.** Due to the increasing vulnerability of Pacific countries and communities to the impacts of disasters, there has been an increase in national and regional commitments to DRR and DRM on an 'all hazards' basis in support of sustainable development. These commitments are derived from the Pacific Forum Leaders' decision in Madang in 1995, the Auckland Declaration in 2004, and the Forum Communiqué in 2006.

27. The overarching policy guidance for DRR is the *Pacific Disaster Risk Reduction and Disaster Management Framework for Action, 2005–2015,* which supports and advocates for the building of safer and more disaster-resilient communities. The *Pacific DRR and DM Framework for Action* was approved by Pacific leaders in 2005. It is linked to the global *Hyogo Framework for Action, 2005–2015,* which was endorsed by world leaders following the Second World Conference on Disaster Reduction in January 2005.

C. The Institutional Framework

1. CROP Agencies

28. The Council of Regional Organizations in the Pacific (CROP), formerly the South Pacific Organisations Coordinating Committee (SPOCC), was established in 1988. Its mandate includes improving cooperation, coordination, and collaboration among the various regional and intergovernmental organizations to work towards achieving the common goal of sustainable development in the Pacific region. There are nine regional intergovernmental organizations in the Pacific, which address various needs of the Pacific countries. The work program and policies of these regional agencies are coordinated under CROP to avoid duplication or gaps in the provision of services to member countries. The Pacific regional agencies under the CROP are the following:

- FFA (Pacific Islands Forum Fisheries Agency);
- PASO (Pacific Aviation Safety Office);
- PIDP (Pacific Islands Development Program);
- PIFS (Pacific Islands Forum Secretariat);
- PPA (Pacific Power Association);
- SPC (Secretariat of the Pacific Community);
- SPREP (Secretariat of the Pacific Regional Environment Programme);
- SPTO (South Pacific Tourism Organisation); and
- USP (University of the South Pacific).

29. CROP is committed to address climate change issues by pooling its expertise to jointly work to achieve the goals of PIFACC. The roles and tasks of each agency in addressing climate change are presented in a recently published CROP paper.[8] The regional institutional framework (RIF) reform undertaken in 2010 has resulted in significant adjustments in the functions of three CROP agencies (viz., SPC, SPREP, and the Pacific Islands Applied GeoScience Commission [SOPAC]). Effective in 2010, SOPAC became a division of SPC, and some climate change-related functions were transferred to SPREP, namely: Pacific Islands Global Ocean Observing System (PiGOOS), Islands Climate Update (ICU), Climate and Meteorological Database (CMD), and energy functions related to climate change, specifically monitoring and evaluation (M&E) of greenhouse gases and the Clean Development Mechanism (CDM).[9]

2. Climate Change Coordination in the Pacific

30. The region has existing climate change-related coordination mechanisms and processes that aim to improve regional coordination and service delivery to Pacific countries on climate change issues. To enhance cooperation among CROP agencies in sharing of information and facilitating program implementation on climate change, several mechanisms have been established. These are:

- **CROP Executive Sub-committee on Climate Change (CES-CCC).** This sub-committee, which was established in 2010, is jointly chaired by PIFS and SPREP. It takes the lead role in coordinating and fostering close collaboration on climate change activities among CROP agencies, all of which have specific roles in addressing climate change within their respective areas. The establishment of the CES-CCC reflects the commitment by CROP agencies to find more effective ways to coordinate efforts to meet the serious challenges posed by climate change.

- **Working Arm of the CES-CCC (WACC).** This working arm aims to increase interaction among the CROP focal points, especially through the exchange of experience and information related to climate change. It facilitates coordinated and collaborative responses to members' requests for technical support, focusing on strategic approaches to effective resourcing; project development and M&E; and facilitating timely access to technical assistance from other Pacific countries, CROP agencies, and other partners, on an 'as needed' basis.

- **The Pacific Climate Change Roundtable (PCCR)**. The PCCR was established to specifically monitor and evaluate progress on the implementation of PIFACC. It has four working groups: mitigation, adaptation and mainstreaming, climate change resources, and information and knowledge. It ensures appropriate coordination of activities under PIFACC, with SPREP to convene biannual meetings involving CROP agencies and international organizations with climate change programs and projects in the Pacific. There have been mixed reports about the effectiveness of the PCCR, but this mechanism is necessary for the M&E of PIFACC. It also acts as the

[8] Council of Regional Orgnaizations in the Pacific (CROP), 2012. *Collaborating to Support Effective Response to Climate Change.*

[9] SPREP Paper on Agenda Item 6.3: Regional Institutional Framework (RIF) Update. 21st SPREP Meeting. September 2010.

coordinating body for activities under the Framework, and shares lessons learned from best practices from PIFACC implementation.

- **Pacific Climate Change Portal.** A climate change portal was launched during the 23rd SPREP Meeting in September 2012 (*http://www.pacificclimatechange.net*). The portal is managed by SPREP in collaboration with CROP. It serves as a platform for information sharing by institutions and governments in the Pacific. Once it is fully operational, the information and database in the portal can be readily accessed, and information gaps can be filled by linking, for example, to the SPC PRISM database, Pacific Adaptation to Climate Change Project, Pacific Islands Global Ocean Observing System, etc. This is a major step forward in database management and information sharing as it is expected that the portal will facilitate access by countries and other users to the enormous amount of climate change-related information and tools, which are currently kept by various regional and national institutions in the Pacific.

- **Development Partners in Climate Change (DPCC).** This is an informal group which undertakes bimonthly meetings, initially for coordination among multilateral and bilateral financial institutions based in Suva, Fiji. DPCC prepares a joint matrix that lists the projects of each agency with climate change components and provides some updated information on each project. The matrix is intended for information and as a tool for donor coordination. It is updated every two months during the DPCC meeting. The DPCC informal forum is necessary in donor coordination for climate change efforts, enhancing cooperation and avoiding duplication of effort. The chairmanship of DPCC is rotated among member agencies. However, several reviewers have reported that the DPCC has not fully achieved its intended purpose because entries to the project matrix by DPs are not uniform. Besides, only limited information can be entered into the common matrix, so that only limited information can be shared among partners. The mix of functions of financial institutions and donors (ADB, WB, AusAID, NZAID), and other DPs (UNDP, UNEP, UNESCO, etc.) with different functions also makes the matrix rather complicated.

D. Issues and Challenges and Lessons Learned

31. Despite the many initiatives in CCA and DRR, there has been slow progress towards achieving more climate-resilient development. This has been attributed to a number of **issues and challenges**, which have been identified at the *Regional High-level Dialogue on the WB Pacific DRM/CCA Policy and Practice Note* held in Suva, Fiji in June 2011, namely:

(i) Integration and Coordination Challenges

- Moving from policy agreement to practice requires breaking out of the ‘environmental silo’, both horizontally and vertically.
- Many Pacific island countries have made substantial progress in moving towards this integration, through policy, planning and institutional reforms (such as JNAP in Tonga and PPCR Samoa). However, integrated implementation has been slower to materialize and better coordination is required between national finance ministries (advocacy, oversight, coordination, mainstreaming into planning and development processes) and line ministries (implementation).

- Improved regional coordination of DRR and CCA agendas/frameworks is required for more effective country-level coordination. A multitude of instruments and institutional arrangements for regional donor and country coordination exist. These have been easy to discuss but difficult to action, such as experience with the Cairns Compact.
- The quantity of resources being provided by multilateral, bilateral, and national sources is largely unknown, as is the number and nature of the numerous projects under implementation in countries.

(ii) Weak Absorptive Capacity

- The proliferation and diversity of stakeholders, partners, and funds in the fields of DRR and CCA largely overwhelm the absorptive capacity of countries and NGOs.
- Improved coordination and coherence of development partners' work areas is necessary to address limited absorptive capacity in countries. Partners have a responsibility to work together and make accessing resources for DRR and CCA more streamlined for countries. A more appropriate consultative mechanism is required to enable this to be achieved, but has been difficult to achieve to date.
- Multilateral organizations need to have more effective working partnerships with regional organizations.

(iii) Lack of Capacity for Implementation

- A balance between capacity building and implementation must be found while also recognizing that capacity building and implementation are mutually reinforcing and could be creatively addressed together.
- Capacity building needs to be viewed in the longer term. National institutions and NGOs need core capacity building to improve absorptive capacity.
- Balance between regional capacity, national capacity, and capacity substitution is required to maximize efficacy of available resources.
- Partners (MDBs, Pacific regional organizations, donors) acknowledge that they also have capacity constraints, particularly regarding coordination with each other, that need to be addressed.

32. Several **key lessons** were identified in the WB's *Policy and Practice Note*'s analysis of the implementation of CCA and DRR interventions on the ground over the last decade. These are:

- Stronger strategic coordination between the DRR, CCA, and development communities of practice is required if DRR and CCA measured are to be successfully integrated into the development process.
- Projects have relatively short time frames and there is usually little carryover from one project to another. Short project timeframes make it difficult to achieve enduring impacts.
- There has been limited inclusion of CCA and DRR considerations in national and sub-national budgetary processes.

- End-user friendly information is as necessary for informed leadership and sound policy, planning, and investment decisions as it is for the technical design and delivery of resilient development initiatives.
- Improved monitoring and evaluation is essential to enhance the capacity of organizations and individuals to make better DRR, CCA, and development decisions in the future.

33. The vulnerability of the Pacific countries to extreme weather and climate events will continue as a consequence of poorly planned socioeconomic development and the high frequency and magnitude of extreme events, and losses will increase if action is not taken now. Resilient development is within the countries' grasp if they tackle and resolve, as ultimate priorities, three critical barriers: (i) sustaining political authority, leadership, and accountability; (ii) grounding risk considerations in development; and (iii) ensuring strong coordination and partnerships.

34. **Recommendations.** Based on the foregoing lessons, the following recommendations emerged from the WB's *Policy and Practice Note*:

- Resilience to current risks, managed through DRR, can inform CCA planning and implementation.
- Good risk governance is fundamental to achieving resilient development.
- Grounding risk considerations in development occurs when DRR and CCA are integrated into economic and social development planning, design, approval, implementation, and evaluation processes.
- Robust, well-supported institutions at regional to local levels are required if risk is to be grounded in all development decision making processes.
- Strong functional relationships need to be established between DRR, CCA, and development communities of practice to address both current and anticipated risks and deliver benefits over the short and long term.

Supplementary Appendix 2

PROJECT DESCRIPTION

A. Introduction

1. The development of the Pacific Regional SPCR has taken more than two years. It started with scoping consultations with the Pacific island countries and the CROP agencies in Cairns, Australia in March 2010 and was followed by a regional consultation on the Pacific PPCR in Nadi, Fiji in October 2010, numerous rolling consultations with countries (including a briefing given to Pacific island countries and partners at the PCCR in Niue in March 2011), and drafting workshops in Suva, Fiji (September 2011), Nadi (October 2011), and Sydney, Australia (February 2012) with the participation of ADB, AusAID, CROP agencies, and WB.

2. The design of the regional SPCR was approved by the PPCR Subcommittee on 30 April 2012 based on a Concept Proposal that was jointly prepared by ADB and the CROP agencies and endorsed by PIFS.[10] Some further enhancements and slight modifications have been incorporated in the design of the R-CDTA based on discussions at the ADB-organized Regional Consultation with CROP Agencies and Key Development Partners (DPs) in Suva, Fiji on 16-17 October 2012[11] and further consultations conducted by the ADB Project Design Team with SPREP in Apia, Samoa on 14-15 November 2012.[12]

3. This appendix describes the R-CDTA that will support the implementation of the ADB-managed Components 1 and 3, referred to in this TA paper as Outputs 1 and 2, of the Pacific Regional SPCR.

B. The Project

1. Overview

4. The Pacific Regional SPCR will support the more effective integration of climate change adaptation (CCA) and related disaster risk reduction (DRR) for selected Pacific island countries to increase their resilience to climate change impacts and related extreme events, which can contribute to disasters. Its design was based on work undertaken in integrating CCA and DRR into national planning processes in PNG, Samoa, and Tonga, and will demonstrate best practices and approaches to a climate change-resilient development path at the regional level. Based on PPCR guidelines, the Pacific regional SPCR will complement and build upon the three country SPCRs (PNG, Samoa, and Tonga) and focus on activities that are relevant to the region and best implemented on a regional basis. These include providing support to the Pacific countries in the form of advice and information, training, regional mentoring and coordination, monitoring and evaluation, and dissemination of best practices and lessons learned to the other 11 Pacific DMCs that do not have their own national PPCRs.

5. As its overall goal of "transformational change" is rather ambitious and the resource envelope is small,[13] the Pacific Regional SPCR program will complement, not duplicate, major climate change and related DRR initiatives being implemented in the Pacific region with support

[10] The Concept Proposal was, in turn, developed based on the report prepared by the Consultant engaged by ADB under *TA 7827-REG: Strengthening Climate Risks and Resilience Capacity of Pacific DMCs*.

[11] See Annex 1 for the workshop report.

[12] See Annex 2 for the Aide Memoire of the ADB Mission.

[13] $10 million for three components, of which approximately only $3.88 million (including a project preparation grant of $195,000) had been earmarked for the ADB-managed Components 1 and 3, while the balance of about $6.12 million has been allocated for Component 2 to be managed by WB.

from the main DPs, including Australia, Germany, EU, and the USA. It will, therefore, be "transformative" within the limitations of what can be achieved, viz., by supporting more effective integration of CCA and related DRR to increase the resiliency of Pacific countries to climate change and related natural disasters. It will also make use of the partnership of ADB, WB, and the CROP agencies, and technical assistance will be delivered through existing regional organizations. The enhanced collaboration among these agencies, achieved during the development of the SPCR, will further improve coordination and harmonization of CCA and DRR responses in the region.

6. The *impact* of the R-CDTA will be improved quality of life of people living in areas most affected by climate variability and climate change in all Pacific DMCs. Its *outcome* will be increased resilience in the economic and social sectors, as well as ecosystems, of Pacific DMCs to climate change impacts and related extreme events, which can contribute to natural disasters, through the capacity development of relevant institutions in CCA and DRR. The R-CDTA will have *two main outputs*: (i) CCA and DRR mainstreamed into national and local development policies and planning; and (ii) Pacific island countries' capacity to respond to climate change risks built and supported.

2. Output 1: CCA and Related DRR Mainstreamed into National and Local Development Policies and Plans

7. This output will contribute to the increased resilience of Pacific DMCs to climate change impacts and related natural disasters by supporting the mainstreaming of integrated CCA and DRR in national and local development policies and plans. Current mainstreaming initiatives led by regional organizations are at the national level only and focus mainly on ensuring that CCA and DRR considerations are included in national plans, such as national sustainable development plans or national action strategies. In this R-CDTA, the mainstreaming of integrated CCA and DRR will be brought down to the local and community levels and built into budgetary and sector development plans linked to national plans. The **main activities** of Component 1 are the following: (i) review and assessment of the current situation in selected countries[14] and target sectors[15], with focus on subnational planning processes in order to identify the priority needs for assistance in the mainstreaming of CCA and DRR into development policies and plans; (ii) development of new, or improvement of existing, tools for mainstreaming CCA and related DRR specific to each participating country and target sector; and (iii) building capacity in the use and application of CCA and DRR mainstreaming tools and strengthening of institutional arrangements and policy support for mainstreaming at the sector level linked to national development processes.

8. **Situation analysis.** With the involvement of various stakeholder groups[16] at the national and local levels, a review and assessment of the current situation will be undertaken, including key issues and challenges with respect to CCA and DRR. This will include an analysis of current

[14] Two or three countries, excluding the pilot countries (PNG, Samoa, and Tonga), will be selected based on a set of criteria to be jointly agreed upon by the CROP agencies and the participating multilateral development banks (MDBs) to ensure consistency among the three components of the SPCR regional track and avoid overlaps. These criteria could include the following: (i) with approved national climate change policy or strategy or approved national DRR action plan or approved Joint National Action Plan (JNAP) or similar plan for CCA or DRR; (ii) willingness to participate in the project; (iii) with on-the-ground project implementation capability; and (iv) not one of the PPCR pilot countries in the Pacific region.

[15] The two priority target sectors are (i) food security (agriculture and fisheries) and (ii) infrastructure (coastal zone management and integrated water resources management).

[16] Key stakeholders include representatives of government, relevant NGOs, local communities including women and children, and concerned development partners with projects in the selected countries and target sectors.

and projected weather and climate risks (i.e., hazards, vulnerability,[17] and exposure[18]) and the impacts of climate risks (including socioeconomic and gender-related[19] aspects), as well as the key issues and challenges to mainstreaming of CCA and DRR into national, sectoral, and community policies and plans.

9. **Development and/or improvement of CCA/DRR mainstreaming tools and design of training programs on the use of the tools.** In a number of Pacific countries, tools for the mainstreaming of CCA and DRR are already available, but as these are mostly used at the national level,[20] these tools will be modified or improved, as necessary, for advancing mainstreaming from the policy to the action level and from the national to the local and community levels in the selected pilot countries. The development of these tools will consider the expected and potential impacts of known climate hazards and projected climate change impacts on a proposed development and its environs, and will involve the local governments and communities to ensure that CCA and DRR are incorporated at all phases of development planning and at the national, local, and community levels.

10. These tools will include the following: (i) checklists or guides for planners in central government agencies that screen development projects for government and/or donor funding and for agencies responsible for permits, licensing, or lease for land, coastal area, or floodplain development; (ii) checklists or guidelines for (a) environmental impact assessment (EIA), (b) social impact analysis, (c) cost-benefit analysis for proposed development projects, and (d) assessment of expected and potential impacts of known climatic hazards and projected climate changes for proposed development projects; (iii) guidelines for climate proofing[21] of infrastructure facilities to reduce the risks due to climate variability and change, including extreme events; (iv) guidelines for stakeholder consultations at the local community level; and (v) guidelines for community planning and implementation to ensure that CCA and DRR are incorporated at all phases of a development project, from planning to implementation to post-evaluation. The development or improvement/refinement of existing tools will draw from examples or models available in some Pacific countries, such as in Samoa, where tools for implementation of community development plans with CCA and DRR incorporated in them, are underway. After the tools are developed/improved, training programs on the use of the CCA/DRR mainstreaming tools will be designed and developed for delivery to concerned government officials and staff in the pilot countries to ensure that they are properly understood and applied.

11. In addition to the development of mainstreaming tools, appropriate climate risk management strategies will be formulated and national and subnational CCA/DRR policies and plans amended, as necessary, based on the findings of the prior situation analysis. In

[17] The vulnerability of communities and specific areas in the selected countries to climate variability or climate change will be determined using available tools to provide the basis for defining a strategic plan of action, including the selection of specific adaptation options and measures, management goals, and objectives.

[18] Exposure is defined as the types of valued assets that are at risk of being impacted by changes in the climate system, including social assets (people, health, education), economic assets (property, infrastructure, and income), and ecological assets (natural resources and ecological services).

[19] A gender assessment will be undertaken to determine the impacts of climate change on women and provide the basis for the formulation of a gender action plan (GAP) that will benefit women and reduce their vulnerability to climate-related natural disasters.

[20] Pelesikoti, N. 2012. personal communication.

[21] Climate proofing means increasing resilience to, and reducing risks posed by, climate change, for example, through improving the ability of coastal infrastructure to withstand floods and cyclones or relocating physical facilities to higher elevations. To climate proof a development project means to (i) identify risks to the project, or any other specified natural or human asset, as a consequence of both climate variability and extremes; and (ii) ensure that those risks are reduced to acceptable levels through long-lasting and environmentally sound, economically viable, and socially acceptable changes implemented at one or more stages of the project. (Source: ADB, 2005, *Climate Proofing: A Risk-based Approach to Adaptation.* Pacific Studies Series. Manila.)

collaboration with the Pacific Gender Climate Coalition, climate and disaster risk management policies and plans will be revised to make them gender-sensitive, considering that women are particularly vulnerable to the negative impacts of climate change. Mainstreaming of gender in development planning and policy formulation at the national, local, and community levels will have a positive effect on disaster risk reduction in the region and create strong support for targeted recovery measures for vulnerable population groups, particularly the women, the children, and the elderly.

12. **Implementation of CCA/DRR mainstreaming in selected countries and target sectors.** After the mainstreaming tools are developed/improved and appropriate training programs are designed, CCA/DRR mainstreaming will be carried out in the selected countries and sectors. This will entail the (i) actual integration of CCA and DRR considerations in national, sectoral, and community development policies, strategies, and plans; (ii) strengthening of the policy and institutional frameworks for monitoring mainstreaming activities in the target sectors at the national and community levels through the incorporation of CCA and DRR considerations, such as environmental impact assessments (EIAs) for infrastructure development, which also consider the impacts of climate variability, climate change, and the impacts of natural disasters; (iii) incorporation of CCA and DRR considerations into tourism development licensing requirements and into conditions for marine, coastal, and land leases, among others; (iv) inclusion of CCA and DRR considerations in national and local budgetary planning to ensure the sustainability of national, sectoral, and community development within the context of climate change and climate variability. The revision of national and local/community development plans to incorporate CCA and DRR will also consider women and vulnerable groups, who are among the most severely affected in cases of natural disasters brought about by climate change.

13. Capacity building programs focusing on CCA/DRR mainstreaming will be delivered at the national, local, and community levels in the selected countries to ensure that government personnel and community leaders, including women, acquire a good understanding of climate drivers, the consequences and implications of climate change, and are properly trained on the application of mainstreaming specifically in the target sectors, with guidance provided to local officials on the practical application of the mainstreaming tools to everyday decision making. Training programs will include gender mainstreaming in CCA and DRR in the public and private sectors. Support will also be provided for the review of relevant policies, legislation, and regulations to make sure that the right policy support is in place at both the national and local levels for continuity and enforcement of the mainstreaming process. These activities, which will operationalize the incorporation of integrated CCA and DRR into decision making and budgetary planning, are expected to bring about the 'transformational change' that CIF hopes to bring about through this project.

14. **Replication and scaling up in other countries and sectors.** Around midway through R-CDTA implementation (Month 18), the implementation of CCA and DRR mainstreaming in the selected countries and sectors will be reviewed and evaluated, and best practices and lessons learned will be drawn and considered in preparation for replication and scaling up of project activities in (i) other sectors in the same countries and (ii) other Pacific DMCs except those with their own PPCR country tracks. The different mainstreaming tools developed and/or refined in the selected countries earlier in the TA, including guidelines for the conduct of vulnerability and climate risk assessment and the climate proofing of vulnerable infrastructure, will be packaged into toolkits for use in the region. At the same time, knowledge products will be prepared, based on the best practices and lessons learned from this project, for dissemination at the regional level so that other Pacific DMCs could apply them in their respective countries either using their own resources or with support from other DPs.

3. Output 2: Pacific DMCs' Capacity to Effectively Respond to Climate Change Risks Built and Supported

15. The capacities of Pacific DMCs will be supported and strengthened in their climate change response through the development of a regional technical support mechanism (RTSM) and a rapid response fund (RRF). The RTSM is envisaged to be a network of technical experts supported by the RRF that will enable the deployment of timely and quality climate change technical assistance to Pacific countries on request. It will facilitate rapid access to technical and advisory services by Pacific countries and, in the process, strengthen national capacity to effectively respond to climate change. It will build on existing relationships between the countries and their DPs, expertise within CROP agencies, other stakeholders, and peer-to-peer exchanges between countries, where possible. The RTSM and associated fund will be established with oversight and coordination of the WACC and under the guidance of the CES-CCC.[22]

16. The concept of a regional backstopping mechanism was first raised as an urgent regional priority in tandem with the feasibility study of a regional climate change fund (SPREP Report, 2010). It was also highlighted in the *PIFS Options Paper* (2011) and recommended as a way forward. Facilitating the deployment of specific and rapid response technical support[23] to member countries, as requested, is expected to have benefits across all aspects of adaptation with significant co-benefits for development and capacity supplementation and capacity building.

17. The Climate Change Resources Working Group (CCRWG) of the Pacific Climate Change Roundtable (PCCR) suggested that the regional backstopping mechanism be considered separately from any possible regional financial mechanism (which has not yet been finalized), and that it should focus on a few focal areas. Among other things, this backstopping mechanism should provide support to Pacific island countries to help in (i) developing strategic programming for resource mobilization, including the development of concept notes into project proposals with effective monitoring and evaluation (M&E) frameworks and exploring opportunities for resource implementation; and (ii) facilitating access to capacity and expertise externally to support national activities on climate change on a needs basis. This should include flexible resources to support timely technical assistance mobilization from other Pacific countries, CROP agencies, and other partners.

18. On the basis of this request and guidance from the PCCR, the WACC developed a concept note on an RTSM. That concept note was refined and endorsed by the CES-CCC, presented to the Pacific Plan Action Committee (PPAC) and SIS officials, who supported the proposal and gave the 'go signal' for CROP to establish the much-needed mechanism. CROP executives subsequently met and agreed that this need could be addressed as a priority element under Component 3 of the Pacific Regional SPCR.

19. **RTSM development, establishment, and operation.** The RTSM is essentially a network of experts, who can advise on appropriate resource opportunities, strategic approaches, and technical assistance, and provide, where necessary, support in developing project concepts and proposals, preparing reporting requirements, and in project implementation and M&E. The RTSM will provide capacity supplementation and training,

[22] The CES-CCC consists of the various CROP heads from the various regional organizations. The partners involved will expand over time, but initially, it will be important to allow the CROP agencies to develop the RTSM by building on each agency's specific comparative advantages.

[23] The term "technical support" is intended to include (i) support to develop project documents and seek appropriate funding for their implementation and (ii) expertise to support member countries in any area that directly links to climate change mitigation or adaptation, including expertise to support the development of related plans and policy, where requested.

building on the breadth of existing expertise housed within various CROP agencies in the first instance and envisaged to expand to others beyond this after it has been developed and is functioning. It will draw from the different skill sets and comparative advantages of each CROP agency and will be supported by a core of CCA/DRR experts in priority sectors including coastal zone, water resources, agriculture, and fisheries, among others.

20. It is anticipated that the function of the core experts, aside from providing direct technical support to countries, will include institutional capacity building of the RTSM itself and the concerned agencies in the countries. It is expected that in the long term, RTSM will be sustainable, self-sustained, and functioning beyond the life of the project. The RTSM may recruit regional experts or young professionals who will work with the recruited expert during the project. Transfer of knowledge through on-the-job training is expected to be adequate by the end of the project so that the new core of experts can continue the function of assisting the countries to address CCA and DRR. The RTSM will also build links with the University of the South Pacific (USP), which will provide training support. Thus, the RTSM will bring all parties to work together with the result being strengthened capacity that will improve the ability of Pacific DMCs to respond to climate change through (i) pooling of Pacific experience and knowledge, (ii) provision of in-country assistance, and (iii) advocacy of Pacific climate change challenges.

21. The establishment of the RTSM will involve the following activities:

- Setting up of the RTSM Secretariat in SPREP;
- Conduct of stock-taking and documentation of existing capacity within CROP agencies and development of a roster/database of experts with climate change competencies that will form the basis of the RTSM network to provide technical assistance on request of the countries;
- Identification of additional CCA/DRR experts, particularly from member countries and DPs, who could be a part of the RTSM (e.g., experts employed through the PPCR country tracks);
- Consultation with member countries, CROP, and other stakeholders on the operational aspects of the RTSM including, but not limited to (i) the process for submitting requests for TA and conditions of access and reporting; (ii) confirmation of the most effective procurement policy to facilitate the procurement of services under the RTSM and RRF following relevant ADB guidelines; (iii) developing a timeline and work plan for the completion of milestones towards the establishment of the RTSM; and (iv) arrangements for management of the RRF including M&E;
- Invitation to other regional and international entities interested in joining the RTSM to conduct their own capacity assessments and offer their services as part of the RTSM;
- Development of a mechanism for M&E of the TA provided to ensure that services rendered under the RTSM are of high quality; and
- Establishment of a mechanism for due diligence for registering experts in the RTSM.

22. The establishment of the RTSM will be guided by the CES-CCC to ensure that the RTSM remains practical in approach and does not evolve into a new regional organization, and the collective capacity from which to draw at any one time to support members on a needs basis is maximized. The design and development of the RTSM will pay particular attention to the need to respond to the special needs and capacity constraints of the smaller island states and vulnerable groups, including women. It will contribute to reducing the vulnerability of women to climate change through better access to, and management of, funds to assist in responding to the specific requirements of women. It will also include an additional task related to climate change financing, including conducting an assessment of the practical application of preferred national options, including budgetary support and national trust funds, as well as regional

options including a regional trust fund arrangement and a technical support mechanism. The merits and challenges of the national options are country-specific and will be carried out through case studies in selected countries.

23. The Pacific Gender Climate Coalition, which coordinates gender and climate change work in the Pacific, will serve as a forum for sharing and discussing information and knowledge that could enhance the understanding of gender within the context of climate change financing. In addition, it will lead in the development of financial support mechanisms (e.g., microfinance, microinsurance, small grant programs), based on programs established under the national PPCR track in PNG, Samoa, and Tonga, that will help reduce climate risk, particularly for women, who are more economically vulnerable[24] to the effects of climate change and natural disasters than men.

24. The RTSM Coordinator will facilitate the development and operation of the RTSM in close coordination and collaboration with the WACC. This will involve the following tasks: (i) consultation with, and raising awareness among, relevant stakeholders about the intended role, scope, and functions of the RTSM; (ii) developing the operational aspects and policies of the RTSM, including drawing on the associated RRF; (iii) fostering engagement of additional entities willing to partner and provide support through this partnership; (iv) building on current registers of experts and maintaining and enhancing a regional roster of expertise that could include government officials, CROP staff, multilateral agency staff and consultants, academicians, private sector, and civil society; (v) raising funds to populate the RRF on a needs basis and facilitate self-funding of the management of the RTSM from administrative fees; (vi) facilitating and processing requests for technical assistance among the members of the RTSM and member country experts; (vii) regular reporting to the CES-CCC and RTSM members on the progress of functions; and (viii) financial management and reporting on expenditures related to the deployment of experts using resources from the RRF or other sources, where necessary.

25. To achieve the objectives of the RTSM, specific knowledge products will be developed and disseminated to the Pacific countries through online information sources and through the Pacific Climate Change Portal. These knowledge products will include specific updates on advice on funding sources and guidelines on processes for Pacific countries to follow in developing policy, legislative, and institutional material to enable better access to various funding sources. In addition, the RTSM Coordinator could participate at various key funds meetings in support of Pacific delegations, to provide situational analysis on Pacific countries and the role of RTSM partners. The knowledge and expertise developed from the RTSM could be used to enable more coherence among ongoing TA efforts by developing synergies with the work of upcoming workshops that seek to build capacity for Pacific countries in terms of national and regional thrusts toward becoming newly industrialized economies (NIEs) and efforts to build and develop a climate fiscal framework and public expenditure reform.

26. **RRF establishment and operation.** The RRF will be established with initial funding from the SPCR to enable the expeditious deployment of technical assistance to member countries when they submit requests. It is envisaged to fund the following: (i) procurement of services from relevant independent experts where necessary; (ii) travel and per diem costs of partner[25] experts deployed to provide technical assistance; (iii) travel and per diem costs of national government experts to provide technical assistance where peer to peer support is requested; (iv) consultancy fees as well as travel and per diem costs where independent external expertise is required; (v) attendance at relevant training and capacity building

[24] This is because women have a higher rate of unemployment than men and, in general, poverty rates are higher for women and among the poorest, there is high incidence of female-headed households.

[25] Partners will include organizations that have committed to provide technical assistance from existing staff within their respective agencies, e.g., CROP, UN agencies, and the multilateral development banks (MDBs).

workshops by RTSM member countries; (vi) employment of staff to manage the various administrative functions of the RTSM and RRF; and (vii) procurement costs involved in securing the necessary technical assistance requested by member countries. Over time, the RRF can evolve into a financing facility through contributions from the countries, CROP agencies, development partners, or the private sector.

Annex 1

CONSULTATION WORKSHOP WITH CROP AGENCY REPRESENTATIVES AND DEVELOPMENT PARTNERS

Pacific Islands Forum Secretariat (PIFS)
Suva, Fiji, 16-17 October 2012

SUMMARY WORKSHOP REPORT

A. Background and Objectives

1. The Pacific has been selected as one of two vulnerable regions to participate in the Pilot Program for Climate Resilience (PPCR) under the Strategic Climate Fund (SCF), a multi-donor trust fund within the Climate Investment Funds (CIF). The goal of the PPCR is to help countries transform to a climate-resilient development path, consistent with national poverty reduction and sustainable development goals. As a pilot program supporting learning-by-doing, the Pacific PPCR ultimately aims to increase the integration of climate resilience into development. The PPCR will complement currently available adaptation financing by providing financial support for programmatic approaches to upstream climate resilience in development planning, core development policies, and strategies. The Pacific PPCR has four components: country activities in three countries (Papua New Guinea, Samoa, and Tonga) and a regional track to be initially implemented in three to four pilot countries.

2. The Asian Development Bank (ADB) will administer the implementation of Components 1 and 3 of the regional track of the Pacific Strategic Program for Climate Resilience (SPCR),[26] which was approved by the PPCR Sub-Committee during its meeting in Washington, D.C., USA on 30 April 2012. Component 2 will be managed by the World Bank (WB).

3. In line with its philosophy of transparency and partner participation in project design, ADB convened a regional consultation workshop to jointly finalize the design for Components 1 and 3 of the regional SPCR in close consultation and coordination with the WB design team for Component 2. Held at the PIFS headquarters in Suva, Fiji on 16-17 October 2012, the workshop was participated in by a total of 15 representatives from the Pacific Islands Forum Secretariat (PIFS), the Secretariat of the Pacific Community (SPC), and the Secretariat of the Pacific Regional Environment Programme (SPREP), all referred to as CROP (Council of Regional Organizations of the Pacific) agencies, and development partners (DPs) – Australian Agency for International Development (AusAID), German Agency for Technical Cooperation (GIZ), United States Agency for International Development (USAID), and the World Bank (WB). The list of workshop participants is in **Attachment 1**.

4. The consultation workshop aimed to: (i) discuss with the CROP agencies the status of preparation leading to the implementation of the Regional SPCR; (ii) carry out a rapid scan of ongoing and planned climate change initiatives of regional organizations and DPs in the Pacific; (iii) obtain the inputs of CROP agencies and concerned DPs in the finalization of the design and monitoring framework (DMF) for the Regional SPCR, ensuring linkages between the components and complementation with the national pilots in Papua New Guinea (PNG), Samoa, and Tonga; (iv) seek consensus on the appropriate implementation arrangements for the Regional SPCR; and (v) agree on the next steps and timelines for the processing of the Regional SPCR.

[26] SPCR is Phase 2 (Implementation Phase) of the PPCR.

5. The workshop agenda consisted of plenary presentations and small group discussions, as shown in **Attachment 2**.

B. Workshop Highlights

6. **Opening Session**. The workshop was opened by Mr. Adrian Ruthenberg, Regional Director of ADB's South Pacific Subregional Office (SPSO) in Suva, Fiji. Mr. Ruthenberg said that, in addition to discussing the Regional SPCR Proposal and finalizing the Project DMF and implementation arrangements, the workshop is an excellent opportunity to strengthen partnerships between the CROP agencies and their development partners as well as among the partners. Mr. Scott Hook, speaking on behalf of PIFS, thanked ADB and the other partners for coming to Suva to participate in the workshop. He reiterated PIFS' commitment to the Regional SPCR and expressed PIFS' satisfaction with the approval of Regional SPCR by the Climate Investment Funds (CIF). He added that PIFS is keen to see how the final design of the Regional SPCR will evolve, and noted that the finalization of the DMF is an important part of the design process. After the opening remarks by ADB and PIFS, the participants introduced themselves and their agencies.

7. **Update on the Proposed Regional SPCR**. Ms. Marilou Drilon, Senior Natural Resources Economist of ADB's Pacific Department, presented a brief background on the Regional SPCR, highlighting progress of work to date, the linkages between the regional and national tracks, and the expected presentation of the final Regional SPCR TA Paper to the ADB Board for approval sometime in the March 2013. During the Q&A session that followed her presentation, the following comments were made by the development partners:

- **WB**: Arrangements between WB and SPC regarding the Project Preparation Grant (PPG) for the design of Component 2 are ongoing and are expected to be finalized in 4-6 weeks. A WB Pre-appraisal Mission is likely to be held in February/March 2013, after which the project design document is to be prepared in May/June 2013 for Board approval in July 2013.

- **AusAID**: There is a need for close coordination between ADB and WB in the design of their respective components, given the close interlinkages between Component 1 of ADB/SPREP and Component 2 of WB/SPC.

- **SPREP**: Discussions between SPREP and SPC will have to take place soon in order to agree on the pilot countries and sectors to be covered by the Regional SPCR.

8. The update on the progress of the Regional SPCR helped the partners recall the decisions that shaped the concept of the project. It was then agreed that the design process should not stray too far from the project concept that was approved for funding by CIF, and should also address the comments and suggestions offered by the independent reviewer and PPCR Sub-Committee members.

9. **Climate Change-related Initiatives of DPs and Regional Organizations in the Pacific**. Representatives of the participating CROP agencies and DPs made brief presentations on their ongoing and planned initiatives related to climate change adaptation (CCA) and disaster risk reduction (DRR), including climate change financing, highlighting the achievements made and the challenges met in the course of program/project implementation. This stocktaking process generated a comprehensive view of the range of successful initiatives, which the Regional SPCR is envisioned to build upon and strengthen. It also offered a list of potential risks (e.g., uncertainty about countries' needs; lack of capacity in national governments, etc.) that the

project design process should be alert to and mitigate (see summary matrix in **Attachment 3**). The session also provided a venue for the partners working in similar sectors to obtain third-party validation of the positive results of their project activities.

B. Developing the DMF for the Regional SPCR

10. The ADB Workshop Facilitator gave a short orientation on the DMF, noting the need for the Regional SPCR DMF to be aligned with the overall results framework in the Regional SPCR that was approved by CIF in April 2012. She explained that it is the DMF that connects the project concept to project implementation and monitoring, and walked the participants through the expected project impact, outcome, and outputs of the Regional SPCR.

11. The logic of the design summary – the project Outcome contributing to the Impact, and the three Outputs (Components 1, 2, and 3) to deliver the Outcome – which defined the framework of the CIF-approved project concept, were validated and accepted by SPREP and PIFS. However, they suggested that the coverage of the project not be limited by the term "Pacific developing member countries (DMCs)," which referred to the 14 ADB member countries, but that it include other Pacific island countries and territories (PICTs).

12. A smaller group consisting of SPREP and PIFS, [27] assisted by the ADB Design Team, identified the (i) activities to achieve Outputs for Components 1 and 3, (ii) performance indicators[28] that provide the most compelling evidence of successful accomplishment and their respective data sources, and (iii) external risks that could threaten project success which need to be monitored and proactively mitigated. The design process was driven mainly by SPREP with the support of PIFS, both organizations communicating their priorities and drawing upon their experiences in other projects to ensure that these guided the focus and timing of the Regional SPCR activities, the selection of performance indicators, and the flagging of risks and assumptions. The resulting draft DMF is shown in **Attachment 4**.

13. The DMF was presented by SPREP to the development partners. During the discussions, concern was raised on how to ensure coherence between the WB-managed Component 2 with the ADB-administered Components 1 and 3. Given the difference in the timing of project processing between WB and ADB, the WB was not prepared to participate in the design discussion. However, SPREP and SPC assured the development partners that a meeting between themselves and with ADB and WB will be held to agree on the pilot countries and to streamline the focus and timing of activities to ensure strategic coordination in project implementation.

C. Implementation Arrangements

14. After completing the preliminary DMF, the discussions shifted to implementation arrangements. The salient points of these discussions are summarized below.

15. Executing and Implementing Agencies. ADB and WB will be the executing agencies (EAs) for the Regional SPCR, while SPREP will be the implementing agency (IA) for Components 1 and 3, and SPC will be the IA for Component 2.

16. **Project Organization**. After a lengthy discussion, SPREP, PIFS, and SPC suggested to modify the organization structure defined in the CIF-approved project concept document, by removing the box for the Coordination Secretariat and replacing it with a "Coordination

[27] SPC joined the discussions on the second day.
[28] Quantitative targets had to be left out until the pilot countries are defined.

Mechanism", with the project managers of the three components providing support to it, as shown in **Attachment 5**. ADB cautioned that the coordination arrangements should not go against the broad provisions in the project document already approved by the PPCR Sub-Committee. It would be difficult to justify any changes that deviate from the scope in the approved document. The three CROP agencies will prepare the justification for the proposed revision for ADB to submit to CIF.

17. **Program Management**. SPREP, with the assistance of the ADB design team, identified the core program management staff and technical consultants required during program implementation, the number and type of experts needed to support the project, and the expected duration of their respective services.

18. **Funds Flow**. SPREP requested that the funds for project implementation be devolved from ADB to SPREP and that they be allowed to retain 12% of the project funds as a management fee in keeping with the policy agreed on by the CROP agencies. The ADB Mission Leader assured SPREP that she will hold discussions with concerned ADB departments to discuss appropriate contracting arrangement between ADB and SPREP that is consistent with ADB guidelines and procedures and will facilitate project implementation.

D. Workshop Closing

19. **Next Steps**. For the information of the participating CROP agencies and development partners, ADB presented the following project processing timeline and critical milestones leading to the approval of the project by the ADB Board in March 2013:

Milestone	Due Date
Circulation of 1st draft of TA paper among concerned ADB departments, SPREP, and PIFS	15 Nov 2012
Deadline for comments from ADB, SPREP, and PIFS on 1st draft	30 Nov 2012
Transmittal of 2nd draft of TA paper to SPREP for final review	5 Dec 2012
Deadline for comments of SPREP on 2nd draft	12 Dec 2012
ADB's submission of final draft of TA paper to CIF	14 Jan 2013
CIF approval of TA paper	21 Feb 2013
ADB Board approval of TA paper	Late March 2013

20. **Closing Remarks**. The ADB Mission Leader expressed satisfaction that the two-day workshop had met its objectives, with the active and full participation of the CROP agencies. She also thanked PIFS for hosting the event and the DPs for their valuable inputs into the discussions. She ended her remarks by saying that she looks forward to close coordination and collaboration with the CROP agencies and the DPs in the implementation of the Regional SPCR.

Attachment 1

LIST OF WORKSHOP PARTICIPANTS

Name	Agency	Position	Email Address
1. Netatua Pelesikoti	SPREP	Program Manager	netatuap@sprep.org
2. Tagalea Cooper	SPREP		tagaleac@sprep.org
3. Marita Manley	GIZ	CC Adviser	marita.manley@giz.de
4. Joanna Akritidu	GIZ	Junior Adviser	joanna.akritidu@giz.de
5. Michael Bonte-Grapentin	WB	DRM/CCA Specialist	mbonte@worldbank.org
6. Patricia Sachs-Cornish	SPC	SEPPF	patriciasc@spc.int
7. Wulf Villman	SPC/GIZ	Program Director & Senior Adviser	wulf.villman@giz.de
8. Coral Pasisi	PIFS		coralp@forumsec.org
9. Exsley Taloiburi	PIFS	CC Coordination Officer	exsleyt@forumsec.org.fj
10. Scott Hook	PIFS	Economic Infrastructure Adviser	scotth@forumsec.org.fj
11. Ryan Medrana	PIFS	CC Financing Project	ryanm@forumsec.org
12. Lee Baker	USAID	Team Leader, Adapt Asia-Pacific	lbaker@adapt.asia-pacific
13. Robert Kay	Adaptive Futures	Consultant to Adapt Asia-Pacific	robert.kay@adaptivefutures.com
14. Karen Lummis	AusAID	Pacific Climate Change	karen.lummis@ausaid.gov.au
15. John Morley	AusAID	1st Secretary-Environment, CC&DRM	john.morley@ausaid.gov.au
16. Adrian Ruthenberg	ADB SPSO	Regional Director	aruthenberg@adb.org
17. Kerry Groves	ADB	Adviser	kgroves@adb.org
18. Ma. Lourdes Drilon	ADB	Senior Natural Resources Economist	mldrilon@adb.org
19. Loreta Rufo	ADB	Environment Officer-Climate Adaptation	lrufo@adb.org
20. Marc Overmars	ADB SPSO	Climate Change Specialist	movermars.consultant@adb.org
21. Elvira Ablaza	ADB	Project Formulation Specialist (Consultant)	ecablaza@primexinc.org
22. Consuelo (Pet) Escano-Misa	ADB	Communication/Workshop Facilitator Specialist (Consultant)	petmisa@gmail.com
23. Edy Brotoisworo	ADB	Institutional Development Specialist (Consultant)	ebrotoisworo@gmail.com

Attachment 2

WORKSHOP AGENDA

Day/Time	Activity	Outputs Achieved
Day 1, 16 Oct 2012		
0900 – 0915	Registration of participants	
0915 – 0930	Workshop Opening	
	Opening Remarks • PIFS Representative • ADB Representative	PIFS and ADB representatives gave their respective opening statements.
0930 – 1000	Self-introduction of Participants	Workshop participants introduced themselves and their agencies.
1000 – 1015	*Coffee Break*	
1015 – 1030	The Proposed Regional SPCR: An Update	ADB presented information on the regional and country SPCRs, including PNG, highlighting progress of work to date, linkages between regional and national tracks, and projected project processing schedule.
1030 – 1045	Q & A	Participants
1045 – 1200	Climate Change-related Initiatives of Regional Organizations and DPs in the Pacific	Representatives of regional organizations and DPs made a brief presentation of their ongoing and planned initiatives related to climate change adaptation and disaster risk reduction, including climate change financing, as well as achievements and challenges.
1200 – 1330	*Lunch Break*	
1330 – 1500	Validation of the Regional SPCR	Workshop participants reviewed and validated the Results Framework in the CIF-approved Regional SPCR Proposal.
	Orientation on the Design and Monitoring Framework (DMF) and alignment with CROP planning and monitoring processes	Workshop Facilitator presented the DMF and generated a discussion on how it will support the CROP planning and monitoring processes.
1500 – 1530	Conference call with Brian Dawson of SPC for a briefing on Component 2	Discussion partners were briefed on the status of Component 2 and the decisions made so far.
1530 – 1545	Coffee/tea break	
1600 – 1800	Drafting the DMF of the Regional SPCR: Component 1 with SPREP and ADB Team	Project partners completed the DMF for Component 1 to include activities, indicators, data sources, and risks and assumptions.
Day 2, 17 Oct 2012		
0900 – 0915	Recapitulation of Day 1 discussions	Workshop Facilitator summarized highlights of Day 1 discussions.
0915 – 1130 (with coffee break at 1030)	Continuation of discussions on Component 1	Participants reviewed Component 1 activities and implementation arrangements, particularly funds flow.
1130 – 1300	Drafting the DMF of the Regional SPCR: Component 3 with SPREP, PIFS, SPC, and ADB Team	Project partners completed the DMF for Component 3 to include activities, indicators, data sources, and risks and assumptions.
1300 – 1400	*Lunch Break*	
1400 - 1530	Briefing of Development Partners on the SPCR DMF	SPREP and PIFS presented the DMF to the development partners who gave comments and additional inputs.
1530 – 1545	*Coffee Break*	
1545 – 1700	Proposed Implementation Arrangements	SPREP, SPC, PIFS, and ADB reached consensus on the (i) proposed project organization, (ii) implementation schedule. (iii) consulting services, and (iv) funds flow.
1700 – 1730	Next Steps	ADB outlined the next steps in the project processing of the Regional SPCR and obtained agreement from the partners on the proposed timelines.
1730	Adjournment	

Attachment 3

CLIMATE CHANGE-RELATED INITIATIVES OF THE REGIONAL ORGANIZATIONS AND DEVELOPMENT PARTNERS IN THE PACIFIC

Organization	CC Initiative	Achievements	Challenges
USAID	**ADAPT Asia-Pacific** ($17-million program covering 13 countries in Asia and 14 in the Pacific and involving sustainable knowledge transfer, capacity building, TA preparation, and regional networking)	Assistance to countries in accessing CC financing through assistance with proposal preparation with GEF projects in Nepal and Laos	Identifying a niche role for the project in participating countries
GIZ	**CCCPIR** ($18.4-million project funded by BMZ and implemented by GIZ in partnership with SPC and SPREP covering 18 countries; scope includes regional advisory and management capacity building, CC mainstreaming, implementing CCA and climate change mitigation (CCM) measures, sustainable tourism and CC (PAL, SAM, FIJ, VAN), sustainable energy management, and CC education	• Mainstreaming CC in the education sector • Formulation of CC policies and climate change adaptation (CCA) strategies • Joint capacity building • Integrating CCA approaches	• Coordination at national and regional levels • Limited national capacity
AusAID	**International CCA Initiative (ICCAI)** (AUD160-million program of which AUD130 million has been disbursed; focus is on climate science for decision making, development planning, and priority setting as well as on specific tangible activities)	• Climate science for Pacific island countries (PICs) built and supported • Supporting future leaders	• Fragmentation • Lack of capacity in national governments • Donor coordination • Uncertainty about countries' needs
WB	**Climate and Disaster Smart Development**	• SAM PPCR: Establishment of MOF's central coordinating role and development of community infrastructure management plans • KAP III, KIR: Long-term engagement and government ownership • PCRAFI: Probabilistic, quantitative models of climate risk for all 14 PICs	• Institutional, information, and investment • How to get the balance right between capacity building and investment and between long-term vs short-term benefits • Coordination
SPREP	**PACC**	Mainstreaming CC in national, sector, and community policies and plans (water, food security, coastal management)	• Coordinating cofinancing

Organization	CC Initiative	Achievements	Challenges
	APAN (subregional hub)	• Improved collection of information vertically through CC activities • CC financing knowledge products	
	PACCSAD	Information and evidence-based CCA/CCM planning	
	FINPAC (partnership with SPC)	Meteorological information available down to the community level	
	JNAP	Integration of CCA and disaster risk management (DRM) through cross-cutting action plan	
	USAID and CCA support	Strengthening of CCA (KIR and SOL)	USAID funding procedures
	CC portal (monitoring tool of PIFACC)	• Training model for PICs • Compendium of PICs' regional CC information and sectoral plans	• Plethora of partners • Sustainability of activities
	New Projects: • EU-funded Adapting to CC and Sustainable Energy (15 PICs) • EU-SPC DRM and CCA Facility (SPC-SOPAC) • UNDP/AusAID Pacific Risk Resilience Program (VAN, TON, SOL, FIJ)	• Options paper (2011) • Assessment framework for identification of options (national budget support/Trust Fund) • Formation of Pacific Subcommittee	Consolidated information efforts
PIFS	**Climate Financing Program** (AusAID-funded)		
ADB	**Pacific Climate Change Program (RETA 7394), PCRAFI, CTI, PPCR**	Guidelines for climate proofing; risk profiles; capacity building; applying sector approach in national programs	

Attachment 4

DRAFT DESIGN AND MONITORING FRAMEWORK FOR THE REGIONAL SPCR

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
Impact The resilience of the economic and social sectors, as well as ecosystems, of Pacific island countries (PICs) to climate change impacts and related natural disasters is increased.	By 2023, from the 2013 baseline: People classified as poor and food insecure in most climate change affected regions reduced by __% Lives lost and injuries from extreme climate events decreased by __ (number) Damage/economic losses from extreme climatic events reduced by $___.	National statistics Socioeconomic surveys UN MDG reports	**Assumptions** Participating governments and Pacific regional organizations sustain their commitment to the SPCR and continue to provide the necessary resources to attain its intended impact and outcome. **Risk** Climate change effects are too severe to prevent, mitigate, and offset.
Outcome Capacity of PICs to respond to climate change impacts and related natural disasters is improved.	Effective integrated CCA/DRR response system is operational in the selected PICs. A working[29] regional mechanism for response to CC impacts and related natural disasters is established.	SPCR documents Coordination Secretariat reports Maps and GIS data sets in government departments Local government and program records Project monitoring reports	**Assumption** Critical CCA knowledge is available, accessible, and widely disseminated in the Pacific. Commitment of PICs to regional cooperation remains strong.
Outputs 1. CCA and DRR mainstreamed in national and local development policies and plans	CCA/DDR mainstreaming tools (e.g., checklists/ guidelines) available at national/sectoral level Policies in # countries developed/strengthened to include CCA and DRR considerations in at least two sectors (food security, infrastructure) by the end of the project In # countries, CCA/DRR included in national and local budgets # new initiatives incorporating CCA and DRR being implemented	Country/government technical reports Country/sector financial and budget reports Government's policy issuances SPREP reports	**Risks** There is a high turnover of qualified and trained staff in CROP agencies and the public sector. Lack of demonstrable impact of project activities discourages mandated agencies from driving the mainstreaming process.
3. PICs' technical and financial capacity to effectively respond to climate change built and supported	# of accredited experts available through the RTSM # of requests for technical assistance processed through RTSM # of requests funded by the RRF RTSM service is rated "satisfactory" under the M&E framework by at least x% of PICs	National and local government agency reports Pacific regional organization reports Project monitoring reports	**Risk** Limited availability of expertise compatible with the technical requirements of the PICs

[29] That is, the mechanism is able to respond effectively to countries' requests for technical assistance and access to climate change financing.

Activities with Milestones	Inputs
Output 1: CCA and DRR mainstreamed in national/sectoral/local policies, plans, and programs 1.1 Conduct situation analysis (policy, institutional, stakeholder, social and gender assessment) to identify key national and sectoral development planning processes that will be the focus of Output 1 (completed by month 6) 1.2 Identify and/or strengthen appropriate mechanisms to support practical application of mainstreaming CCA and DRR 1.3 Carry out advocacy for mainstreaming CCA and DRR (completed by month 6) 1.4 Review and analyze national planning and decision making tools and identify gaps and key challenges to mainstreaming of CCA and DRR into national/ sectoral/local policies, plans, and programs (completed by month 6) 1.5 Identify best practices for mainstreaming that could inform country, sector, and local-level implementation under Output 1 (completed by month 6) 1.6 Develop or adapt country/sector-specific CCA and DRR mainstreaming tools and ensure their consistency at national and local levels (completed by month 24) 1.7 Develop and strengthen enabling policy and institutional frameworks to monitor mainstreaming activities in key sectors at the national and community levels (completed by month 24) 1.8 Develop and implement capacity building programs to support practical application of tools for mainstreaming CCA and DRR covering the key phases of mainstreaming[30] (completed by month 36) 1.9 Implement CCA/DRR mainstreaming in pilot countries and target sectors and through the strengthening of national, sectoral, and local governance frameworks and integration into National Sustainable Development Strategies and district or community development plans (completed by month 36) 1.10 Replicate and scale up CCA and DRR mainstreaming in other Pacific DMCs and sectors and disseminate lessons learned, including those from the PPCR country tracks (completed by month 48)[31] **Output 3: Pacific DMCs' capacity to respond to climate change risks built and supported** 3.1 Conduct consultations with PICs, CROP agencies, and other stakeholders about the intended role, scope, and functions of the RTSM (completed by month 6) 3.2 Undertake a stocktaking of existing capacity within CROP agencies and development of a roster of climate change and DRR experts to form the basis for the RTSM network (completed by month 6) 3.3 Establish a register of national and regional accredited experts who could support the RTSM (completed by month 12) 3.4 Develop policies, operational aspects, and quality control, including M&E, of RTSM and RRF (completed by month 12) 3.5 Process requests for technical assistance from PICs (commenced by month 12) 3.6 Promote the engagement of additional entities willing to partner and provide support through the RTSM (commenced by month 1) 3.7 Manage the RRF and prepare regular financial reports (commenced by month 12)	**CIF: $3.886 million** **Item** — **Amount** ($'000) Consultants -International -National -International and local travel -Reports and communications Workshops, training, seminars, and conferences Surveys and studies Miscellaneous administration and support costs Contingencies **ADB: $___ million** **Item** — **Amount** ($'000) **Regional Organization: $0.795 million *** **Item** — **Amount** ($'000) Workshops, training, seminars, and conferences Surveys and studies Miscellaneous administration and support costs Contingencies

* From the CIF-approved Regional SPCR concept paper, the contribution of regional organizations is as follows: $235,500 for Component 1, $340,000 for Component 2, and $220,000 for Component 3, for a total of $795,500.

[30] The phasing of mainstreaming has been approved by the Pacific countries.

[31] The replication and scaling up of activities will depend on the availability of resources and the interest of other development partners to provide funding for such replication and scaling up.

Attachment 5

ORIGINALLY PROPOSED REGIONAL SPCR ORGANIZATION STRUCTURE AND REVISED STRUCTURE PROPOSED BY CROP AGENCIES

Figure 1: Regional SPCR Organization Structure in the CIF-Approved Concept Note

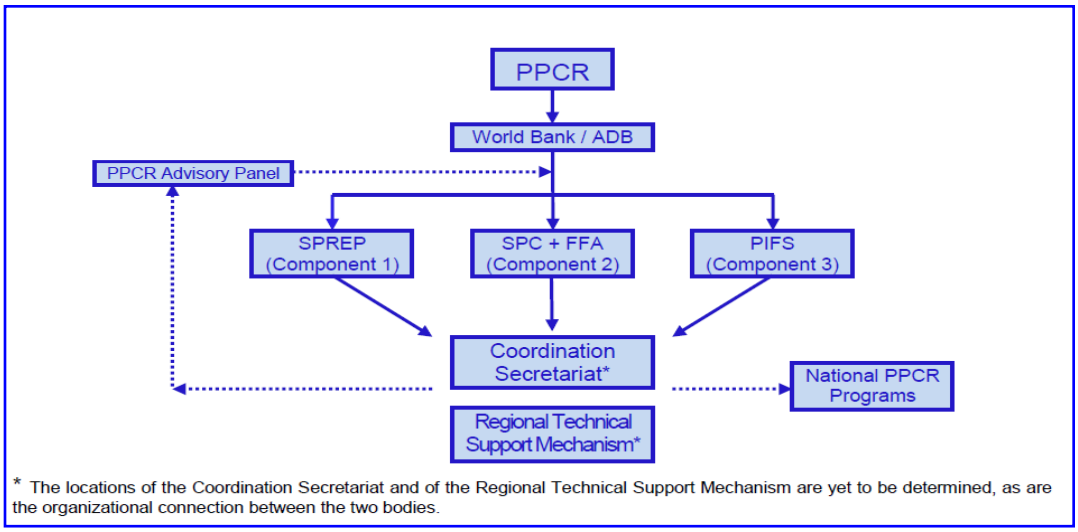
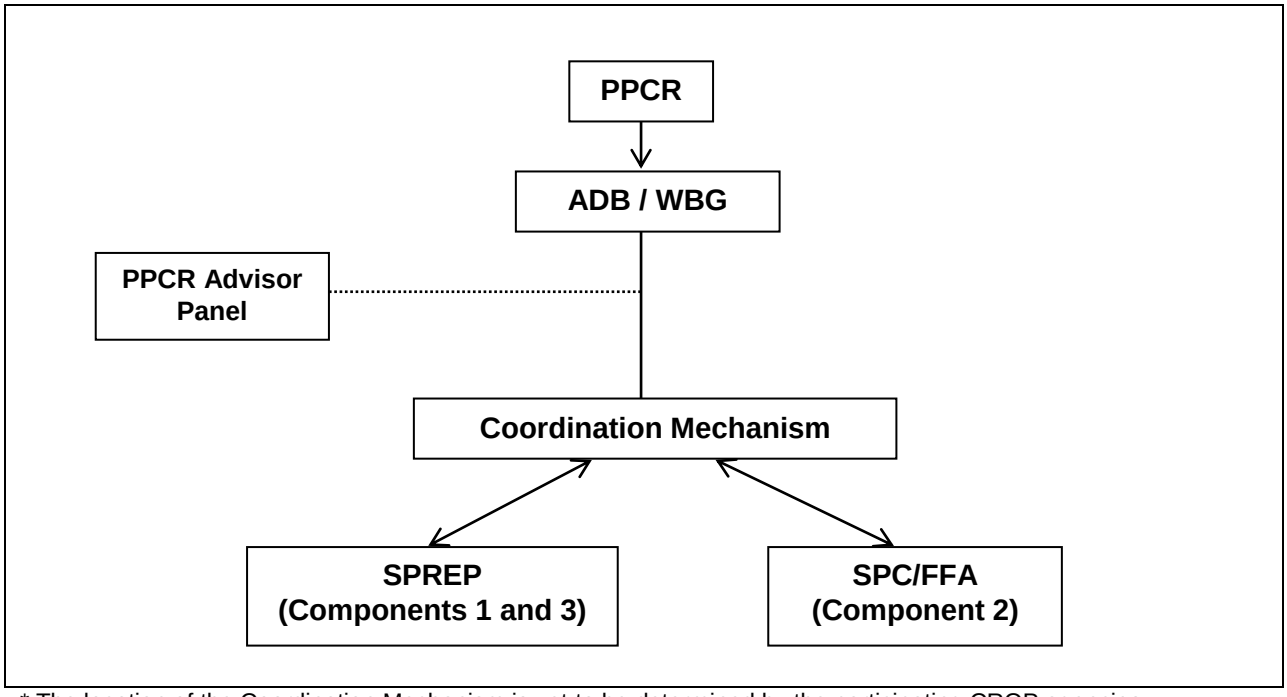


Figure 2: Revised Regional SPCR Organization Proposed by CROP Agencies



* The location of the Coordination Mechanism is yet to be determined by the participating CROP agencies.

Annex 2

AIDE MEMOIRE

Consultation Mission for Pacific Regional Strategic Program for Climate Resilience (SPCR) SPREP Headquarters, Apia, Samoa, 14-15 November 2012

I. INTRODUCTION

1. A consultation mission[32] (the mission) visited the Secretariat of the Pacific Regional Environment Programme (SPREP) headquarters in Apia, Samoa from 14-15 November 2012. The mission program is in Annex 1. The objectives of the mission were to (i) hold detailed discussions with concerned SPREP officials and staff on the implementation arrangements (including the procurement of consulting services), program management, and funds flow arrangements for the proposed SPCR regional track; and (ii) orient SPREP officials and staff on ADB's procurement guidelines and procedures and discuss possible contracting arrangements between ADB and SPREP for Components 1 and 3.

2. The mission met with concerned SPREP officials and staff led by the Director General and the Director of the Climate Change Division (CCD). The list of persons met by the mission is in Annex 2.

3. This Aide Memoire records the discussions and agreements reached by the mission with SPREP.

II. BACKGROUND

4. The Pacific has been selected as one of two vulnerable regions to participate in the Pilot Program for Climate Resilience (PPCR) under the Strategic Climate Fund (SCF), a multi-donor trust fund within the Climate Investment Funds (CIF). The goal of the PPCR is to help countries transform to a climate-resilient development path, consistent with national poverty reduction and sustainable development goals. As a pilot program supporting learning-by-doing, the Pacific PPCR ultimately aims to increase the integration of climate resilience into development. The PPCR will complement currently available adaptation financing by providing financial support for programmatic approaches to upstream climate resilience in development planning, core development policies, and strategies. The Pacific PPCR has four components: country activities in three countries (Papua New Guinea, Samoa, and Tonga) and a regional track to be initially implemented in three to four pilot countries. ADB will administer the implementation of Components 1 and 3 of the regional track of the Pacific SPCR, which was approved by the PPCR Sub-committee during its meeting in Washington, D.C., USA on 30 April 2012. Component 2 will be managed by the World Bank (WB).

5. ADB convened a regional consultation workshop at the PIFS headquarters in Suva, Fiji on 16-17 October 2012 to jointly finalize the design for Components 1 and 3 of the regional SPCR. More specifically, the workshop (i) discussed with the CROP agencies the status of preparations leading to the implementation of the Regional SPCR; (ii) carried out a rapid scan

[32] The Mission comprised Maria Lourdes Drilon, Senior Natural Resources Economist/Mission Leader, PARD; Galia Ismakova, Senior Procurement Specialist, COSO; Elvira Ablaza, Consultant/Project Formulation Specialist.

of ongoing and planned climate change initiatives of regional organizations and DPs in the Pacific; (iii) obtained the inputs of CROP agencies and concerned development partners (DPs) in the finalization of the design and monitoring framework (DMF) for the Regional SPCR, ensuring linkages between the components and complementation with the national pilots in Papua New Guinea (PNG), Samoa, and Tonga; (iv) sought consensus on the appropriate implementation arrangements for the Regional SPCR; and (v) agree on the next steps and timelines for the processing of the Regional SPCR. In general, the workshop achieved its objectives although some of the items require further discussion between ADB and SPREP, the proposed implementing agency (IA) for Components 1 and 3, which will be managed by ADB.

III. HIGHLIGHTS OF MISSION DISCUSSIONS

6. **Introduction.** The Director of SPREP's Climate Change Division welcomed the ADB mission to the SPREP headquarters and thanked the mission for traveling all the way to Apia for discussions with SPREP. She then requested those present to introduce themselves. The ADB mission leader then explained that the mission was a follow-on to the regional consultation held at the Pacific Islands Forum Secretariat (PIFS) in Suva, Fiji on 16-17 October 2012. She noted that a senior procurement specialist from ADB's Central Operations Support Office (COSO) is with the mission to lead in discussions on implementation arrangements and related matters.

7. **SPREP as implementing agency (IA) or program management consultant (PMC).** ADB's senior procurement specialist started by saying that after the Fiji workshop, the ADB project officer sought COSO's advice regarding the best implementation arrangements, given SPREP's request, articulated during the Fiji regional workshop, that they be allowed to charge an administration fee of 12% on the amount of the Pacific Regional SPCR grant, as is their standard practice for similar projects. She explained that if SPREP is to serve as the project IA, it would not be possible for ADB to pay any management fee to SPREP, but some provisions for in-kind contributions, such as the procurement of equipment and facility improvement (e.g., building renovation) could be included in the TA budget for such purposes. The other option is for a 'partnership agreement' to be entered into between ADB and SPREP for the implementation of the Regional SPCR. However, such an agreement will require both ADB and SPREP to contribute funds into the project, and will only allow the payment of incidental expenses, such as per diems and travel of SPREP staff, not their salaries.

8. That being the case, COSO suggested that SPREP could, instead, be engaged by ADB as the project management consultant (PMC) for the Regional SPCR through single source selection (SSS). As SPREP is the regional organization mandated to lead in climate change work in the Pacific, and has been involved in the mainstreaming of climate change adaptation (CCA) and disaster risk reduction (DRR) work in the region, its engagement through SSS can be justified in the TA paper on the basis of natural continuation of previous work carried out by SPREP and experience of exceptional worth for the assignment.

9. As the program management consultant, SPREP will establish a regional program management office (RPMO) in its headquarters in Apia under the Science and Policy Program of SPREP's Climate Change Division (CCD). Reporting directly to the Director of SPREP's Climate Change Division, the RPMO will be responsible for the day-to-day management of program implementation. More specifically, the RPMO will be responsible for the day-to-day management of program implementation, including the recruitment of consultants under Component 3, subcontracting of individuals or entities who will be involved in the conduct of baseline studies, development of integrated climate change adaptation/disaster risk reduction (CCA/DRR) mainstreaming tools, conduct of training activities. At the same time, it will be able

to add a margin of 30% on top of the remuneration of independent consultants and up to a maximum of three times the salaries of its full-time staff, if they are proposed by SPREP and approved by ADB. Moreover, given long implementation period of the TA, it is also possible to add an annual inflation/cost of living adjustment factor between 3.5-5% to the consultants' salaries. However, the mark-up can be added only to remuneration, and not to out-of-pocket expenses (OPEs), such as housing allowance, per diems for field travel, and international and domestic travel.

10. SPREP welcomed COSO's suggestion and inquired about the mechanics of SSS selection. COSO explained that SPREP will receive the Request for Proposal (RFP) for SPREP to submit a biodata technical proposal (BTP), which will consist of a two-page approach and work plan, biodata of proposed consultants, and a financial proposal. SPREP's proposal will be evaluated by ADB, and the project management contract will be negotiated and signed between ADB and SPREP. COSO also suggested that SPREP should now register as a consultant in ADB's consultant management system (CMS) in preparation for its selection through SSS. SPREP will do as suggested and assign staff to handle the population of its CMS registration profile.

11. SPREP noted that they have no financial resources that will enable them to pre-finance project expenditures. COSO suggested that SPREP be treated similarly as UN organizations and NGOs and that the requirement for advance payments, subject to liquidation, be specified in the TA paper. If stated as a requirement in the TA paper, it will be easier to address during contract implementation, especially given prior review of TA papers by ADB's Controllers' Department. The facility will operate much like a revolving fund, which will be replenished by ADB upon SPREP's submission of receipts/monthly statement of inputs that liquidate the advances received.

12. **Consulting Services.** ADB explained that the current draft of the TA paper provides for a total of 156 person-months of international and national consultants to be engaged under the SPREP contract. However, SPREP suggested that, given the nature of their respective assignments, the Project Manager/RTSM Coordinator, the Integrated CCA/DRR Mainstreaming Specialist, and the Procurement and Finance Officer should be engaged on a full-time basis over the 60-month duration of the project (55 person-months of input, given non-billable five months of holidays within a five-year implementation period). SPREP also stated that it is easier to attract qualified personnel to apply for positions if the positions provide full-time, longer term contractual employment. ADB agreed with the suggestion of SPREP, and explained that it was mostly for budgetary reasons that the said positions were not provided with long-term, full-time inputs.

13. After lengthy discussions and cost calculations, it was agreed that a total of 195 person-months of international and national consulting services should be provided for the project, as shown in the table below.

Specialist	**No. of Person-months**
Project Manager/RTSM Coordinator (international)	55
Integrated CCA and DRR Mainstreaming Specialist (international)	55
Procurement and Finance Officer (national)	49
To be determined (international and national)	36
Total	**195**

14. COSO gave SPREP copies of relevant ADB procurement and consulting services guidelines for their reference. The mission leader suggested that COSO hold a procurement clinic for SPREP staff during the inception phase of project implementation.

15. **Funds flow.** The funds for the implementation of Components 1 and 3 will be coursed by ADB through SPREP, which will be responsible for disbursement and financial management according to relevant ADB guidelines. COSO gave a copy of ADB's *Technical Assistance Disbursement Handbook* (May 2010) to SPREP for their perusal and reference.

16. **Coordination secretariat.** As provided in the CIF-approved Regional SPCR concept proposal, a Coordination Secretariat will be set up in an independent regional organization (i.e., an organization not directly involved in the implementation of the project components). The secretariat will (i) serve as the secretariat of the Advisory Panel, (ii) facilitate coordination between the regional SPCR components managed by ADB and WB and between the regional and national SPCR tracks, and (iii) perform monitoring and evaluation (M&E) of the overall Regional SPCR. The Coordination Secretariat will be staffed by a Secretariat Coordinator and an assistant. However, since no budget has been allocated for the operation of the Secretariat, ADB will look for funds to cover the salaries of Secretariat staff and will request WB to consider putting up a matching amount. ADB will also communicate with PIFS to inquire if they are willing to host the Coordination Secretariat in Suva and to engage the staff to run the office. COSO suggested that an SSS contract with PIFS could also be explored for the management of the Coordination Secretariat. A partnership agreement is the other option, but under that arrangement, only the OPEs of the Secretariat staff could be covered by ADB; staff salaries will have to be covered by PIFS.

IV. CONCLUSIONS, RECOMMENDATIONS, AND FOLLOW-UP ACTION

17. Following are the agreements reached between the ADB mission and SPREP with respect to the implementation arrangements of the Regional SPCR:

- SPREP will be engaged by ADB as program management consultant through single source selection based on its (i) unique characteristics and (ii) long involvement in climate change work in the Pacific. As such, SPREP will establish a regional program management office in its headquarters in Apia under the Science and Policy Program of SPREP's Climate Change Division (CCD). Reporting directly to the CCD Director, the RPMO will have responsibility for overall program management, including procurement and financial management, as well as the provision of technical advisory services.

- The PMC team will comprise an international Program Manager/RTSM Coordinator, an international Integrated CCA/DRR Mainstreaming Specialist, a national Procurement and Finance Officer, and yet unidentified short-term international and national technical specialists, with a total allocation of 195 person-months over the five-year duration of the project.

- A Coordination Secretariat will be set up in another regional organization, possibly PIFS, to perform secretariat, coordination, and M&E functions. The secretariat will be staffed by a coordinator and a staff assistant. ADB will be looking for funds for the operation of the secretariat, and will request WB to also consider contributing some matching funds from its own sources.

18. **Follow-up Actions.** After the mission, ADB will communicate with PIFS regarding the establishment of the Coordination Secretariat in PIFS, and send a follow-up email to WB Washington, DC regarding options for financing the operations of this Secretariat. ADB will also revise the zero draft of the TA paper, incorporating the agreements reached with SPREP, and return the revised draft to SPREP by **21 November 2012**. SPREP will send the draft back to ADB with any further comments by **23 November 2012.** The revised draft will then be circulated in ADB for interdepartmental comments and among the CROP agencies (SPREP, PIFS, SPC, and FFA) by **26 November 2012**. The draft of the TA paper incorporating the comments of ADB and the CROP agencies will be revised, and the final draft of the TA paper will be reviewed by SPREP before submission to CIF for approval **by mid-December 2012**.

19. The mission wishes to thank SPREP for its full cooperation and support during the mission.

Signed on 15 November 2012 in Apia, Samoa

(ORIGINAL SIGNED)

NETATUA PELESIKOTI
Director, Climate Change Division
SPREP

(ORIGINAL SIGNED)

MARIA LOURDES DRILON
Senior Natural Resources Economist
ADB

Attachment 1

Consultation Mission for
Pacific Regional Strategic Program for Climate Resilience (SPCR)
SPREP Headquarters, Apia, Samoa, 12-17 November 2012

MISSION PROGRAM

12 Nov 2012 Departure for Apia

13 Nov 2012 Arrival in Apia, 1130 PM

14 Nov 2012 Discussions with SPREP

- Brief overview of Pacific Regional SPCR
- Mission objectives
- Implementation arrangements
- Project organization
- Consulting services requirements

15 Nov 2012 Continuation of discussions with SPREP

- Cost estimates
- Funds flow and disbursement arrangements
- Coordination Secretariat
- Presentation of Project Design and Monitoring Framework (DMF)
- Wrap-up meeting

16 Nov 2012 Departure for Manila (1230 pm)

17 Nov 2012 Arrival in Manila (130 pm)

Attachment 2

Consultation Mission for
Pacific Regional Strategic Program for Climate Resilience (SPCR)
SPREP Headquarters, Apia, Samoa, 12-17 November 2012

LIST OF PERSONS MET

SPREP

1.	David Sheppard	Director General
2.	Netatua Pelesikoti	Director, Climate Change Division
3.	Espen Ronneberg	Climate Change Adviser
4.	Taito Nakalevu	Project Manager, Pacific Adaptation to Climate Change (PACC)
5.	Diane McFadzien	Climate Change Adaptation Officer
6.	Azarel Mariner	Climate Change Technical Officer
7.	Tagaloa Cooper	Climate Change Coordination Advisor (EU/SPC)
8.	Aaron Buncle	Environmental Resource Economist
9.	Makelesi Gonelevu	Knowledge Management Officer
10.	Alofa Tu'uau	Finance and Administration Adviser
11.	Makereta Kaurasi-Manueli	Project Accountant
12.	Ioane Iosefo	Finance Officer

GIZ

13.	Racheal Dempsey	Climate Change Specialist

Supplementary Appendix 3

THE SECRETARIAT OF THE PACIFIC REGIONAL ENVIRONMENT PROGRAMME (SPREP)

A. Introduction

1. SPREP is a regional center of excellence and the lead Pacific organization in climate change work. It has implemented over 100 donor-assisted regional projects in climate change and environmental management, in general, and in CCA and DRR mainstreaming, in particular, which lies at the core of the Pacific Regional SPCR. It will be engaged by ADB, through single source selection (SSS), to manage the Pacific Regional SPCR. Its engagement through SSS is based on the natural continuation of its previous work and its experience of exceptional worth for the assignment.

2. This appendix describes the organization, budget and financial support, and programs of SPREP.

B. Organization Structure

3. SPREP was originally established by the governments and administrations of Pacific region nations in 1973 as part of the South Pacific Commission (SPC). It grew rapidly due to the need to address a variety of environmental problems in the region and became an independent entity in 1982. It has become a major intergovernmental organization in the Pacific region, with the mandate to promote environmental cooperation, provide assistance to protect and improve the environment, and ensure sustainable development for present and future generations. It fosters cooperation among countries in the Pacific region to ensure sustainable development. SPREP's vision is that people of the Pacific islands will be better able to plan, protect, manage, and use their environment for sustainable development. At present, **SPREP has 25 country members**, including five developed countries, the latest member being the United Kingdom (UK), which became a member of SPREP in 2012.[33]

4. The **Secretariat of SPREP** has more than 70 staff members under a Director General. The institution consists of four technical divisions and one office of corporate services. The technical divisions cover (i) Climate Change, (ii) Biodiversity and Ecosystem Management, (iii) Waste Management and Pollution Control, and (iv) Environmental Monitoring and Governance. Each division implements relevant programs as directed by the *SPREP Strategic Plan 2011-2015*. The **Climate Change Division (CCD)** has three main subdivisions: (i) Adaptation; (ii) Science and Policy; and (iii) Mitigation. CCD is headed by a Director and has 16 staff, 14 of whom are professionals with expertise in the following areas: climate change adaptation (3), climate change mitigation (2), climate change adviser (1), climate change coordination (1), knowledge management (1), meteorology and climate change/global ocean observing system (3), environment and resource economics (1), climate change technical assistant (1), climate change communication (1), climate change specialist (1). Three of the professional staff are on secondment, and one position is vacant (PI-GCOS).

5. Each subdivision of SPREP represents an administrative entity, and all the subdivisions work in coordination as a multidisciplinary team in implementing programs and projects to

[33] SPREP members are American Samoa, Australia, Cook Islands, Federated States of Micronesia, Fiji, France, French Polynesia, Guam, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Northern Mariana Islands, Palau, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, United Kingdom, United States of America, Vanuatu, and Wallis and Futuna.

support member countries and territories. These include developing and implementing appropriate CCA and DRR measures ranging from climate change planning and policy, mainstreaming, adaptation (including all prior assessments and prioritization), climate change risks, negotiations and COP processes, climate change finance, capacity building and communication (at all levels and sectors), meteorology and climatology, ocean observatory and mitigation (renewable energy).

6. Coordination among SPREP divisions is facilitated through internal mechanisms such as the Climate Change cross-division team, sustainable development team, M&E team, and project management team.

C. Budget and Finance

7. SPREP is supported by two funding sources: (i) **core funding** for the core budget from membership fees of SPREP member countries and territories, program/project management fees, and other miscellaneous funding sources; and (ii) non-core funding consisting of program funding and project funding from donor contributions.

8. The **core budget** is largely used to cover basic operational expenses including financial management, human resource management, and other related services. Income in the core budget is forecast to be $3.16 million in 2013. The **non-core budget**, which comes from program and project funding, has increased significantly (estimated at $15.72 million) and has enabled SPREP to support its member countries with their enviroment-related programs and projects. During the past several years, the services provided by SPREP to its member countries and territories have shown significant growth and improvement, which has attracted more funding from donors and partners covering areas relevant to SPREP's responsibilities to support priority environmental programs of Pacific island member countries.

9. SPREP's *Work Program and Budget for 2013* shows income from the core budget primarily comprising donor funding. The **total proposed budget funding is $18.88 million,** consisting of (i) core income and additional member contributions ($3.16 million), and (ii) work program income ($15.72 million) from DPs and donors through programme and project funding.[34] The major part (84.4%) of the budgeted income is from donors, while 6.2% of the total income is from membership contributions. The total voluntary annual member contribution of $935,572 make up only 4.95% of the total income for 2013.[35] SPREP membership fees have remained unchanged since 2004, which has constrained SPREP operations. A membership contribution increase of 20% ($187,114) for 2013 is recommended by the Secretariat, although this will apparently not be able to completely address the issue. **Without any considerable increase in core funding in the foreseeable future, SPREP's capacity to support and sustain its presence and operations in the region will be severely constrained.**

10. The core budget of $3.16 million will be spent on Executive Management and Corporate Support ($2.29 million) in addition to Program Support ($799,700), Climate Change ($17,600), Biodiversity and Ecosystem Management ($19,400), Waste Management and Pollution Control ($14,100), and Environmental Monitoring and Governance ($16,600).

[34] The funds are allocated for Climate Change, $10.24 million (65%); Biodiversity and Ecosystem Management, $2.91 million; Waste Management and Pollution, $1.01 million; Environmental Monitoring and Governance, $1.42 million;, and Executive Management and Corporate Support, $0.12 million.

[35] Core funding from membership fees represents a modest amount, of which about 68% comes from Australia, New Zealand, USA, and the French Government).

D. Establishing Subregional Presence

11. At the 2011 SPREP meeting, SPREP was requested by members to consider decentralizing operations to its member countries and territories. The *2009 Report on the Independent Corporate Review (ICR) of SPREP* presented a proposal for a new strategy of decentralizing SPREP operations for better project/program management at the country level. This strategy is considered a better option than the present practices of the so called *'fly-in, fly-out'* approach, so it can improve effectiveness of program/project implementation. This will include deployment of SPREP staff to selected subregional locations (Melanesia and Micronesia) or countries covered by program/project operations requiring extensive support to enable the program/project to achieve its expected outcomes.

12. The 22nd SPREP Meeting suggested exploring the following: (i) establishing subregional offices, including co-location with other CROP agencies; (ii) periodic subregional forums; (iii) project-based regional presence; (iv) country desk officers based at SPREP headquarters; and (v) placement of SPREP staff in line agencies in-country. However, there have been mixed views on the need for a subregional presence. Although most persons consulted were supportive of the concept, member countries expressed concern that implementation of such a plan may increase SPREP's operational budget and subsequently increase membership contributions, which the members were unwilling to make. Member countries are also concerned that SPREP's insufficient human resources,[36] if not properly considered, may adversely affect overall SPREP performance.

E. Collaboration with other CROP Agencies and Donors

13. Currently, SPREP's strategic program on climate change is supported by 16 staff dedicated exclusively to planning and implementation of climate change programs. With this team of experts, SPREP assists countries by providing technical advice and expertise in mainstreaming climate change into sector policies and linking to national sustainable development processes, and in the identification of CCA and DRR priorities through vulnerability and adaptation assessments and action planning processes. Through programs and projects implemented by SPREP, member countries have been assisted in planning and implementing national adaptation strategies at the national and local levels, integrating climate change considerations into national planning and development processes, and climate proofing of selected development projects.

14. **Collaboration among CROP agencies is facilitated by the CES-CCC and its working arm (WACC),** which plays the main role in coordination among CROP agencies in climate change activities. SPREP, as the lead CROP agency in climate change activities in the Pacific, has the responsibility to provide support to member countries. It works in collaboration with the other CROP agencies to ensure regional collaboration and to harness each CROP agency's area of comparative advantage for integrated support to the PICTs which have different agenda and priorities in addressing climate change needs. The Joint Teams on Climate Change and DRM provide opportunities for further collaboration among the CROP agencies in the implementation of the CCA and DRM roadmap. The **Pacific Climate Change Portal**, recently established and managed by SPREP, will serve as an important tool to further support collaboration among agencies and among countries, particularly in the exchange of information and experiences.

[36] Among 16 CCD staff (3 of them on secondment), only three staff work on CCA.

15. In implementing climate change programs, SPREP also collaborates with donors operating in the region, such as AusAID, EU, GIZ, UNDP, UNEP, and UNESCO. SPREP provides assistance in supporting member countries in planning and implementing renewable energy activities in collaboration with SPC, UNDP, and other partners as well as greenhouse gas inventories to support national communications reporting. SPREP is also responsible for servicing the needs of the National Meteorological Services and the Pacific Meteorological Council (PMC), and is the implementing agency for PiGOOS. In this context, SPREP supports national meteorological services in member countries in collecting, managing, and disseminating weather and climate information, including relevant knowledge management, education, and awareness consistent with PIFACC and the *Pacific Islands Meteorology Strategy*, as well as supporting Pacific Island countries in meeting their obligations under the *United Nations Framework Convention on Climate Change (UNFCCC)*.

F. Strategic Programs

16. SPREP's current work program is guided by the ***Strategic Plan, 2011-2015.*** This plan was prepared in the context of members' call for environmental priorities to be addressed through both regional coordination and national delivery. Considering SPREP's core business and core regional environmental challenges and opportunities over the coming years, and in accordance with its mandate as the regional environment organization, it was agreed during the 20th SPREP Meeting in 2009 and the 2010 planning process that the following strategic programs will be the focus of SPREP's work plan: (i) climate change; (ii) ecosystem and species conservation and management, presently referred as biodiversity and ecosystem management; (iii) waste management and pollution control; and (iv) environmental monitoring and governance.

17. The *SPREP Strategic Plan* reflects countries' climate change priorities for action, particularly for capacity strengthening to respond to climate change through policy improvement, implementation of practical adaptation measures, and enhancing ecosystem resilience to the impacts of climate change. These priorities are consistent with the detailed feedback from members on their priorities for country delivery and regional coordination. At the regional level, climate change has been the top priority among 14 environmental challenges in the region, compared to country priorities of waste management, natural resource management, pollution prevention, environmental monitoring, marine/coastal ecosystem/species, and invasive species.

18. Environmental monitoring of program implementation and achievements of targets, which has been inadequate in the past, will be given better attention in the implementation of the *Strategic Plan, 2011-2015*. It includes specific measurable targets, identifies members' and Secretariat's responsibilities to monitor achievements, and makes environmental monitoring and governance one of the strategic priorities. Implementation of the *Strategic Plan* will be a shared responsibility that will ensure country ownership of the organization's strategy and core business, including in climate change.

G. Climate Change Programs

19. SPREP's earlier strategic plan (2005-2010) had two program areas: (i) Island Ecosystems Program (IEP); and (ii) Pacific Futures Program (PFP). The **IEP** focused on developing the capacities of the Pacific island countries to sustainably manage and conserve terrestrial, coastal, and marine ecosystems. The **PFP** aimed at securing a healthy environment for future generations through the promotion of good governance. The PFP had three main programs: (i) **Climate Change,** which aimed at improving PICTs' understanding of, and strengthening capacity in, the response to climate change, climate variability, and sea level rise;

(ii) **Pollution Prevention and Waste Management**, which focused on assisting and enhancing PICTs' capabilities to manage and respond to pollution, hazardous chemicals, and wastes; and (iii) **Environmental Governance,** which helped improve means to identify, respond to, and report on, environmental pressures and emerging threats and opportunities.

20. **Climate change is one of the four delivery programs of the *Strategic Plan, 2011-2015.*** The goal under the **Climate Change Strategic Priority** is that by 2015, all members will have strengthened capacity to respond to climate change through policy improvement, implementation of practical adaptation measures, enhancing ecosystem resilience to the impacts of climate change, and implementing initiatives aimed at achieving low-carbon development. **It covers seven areas of intervention:**

- Support to members with developing and implementing appropriate CCA and DRR measures;
- Improvement of cooperative partnerships, engagement of all relevant regional and international stakeholders, and strengthening of coordinated action on reducing effects of climate change impacts consistent with the revised PIFACC and in support of national initiatives and priorities;
- Enhancement and building capacity for conducting applied research, fostering meteorological, climatological, and oceanic observations and monitoring programmes to improve understanding, awareness, and applications of targeted responses to climate change and related disaster risk reduction;
- Support to members to meet their obligations under the UNFCCC and related protocols and processes;
- Education and communication capacity to support climate change responses;
- Contribution to global greenhouse gas reduction; and
- Partnerships and cooperation to improve management of climate change issues.

21. **Ongoing and forthcoming climate change projects.** SPREP has had long experience in managing regional/multi-country projects, including Global Environment Facility (GEF)-funded and UNDP-supported projects. It has many years of accumulated experience as a GEF executing agency (EA) for several major regional environment projects, particularly on climate change and biodiversity. It has also implemented projects on climate change supported by various donor agencies. SPREP will continue to assist member countries through the provision of technical advice and support. SPREP's *Work Program and Budget for 2013* includes a number of activities and projects for implementation, including those which will continue ongoing projects as well as new projects to be implemented starting in 2013, namely:

- Continuing support for the implementation of PIFACC;
- Advancing the implementation of the *Pacific Adaptation to Climate Change (PACC)* and *Pacific Islands Greenhouse Gas Abatement through Renewable Energy Project (PIGGAREP);*
- Mainstreaming of CCA and DRM;
- Supporting Kiribati and Solomon Islands in applying the esosystem approach to adaptation;
- Managing the Pacific Islands Climate Change Portal;
- Coordinating the implementation of the *Pacific Islands Meteorological Strategy (PIMS)* through development of strategies for funding in consultation with partners and National Meteorological Services (NMS);

- Supporting regional coordination on climate change through the CES-CCC and WACC, climate change portal, PCCR, and implementation of the *Climate Change and DRM Roadmap;*
- Provision of continuing support for increased national capacity to access climate change resources, on-the-ground implementation, and training on UNFCCC processes and negotiations; and
- Strengthening of national capacity in the application and dissemination of climate change science including GOOS and GCOS.

22. In the area of CCA and DRR, both at the regional and national levels, SPREP will receive support for two new projects in 2013, viz.:

- The *Regional SPCR* funded by CIF through ADB (the current project); and
- Government of Finland-supported *Finnish-Pacific Project to Reduce Vulnerability of the Pacific Island Countries' Livelihoods to the Effects of Climate Change (FINPAC).*

23. In addition, the second phases of the Australian Government-funded *International Climate Change Adaptation Initiative (ICCAI), Pacific Climate Change Science Program (PCCSP),* and *Pacific-Australia Climate Change Science and Adaptation Planning (PACCSAP) Program* will continue to play a significant role in climate change mainstreaming, application of climate change science in development planning, communication, and enhancing ecosystem resilience.

24. In the area of national capacity building, *PACC, PIGGAREP,* and the *USAID adaptation support* will continue to support institutional capacity building to respond to climate change risks.

25. **Selected climate change projects implemented by SPREP.** Since the 1990s, SPREP has undertaken a wide range of climate change related activities, including collecting basic data related to global warming. The importance of basic data is recognized by partners and donors, resulting in AusAID providing financing, through ICCAI, for further collection of basic climate data in Pacific countries under the *PCCSP (now PACCSAP) program*. SPREP also currently coordinates the implementation of the *Pacific Islands Meteorological Strategy (PIMS)* in consultation with partners and the National Meteorological Services. These basic meteorological and climatic data are essential for designing CCA/DRR pilot projects under SPCR as well as larger projects. Some of the projects implemented by SPREP are described below.

26. The **Pacific Islands Climate Change Assistance Program (PICCAP)** was one of the earlier projects on climate change, implemented between 1997 and 2001 at a cost of $4.5 million, including $1 million for Phase II. The Project was funded by GEF and executed by SPREP to assist the ten Pacific Island countries that signed and ratified the UNFCCC with their reporting, training, capacity building, and institutional strengthening for national level work under the Convention. The main objective of the program was to enable completion of the Initial National Communications to UNFCCC. In addition, the project was also able to extend to other activities, as funding was flexible enough to allow for planning of adaptation activities through vulnerability and adaptation training and some individual site studies. PICCAP's components included: (i) inventory of sources and sinks of greenhouse gases; (ii) identification and evaluation of mitigation options to reduce greenhouse gas emissions; (iii) assessment of vulnerability to climate change; (iv) development of adaptation options; and (v) development of a national implementation strategy for mitigating and adapting to climate change over the long term. SPREP also assisted PICs with the establishment of national climate change coordination

structures (committees, teams, inter-ministerial units, etc), which have been utilized in other project activities since.

27. The **Pacific Islands-Global Climate Observing System (PI-GCOS)** started in Samoa in 2000 as a result of the first regional Global Climate Observing System (GCOS) Workshop organized by SPREP and the international GCOS Secretariat. The objective was to develop capacity for the application of climate information to cope with climate variability and change. Therefore, GCOS addressed the total climate system across a number of scientific disciplines including physical, chemical, and biological properties; atmospheric, oceanic, hydrologic, cryospheric, and terrestrial processes; and *in-situ* measurements. In addition PI-GCOS established numerous training programs, largely targeted at national weather services, as well as some community-based initiatives, such as deploying meteorological equipment to schools.

28. The **Capacity Building for the Development of Adaptation Measures in Pacific Island Countries (CBDAMPIC) Project,** funded by the Canadian International Development Assistance (CIDA), addressed climate change adaptation in Cook Islands, Fiji, Samoa, and Vanuatu from 2002–2005. The project aimed to improve the sustainable livelihood of Pacific Island people by increasing their adaptive capacity to deal with climate change risks. This C$2.2-million project, coordinated and executed by SPREP, was intended to develop and implement a capacity building program that will increase the capability of the four Pacific countries to reduce climate-related risks at the national and community level. The project[37] achieved its main purpose of increasing the resilience of 16 communities in four Pacific Island countries to the adverse effects of climate change. It was the first Stage 3 adaptation project implemented in the Pacific.

29. The A$4-million **South Pacific Vulnerability and Adaptation (V&A) Initiative** funded by AusAID was implemented from 2004–2008. It had three components: (i) small grants to support community-level adaptation activities; (ii) support for water resource activities in Tuvalu; and (iii) strengthening of meteorology services in the region. The implementing regional agencies were SPREP and SOPAC. The project responded to concerns expressed in the region regarding the potential impacts of climate change. Its aim was to enable Pacific Island countries to adapt to the future impacts of climate change, climate variability, and sea level rise. Consistent with the objectives of PIFACC, the initiative aimed to (i) strengthen regional collaboration between relevant multilateral and regional technical agencies and bilateral donors and (ii) enlist the support of key government, community, and private stakeholders.

30. The **Pacific Adaptation to Climate Change (PACC) Project** is an ongoing regional CCA project aimed at enhancing the adaptive capacity of the participating countries to the adverse effects of climate change and climate variability, particularly in three main areas: (i) food security and production; (ii) coastal management; and (iii) water resources management. The program is designed to achieve three interrelated key results: (i) integration of climate risk into national and sectoral policies, strategies, and related instruments; (ii) implementation of on-the-ground adaptation measures in selected pilot communities, including the development of technical guidelines to support current and future initiatives; and (iii) strengthening of technical capacities of national stakeholders to support and facilitate key sectors in managing the

[37] The original project design included "integrated modelling" and "vulnerability and adaptation assessment methodology development." However, upon consultations with countries, the integrated modelling was reformulated since the previous prototype climate models developed through the Pacific Islands Climate Change Assistance Programme (PICCAP) was largely unused due to the lack of expertise and the inadequacy of the models to do anything else apart from what had been programmed. Therefore, the entire project was recasted, putting the identification of vulnerability to adaptation back to the community.

uncertainties of climate change. The PACC approach is to demonstrate adaptation planning and implementation through top-down (mainstreaming) and bottom-up approaches (community V&A assessments), consistent with both community and national priorities plans and methodologies. PACC is closely linked to national sustainable development and poverty reduction strategies incorporated in government programs and plans. The project supports governments in addressing climate change issues to ensure resilience to current and future changes in climate.

31. The PACC Project is funded by GEF through the SCCF at $13 million, with $44 million of co-financing from countries. Additional funding has been provided by AusAID and USAID) for additional activities, with support from UNITAR through the C3D+ Program[38] for developing adaptation measures and capacity building to effectively respond to climate change. Project implementation started in 2009 and will continue until 2013. It is led by SPREP in partnership with SPC, UNDP, PACC, and PACCSAP. Since its commencement, the project has carried out numerous socioeconomic and on-site V&A assessments in villages in order to design and implement actual on-the-ground adaptation measures with the full involvement of local communities. PACC has also assisted in the development of climate change policies and *Joint National Action Plans on Climate Change and Disaster Risk Management (JNAPs)* in the Marshall Islands, Niue, Cook Islands, Tuvalu, and Fiji (climate change policy). JNAP is one of the successful tools and frameworks used in the integration of climate risk into national and sectoral policies, strategies, and related instruments.

32. The PACC Project covers 14 participating countries. Fiji, Palau, Papua New Guinea and the Solomon Islands have national projects to help increase food security and food production; Cook Islands, Vanuatu, Samoa, and the Federated States of Micronesia (FSM) are addressing coastal erosion management; and Nauru, Niue, Marshall Islands, Tonga, and Tuvalu are focusing on addressing water resources management. Tokelau joined the PACC Project in 2011, with the government requesting the project to address its water issues in response to climate change.

33. **Table 1** shows that PACC focuses on enhancing the resilience of development activities to the impacts of long-term climate change. This includes (i) iincorporating adaptation to climate change risks and related vulnerabilities into existing institutional and decision-making processes ("mainstreaming") at both the community and national planning levels; (ii) recognizing the role of gender-sensitive approaches in enhancing communities' resilience through community-based ("bottom-up") vulnerability assessment and participatory adaptation planning approaches; (iii) promoting real community engagement in the processes addressing climate-related risks; (iv) delivering tangible adaptation measures through practical demonstration projects at selected pilot sites; and (v) selecting a foundation for a strategic approach to replicate and upscale adaptation at the Pacific regional level. 34. Progress to date includes development of CCA tools such as the following: *Guide to Mainstreaming Climate Change*; *Socioeconomic Assessment for Pacific Adaptation to Climate Change (SEA-PACC Guide)*, *Cost Benefit Analysis Guide, Communications Plan, Monitoring, and Reporting*. Each participating country has developed relevant projects, which are now under implementation.

Table 1: Summary of the Main Expected Outcomes of the PACC Project

Outcomes	Country/Sites

[38] Partnerships with SPREP are directed towards: (i) integrating climate change issues into national sustainable development strategies, (ii) enhancing human and institutional capacities in SPREP and target Pacific countries through consolidation of regional centers' training capacity and the direct training of selected trainees; and (iii) assisting Pacific countries to effectively carry out adaptation planning and implementation.

Outcomes	Country/Sites
Component 1: National Adaptation Capacity Development (Mainstreaming) *Activity 1: Strengthening the institutional framework, policies and plans, and the capacity of key national government and community decision-makers to take climate change risks into key decisions in their sustainable resource development programs.* *Outcome 1:* Policy changes to deliver immediate vulnerability reduction benefits in context of emerging climate risks implemented.	National Activity: Cook Islands, FSM, Fiji, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu, and Tokelau
Component 2: Demonstration Measures to Reduce Vulnerability and Increase Resilience *Activity 2*: *Designing and demonstrating innovative decision systems, approaches, technologies, and practical measures to strengthen the resilience of 14 Pacific Islands to the adverse effects of climate change*. PACC will develop specific guidelines in the coastal zone management, food production and food security, and water resource management sectors on how climate change assessments and demonstrations can be undertaken. This outcome includes two outputs: (i) vulnerability assessments, identification, and evaluation of adaptation options; and (ii) development of a Demonstration Guide to implementation and monitor and evaluate, and selected measures. *Outcome 2*. Demonstration measures to reduce vulnerability and increase resilience in coastal areas, crop production, and in water management implemented. There are two outputs: (i) implementation of measures stated in the Guide developed for the sector; and (ii) monitoring and evaluation of measures implemented and improve on them.	National Activity: Cook Islands, FSM, Samoa and Vanuatu (reducing vulnerability and increasing resilience in coastal areas); Fiji, Palau, Papua New Guinea and Solomon Islands (crop production); and Marshall Islands, Nauru, Niue, Tonga, Tuvalu and Tokelau (water management)
Component 3: Technical Assistance and Regional Cooperation *Activity 3*: *Sharing the results and lessons from the PACC project regionally and globally.* Providing the medium to bring together new knowledge generated through the project as the basis for a strategic regional approach to climate change adaptation among PICTs. *Outcome 3:* Capacity to plan for, and respond to, changes in climate-related risks improved.	National Activity: Cook Islands, FSM, Fiji, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Tokelau, and Vanuatu

35. In each of the PACC participating countries, a national PACC team (of about 2-3 staff, depending on the country's requirement) is created, with their salaries are paid by the project. The national PACC team sits under a ministry, depending on the focus area of the national PACC and preference of the country. The national PACC team reports quarterly to the PACC national coordination committee[39] and to the regional PACC team at SPREP. SPREP then reports to UNDP, the GEF implementing agency.

36. At SPREP, the PACC regional team is made up of a PACC Program Manager, a Finance Officer, and a Technical Officer (Community Participation and Gender). The PACC team also has a registry of retained international consultants who are called upon to provide technical assistance to the countries, which the regional team could not provide. There is an annual PACC multipartite meeting where all participating countries, donors, and SPREP come together to review the project. In addition, a Board Meeting is held twice a year for key decision making and monitoring purposes. The Board Meeting members are from CROP, donors, UNDP, SPREP, and representatives of participating countries.

[39] The name of the national committee may differ in each country.