

Workshop Report

Africa NIE's Workshop

3-day open dialogue for Africa NIEs

1-4 July 2014, Nairobi

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This note reflects the facilitator's understanding of the discussion and the summary represents personal views with the aim to capture the general spirit of the conversation.

1. Introduction

From 1st to 4th July, the "Africa NIEs workshop" brought together accredited implementing entities of the UNFCCC Adaptation Fund, African institutions that wish to gain accreditation from the Adaptation Fund Board as well as Multilateral and Regional Implementing Entities and domestic funds.

The workshop gathered NIE, MIE, RIE and domestic fund representatives from eleven African countries (Benin, Ethiopia, Kenya, Morocco, Mozambique, Rwanda, Senegal, South Africa, Tanzania, Togo, Tunisia) as well as practitioners and experts.

The interactive workshop concept, based on elements that allowed a high degree of participation, enabled open and informed discussions as well as a valuable exchange of experiences. The key messages, experiences and lessons learned identified within the discussions and exchanges are summarized in this workshop report.

2. Objectives

The objectives for the "Africa NIEs workshop" were:

- a) To provide a space to discuss common obstacles that African National/ Multilateral/ and Regional Implementing Entities face during the accreditation process and during the execution of projects;
- b) To provide a possibility to discuss opportunities, strategies and insights for effective utilization of funds disbursed from the Adaptation Fund;
- c) To build a community of practice at fund operations level, where learning and open dialogue can help build confidence and capacity at national level and enhance ownership of fund processes and project implementation.

3. Agenda and Process

The agenda for the four workshop days covered several key areas of discussion. Day 1 started with a general introduction into the topic - Germanwatch provided an overview of the NIE landscape and preliminary research findings, followed by the AF Secretariat, which presented an overview of the accreditation and implementation landscape. During the afternoon, an information market offered space for NIEs to share their experiences as well as success stories and challenges they have been encountering in the implementation of their country plans.

During the morning session of day 2, insights regarding additional questions on the NIE perspectives were deepened, particularly on a) desired support; b) policy coherence; c) key lessons for other climate funds; and d) social and environmental safeguards. In the afternoon, the institutional perspective was extended to domestic funds as well as Multilateral and Regional Implementing Entities, who were given the possibility to share their experiences and perspectives.

Discussions on day 3 focused on international mechanisms providing direct finance in both the climate change and the development field - presentations helped the participants to gain insights into a) GCF readiness and preparatory support for GCF implementing entities; b) Status quo of international climate finance architecture; c) Lessons from the accreditation process and AF readiness support programme; and d) The role of direct access in the broader development context.

A plenary discussion on how to transfer the experiences from the workshop to the design and implementation of respective projects and programmes as well as a summary of key workshop messages and an outlook on future direct access to climate finance in Africa closed the workshop on day 4.

This first pan-African workshop followed an interactive concept that was based on elements allowing a high degree of active participation among attendees and building an open atmosphere as basis for informed discussions. Participants had frank discussions and exchange of experiences through inter alia:

- a) An interactive introductory round;
- b) An information market;
- c) Stationary talks;
- d) A world café.

4. Participants' expectations

Participants expressed the following expectations:

- a) Experience sharing;
- b) Learning from the experiences of other NIEs;
- c) Guidance from the AF Secretariat on their processes;
- d) Networking;
- e) Clarity on future path of climate finance.

5. Experiences and lessons learned - Highlights of four workshop days

5.1 NIE perspectives on the current status quo

The first day provided space for NIEs to present their perspectives on the current status quo. An information market, complemented by a stationary talk, facilitated the exchange of experiences regarding enabling factors, key lessons and strategies, guiding principles and challenges for securing funding and delivering tangible outcomes on the ground:

- a) Following enabling factors in the accreditation and project development/implementation process were listed:
 - Experience and capacity: Experience in project development, management and implementation have been regarded as critical for accessing international funds. Hence it is important to have dedicated staff with a diversity of backgrounds. The need to build additional capacity for integration of local knowledge into project components as well as national plans were also often emphasised;
 - Consultation process: beyond the cognition of the fact that vulnerable groups and gender considerations should be at the centre of any meaningful consultation, it was also shared that it is important to consult NGOs, CBOs, academia and private sector;
 - Alignment and domestic support: It is essential to engage national departments, align with national priorities, unlock domestic support and to build on existing initiatives;
 - New partnerships: It is essential to unlock new partnerships.
- b) Key lessons and strategies in the programme development cycle were formulated as follows:
 - Clear agreement with existing agencies;
 - The use of right expertise and teamwork but also capacity building for all stakeholders;
 - Regular technical committee meetings;

- The use of scientific and transparent methods;
 - Public participation;
 - A good procurement policy.
- c) Two guiding principles for implementation were highlighted:
- Ongoing capacity building through a learning by doing approach;
 - Close collaboration with the AF Secretariat.
- d) NIEs identified the following challenges, both for the process of accreditation and project implementation:
- d1. Accreditation:
- Demonstrating capacities;
 - Written documentation on established practices (transparency, corruption);
 - Language barriers.
- d2. Project implementation:
- Internal pressure to deliver;
 - Need to develop capacity to deliver with insufficient resources Unpredictable feedback process.
- e) Overall challenges for NIEs:
- Procurement challenges;
 - Coordination issues among different executive agencies and institutions in charge of some interventions in the project;
 - Political interference in the daily business of the project;
 - Lack of in depth understanding of the fiduciary standards and related requirements;
 - Limited competencies in some areas of the fiduciary standards;
 - Human resource constraints (competencies and management; time to build capabilities);
 - Experience limited to handling small projects (systems and processes not adequate to meet Standard).

5.2 Desired support by NIEs

The NIEs stated the following desired support regarding preparatory and ongoing support from the Adaptation Fund and/or from the host government:

- a) Capacity building and learning:
- To know what is really required in the different phases of project approval processes as well as during the implementation phase.
 - For NIE
 - Needs/capacity self-assessment;
 - Enhanced tools for self-screening of project proposals
 - For the facilitation of cross learning between NIEs/MIEs/RIEs by the AF;
 - By the AF to develop more user/guidance manuals for accreditation/project preparation in a bilingual manner;
 - South-south cooperation among NIEs.
- b) Support in:
- Familiarisation with all the AF documents;
 - Development of environmental and social framework
 - Tools for Environmental and social Policy of the AF.

- c) Information on:
 - Existing financial support to prepare pre-accreditation frameworks;
 - Concrete examples (case studies);
 - Promotion of readiness opportunities.
- d) Commitment to coordination from the host government.

5.3 NIE measures and mechanism to ensure policy coherence

The NIEs enumerated the following measures and mechanisms, they have been put in place to ensure operational linkages to national policy processes and the overall national development agenda and thus continuity and up-scaling beyond an individual project based approach:

- a) Inclusion of government agencies and institutional linkages:
 - Representation of cross ministerial and sectoral agencies in project structures such as steering committee at national and sub-national level;
 - Mainstreaming project activities into institutional operations and national plans and strategies.
- b) Involvement of stakeholders and beneficiaries:
 - Using multi-stakeholder NIE steering committees to ensure operational linkages to other adaptation agendas;
 - Signed agreements with beneficiaries to commit them to sustain interventions;
 - Setting up of grievance mechanism to settle dispute and deal with complaints.
- c) Mainstreaming and connection to existing work:
 - Mainstreaming policy on project designs (e.g. Vision 2020, 2030);
 - Building on existing programmes of work;
 - Tailor made calls for proposal to be in line with any of the national strategies.
- d) Long-term planning:
 - Projects to develop up-scaling plan beyond project lifespan.

5.4 Social and environmental safeguards

Regarding the questions, if NIEs recognize and apply safeguards in the context of rights-based approaches, it was noted that:

- a) Most countries have their national systems/procedures for EIA and social safeguards;
- b) Some parties have adopted World Bank safeguard policies;
- c) There are already deliberate efforts to ensure participation of vulnerable and gender groups.

5.5 Key NIE lessons for other climate funds

As key lessons that can be drawn from NIE experience and the AF process to inform and widen direct access modality to climate finance beyond the AF as well as to other entities emerging in the international climate finance architecture (in particular GCF) the NIEs named:

- a) Allow for flexibility;
- b) Provide support for readiness (i.e. fiduciary standards) and to enhance capacity;
- c) Provide guidelines and toolkits for project development;
- d) Capture case studies and experiences on different project cycle steps;

- e) Show case of good practices in case studies;
- f) Avoid language barriers (allow for submission in English, Spanish, French);
- g) Shorten turn-around times.

5.6 Experiences of MIEs, RIEs and domestic funds

During the afternoon of day 2, the institutional perspective was extended to domestic funds as well as Multilateral and Regional Implementing Entities. In a world cafe, two domestic funds from Rwanda and Ethiopia shared their experience and provided the participants with an example of enhanced direct access which goes beyond the transfer of project oversight and implementation to the devolution of funding decision-making to the national level. The presentations highlighted, that domestic funds have extensive capacities in processes and areas relevant for NIEs (project development, implementation, and management) and that their experiences can be of great value for the NIEs during these processes - hence more coordination between NIE and domestic funds is needed.

Presentations by RIEs revealed great uncertainties regarding their role. They highlighted that pooling of resources via RIEs can have many advantages; however they need some clear guidance on possibilities for regional project proposals (for transboundary problems) from the AF Secretariat. Moreover they emphasized that RIEs can play a role in the process of capacity building for NIEs where they can share the knowledge gained through their accreditation process.

The MIE presentation discussed conceptual differences in direct access, approaches in NIE capacity building, case-studies of MIE project implementation and the fact that AF board policies actively discouraged MIE to apply for further projects under the AF.

5.7 International mechanisms for direct climate finance

Day 3 focused on international mechanisms for direct climate finance, presentations helped the participants to gain insights into:

- a) GCF readiness and preparatory support for GCF implementing entities: It was emphasized that a “fit for purpose approach” has been adopted by the board, which adds another layer of flexibility how entities must comply with fiduciary standards.
- b) Status quo of international climate finance architecture: the presentation summarized the current situation on climate finance, both in terms of political processes and commitments as well as disbursement structures and challenges particularly for the African continent.
- c) Lessons from the accreditation process and AF Readiness support programme: the presentation gave a deep technical understanding of the accreditation process as well regarding commonly encountered challenges.
- d) The role of direct access in broader development context: The session highlighted direct access experience from development cooperation and outlined pathways to scale and urged the application of a “all-system approach” for accreditation especially in the context of the GCF.

6. Key workshop messages

The key workshop messages can be summarized as follows:

- a) Direct access in Africa: Direct access is happening more in Africa than elsewhere;
- b) NIEs go ahead: From an administrative perspective it is cheaper to go through NIEs than MIEs. Moreover, the days for NIEs to kick-start projects is encouraging: it takes less time for NIEs than for MIEs;
- c) NIE challenges: There are challenges in relation to the transition from NIE institutional strengthening to project implementation;
- d) Learning network:
 - Regional peer-to-peer learning is valuable and provides the possibility of knowledge sharing;
 - The idea of a network to continue a learning process provides the possibility to share and transfer lessons is generally found necessary;
- e) Readiness support: There is a general acceptance that readiness support is needed;
- f) Integration: Direct access is a process to start integrating climate change into development questions;
- g) Domestic funds:
 - Countries start thinking about establishing domestic funds that can consolidate climate finance at national level;
 - There is a gap that domestic funds can usefully fill: namely to give countries experience that they need before engaging with AF (development of projects etc.);
- h) There is political uncertainty about the future of the AF, and more predictability of funding is needed for countries to invest in the process. Early investment into direct access capacities under the AF should also be rewarded in the GCF accreditation process.

7. The way ahead - Transferring learning

In order to keep the exchange among practitioners alive, one could:

- a) Establish an online community of practice;
- b) Conduct a side event at the COP;
- c) Create a database of contacts;
- d) Set up regular meetings, e.g. initiate a network of NIEs and integrate NIEs into existing networks;
- e) Establish a 'hub' for draw down support (regional help desk);
- f) Establish an intra-African learning mechanism;
- g) Encourage willingness and commitment to participate, contribute and share experience.