



# GCF Programming Dialogue in the Pacific virtual event 8 – 18 June 2021

## Meeting report





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## List of Acronyms

ADB	Asian Development Bank
AE	Accredited Entity
BCI	Bank of Cook Islands
CI	Conservation International
CIEWS	Climate Information and Early Warning Systems
CIS	Climate Information Services
CREWS	Climate Risk and Early Warning Systems
DAE	Direct Access Entity
DCP	Division of Country Programme
DED	Deputy Executive Director
DMA	Division of Mitigation and Adaptation
DRR	Disaster Risk Reduction
EDA	Enhanced Direct Access
EWS	Early Warning System
FAO	Food and Agriculture Organization
FDB	Fiji Development Bank
FI	Financial Institution
FSM	Federated States of Micronesia
GCF	Green Climate Fund
GEF	Global Environment Facility
IAE	International Accredited Entity
IFAD	International Fund for Agriculture and Development
IUCN	Union for Conservation of Nature
LDF	Local Development Fund
LFI	Local Financial Institution
MCT	Micronesia Conservation Trust
MFEM	Ministry of Finance and Economic Management
MSME	Micro, Small and Medium Enterprise
NDA	National Designated Authority
NDC	Nationally Determined Contributions
NMHS	National Meteorological and Hydrological Services
PPF	Project Preparation Facility
PPP	Public-private partnership
PSF	Private Sector Facility
R&D	Research and development
SAP	Simplified Approval Project
SIDS	Small Island Developing States
SPC	The Pacific Community
SPREP	Secretariat of the Pacific Environment Programme
TA	Technical Assistance
UN	United Nations
UNDP	United Nations Development Programme
UNEP	United Nations Environmental Programme
UNFCCC	United Nations Framework Convention on Climate Change
USAID	United States Agency for International Development
WWF	World Wildlife Fund



## 1. Overview and main conclusions

The first virtual Structured Dialogue in the Pacific Region was held from 8-18 June 2021 under the theme of *Strengthening the Pacific Pipeline*.

The event was structured around four plenary sessions: Plenary 1 started with the opening and high-level scene-setting and the sharing of lessons learned from local Direct Access Entities (DAEs); Plenary 2 provided an overview of support available to DAEs; Plenary 3 was dedicated to raising ambitions and moving towards a programmatic approach; and Plenary 4 provided a formal closing session to present key takeaways and roadmaps for all partners involved. In addition, three working group sessions were held. They aimed specifically to work with Accredited Entities (AEs) around improving their project pipelines around the thematic areas of Marine and Coastal Ecosystems and Fisheries; Climate Information and Early Warning Services; and Agriculture, Food and Water Security.

Participants included representatives from GCF AEs and development partners. DAEs from the Pacific included the Ministry of Finance and Economic Management (MFEM) of Cook Islands, Fiji Development Bank (FDB), Micronesia Conservation Trust (MCT), the Pacific Community (SPC), and the Secretariat of the Pacific Regional Environmental Programme (SPREP). International Entities included the Asian Development Bank (ADB), Conservation International (CI), International Fund for Agriculture and Development (IFAD), International Union for Conservation of Nature (IUCN), Food and Agriculture Organization (FAO), United Nations Development Programme (UNDP), United Nations Environmental Programme (UNEP), and World Wildlife Fund (WWF). The event was also attended by the Bank of Cook Islands (BCI), Federated States of Micronesia Development Bank (FSMDB), Matanataki from Fiji, and USAID Climate Ready.

Countries were also invited to attend through their National Designated Authorities (NDA). Countries represented included Cook Islands, Fiji, Federated States of Micronesia (FSM), Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, and Tuvalu.

The event was organised by the Division of Country Programming (DCP). Furthermore, GCF was represented by various technical divisions including the Division of Mitigation and Adaptation (DMA), the Division of Private Sector Facility (PSF), the Office of Portfolio Management (OPM), Office of Governance Affairs (OGA), Office of Executive Director (OED), and Division of Support Services (DSS).

The virtual event was delivered through Whova and Zoom platforms with the support of the Events Management Team and Information Services.

To date, GCF has funded 16 projects in the Pacific region, with GCF investing 440 million USD. The current pipeline of over 114 projects and programmes is very ambitious – and most of them are now reflected in Country Programmes which demonstrates a high level of country ownership.

This Pacific Programming Dialogue aimed to raise both the level of GCF investment and the profile of DAEs in the Pacific by providing support to Entities in bringing compliant and high-quality projects. A key focus of this Dialogue was to support DAEs to strengthen their projects to move the Pacific pipeline forward.



The Secretariat is working to strengthen DAEs to increase capacity and provide access to tools and resources needed to develop high quality concept notes and funding proposals aligned with respective GCF Country Programmes and Nationally Determined Contributions (NDCs).

As context, GCF presented an update on the GCF Strategic plan for 2020 – 2023, outlining how GCF will contribute to the Paris Agreement goals and deliver a greater impact in developing countries. GCF specialists presented sectoral guidelines for the Enhanced Direct Access (EDA) programme and introduced some of the new tools available to help bridge the data gaps that will allow Entities to build a stronger climate rationale.

Practical working groups allowed Pacific Entities to engage with GCF technical experts who provided real-time consultation to strengthen existing concept notes and to identify specific actions to expedite their projects to the GCF Board for approval within the funding period.

Some of the key lessons that were noted in the Dialogue include:

- The need for early engagement with relevant stakeholders, including the private sector and the NDA;
- The importance of support provided by other partners, including civil society, private sector, academia, and development partners, with case studies from the USAID Climate Ready Programme;
- The need for Entities to start the project development phase early – even in parallel to accreditation;
- The need for more capacity, particularly to be placed in the DAEs;
- Greater access to scientific data and a need for GCF to develop uniform guidelines on minimum acceptable data and parameters to present climate rationale;
- The need for the GCF to consider the role that traditional knowledge plays in informing projects;
- The need for a more flexible approach from GCF, to adjust strategies and tools to better fit within the project context; and
- The need for GCF to strengthen its engagement within the region and be a more ‘present’ partner in the Pacific.

The Dialogue reinforced the fact that there are strong partnerships across the national, international, and multilateral agencies. GCF recognises these and the fact that the region must continue to build on these communities of practice.

## 2. Background and objectives

The overall aim of the Dialogue was to address the Asia Pacific portfolio imbalance and provide a forum in which GCF Entities could access real-time advice and support in bringing compliant, high-quality projects to the GCF Board. The Dialogue was held over seven days with open plenaries and targeted working group sessions.

### Agenda

Four plenary sessions:

1. Setting the scene in the Pacific with input around critical issues and lessons learned from DAEs currently engaged with GCF.
2. Providing essential information and guidelines to ensure understanding of GCF requirements and expectations.
3. Raising ambitions: Exploring innovative ways of growing the Pacific pipeline with paradigm shifting transformational opportunities.



4. Wrap up and presentations of roadmaps of actions to strengthen DAE projects for approval by the GCF Board.

### Three Working Groups

Three working groups were designed for selected AEs around specific thematic areas of Marine and Coastal Ecosystems and Fisheries, Climate Information and Services, and Agriculture, Food and Water Security.

The objectives of the working group sessions were to:

1. Exchange knowledge and lessons to create a mapping of the region to identify opportunities for synergies and partnerships and potential gaps;
2. Allow a deep dive and real-time access to GCF consultants to provide guidance on enhancing current project proposals;
3. Explore innovations in climate change activities and creative financial mechanisms; and
4. Create a roadmap towards strengthening AE concepts notes currently in the pipeline to ensure robust projects presented to the GCF Board for approval.

## 3. Day 1, plenary 1: Setting the broader scene and hearing from DAEs

Pa Ousman Jarju, Director of the Division of Country Programming (DCP) welcomed the participants and reinforced the priority of the Asia-Pacific Region for GCF. After which, Mr. Hussain, CEO of the Fiji Development Bank (FDB), provided an overview of the Pacific's progress to date, noting the increase in GCF investments in the Pacific since the previous Pacific Dialogue event (held in the Federated States of Micronesia in 2018). For Fiji, the process of accreditation has been a priority and while a lengthy process, the process was definitely worth the effort upon the approval of the FDB's first proposal. While there were a lot of challenges, these were addressed with the support from GCF, especially through the GCF's Readiness Support Programme.

Carolina Fuentes, Secretary to the Board and Head of Governance Affairs, provided an update on the GCF Strategic plan for 2020 – 2023, ([link to presentation](#)) outlining how GCF will contribute to the Paris Agreement goals and deliver a greater impact in developing countries. Her key points included:

- the need to increase funding to DAEs, as well as the share of private sector financing; and
- GCF continues to provide support in the area of loss and damage, mainly through the Readiness Programme, Project Preparation Facility (PPF) and through the funding of GCF projects and programmes.

Samantha Rabine, GCF's Regional Office for Asia Pacific, provided a snapshot of GCF's current activities in the region ([link to presentation](#)), where it was noted that:

- GCF has funded 16 projects in the region to date, with GCF investing 440 million USD into the Pacific;
- The current pipeline has over 114 projects, the majority of them are now reflected in Country Programmes – demonstrating a high level of country ownership; and
- Potential gaps exist where the ambition listed in country programmes may be higher than what can currently be supported by the current Entities working in the region.



Kevin Horsburgh, GCF Climate Science Lead, introduced a number of the latest scientific tools available, including a portal being developed jointly by GCF in partnership with the World Meteorological Organisation. ([link to presentation](#))

### **Lessons learned from the Region**

A panel of Pacific DAEs shared the following lessons from work with GCF in the Pacific thus far:

- Ministry of Finance and Economic Management (MFEM) of Cook Islands highlighted the need for early engagement with the private sector noting they did so through their national chamber of commerce and Business Trade Investment Board, and through engaging closely with a national development bank.
- Micronesia Conservation Trust (MCT) spoke about the success of their approved Simplified Approval Project (SAP) and noted that much of their success stemmed from support provided to them from a wide range of external partners/stakeholders.
- Fiji Development Bank (FDB) advised Aes to ensure a thorough knowledge of GCF and how to utilize its Readiness Programme and other support available. FDB encouraged Entities to engage in a parallel process of accreditation and project concept design supported by relevant data.
- Secretariat of the Pacific Environment Programme (SPREP) reinforced the regional sharing of resources and voice but noted this also comes with challenges. SPREP highlighted equity issues to consider in terms of funding and called for GCF to put more focus on strengthening country programmes, to ensure that the project that come to Entities are the right ones, and to ensure a stronger alignment of these projects with climate.
- The Pacific Community (SPC) also noted key challenge of the limited capacity of countries to absorb finances. Access to scientific data because of the wide and disbursed geographies across multiple countries, requiring a wide range of data sets.

### **KEY TAKEAWAYS FROM PARTICIPANTS**

Diane McFadzien, GCF's Asia Pacific Regional Manager, provided a summary of some of the key takeaway messages heard from participants throughout the day:

1. The value of broad partnerships.
2. Learning by doing while progressing through the process.
3. The power of a participatory approach – with multiple stakeholders and local ministries.
4. Improving access to climate data and guidelines on minimum acceptable data and parameters to present climate rationale and also consider accepting alternative inputs, such as traditional knowledge.
5. Emphasis on the national focus – find the competitive advantage for Regional vs. National.
6. Greater equity in funding and help in creating a private sector strategy in the context of Pacific SIDS.
7. Recognizing the capacity of countries to absorb the investments.
8. Looking to third parties for ground level execution.
9. Exploring ways to scale up size and across countries.
10. The line between development needs and climate needs often overlaps, with climate factors exacerbating existing development challenges. This ambiguity creates a big challenge in designing and validating viable projects.



## 4. Day 2, plenary 2: Overview of support that GCF has available to DAEs

In Plenary Two, participants had the opportunity to engage further with the GCF Readiness Team on how the Programme can provide project development support and technical assistance to DAEs in the development of concept notes and project pipelines. Participants also enjoyed learning from the MFEM of Cook Islands, USAID Climate Ready, MCT, SPC, UNEP, and IUCN about their experiences and lessons learned from utilizing Readiness resources.

### KEY TAKEAWAYS FROM THE DAY:

1. Readiness is not only for NDAs, but we also encourage use of it by DAEs. Some excellent examples on how readiness funds have been used exist and can be amplified to a wider group of stakeholders to bring forward their project pipeline.
2. A range of support is available from GCF and can be paid for from the caps: individual Technical Assistance (TA) as well as consultancy firms. Regional desks can provide information on how to access these services. There are two new additional types of PPF support – the simplified format and PPF firms. The templates for these are on the GCF website.
3. Lessons from SPC case study noted the PPF consultancy firm takes away some burden from DAEs, particularly on procurement. Pairing with national consultants in the region and international firms can deepen local knowledge.
4. USAID case study on MCT journey from project idea to approval provided interesting input that resonated with partners. The now available Climate Ready TA was appreciated and noted that consultancy firms supported by GCF can now provide more assistance including proposal writing. GCF would like to hear from DAEs on their specific needs.
5. Partnerships with international entities can bring added value to the process and to national entities. The convening power of UN can bring complementary knowledge and global networks to IAEs that is useful for existing and new partnerships.

## 5. Day 3, working group session 1: Building a collaborative understanding of the Pacific pipeline

Participants to the parallel working groups were created around DAEs involved with GCF in the thematic area as well as international entities in partnership or in collaboration with the projects. The invited Entities were as follows:

**Working group 1 Marine Coastal Ecosystems and Fisheries** included the Ministry of Finance and Economic Management (MFEM) Cook Islands, Micronesia Conservation Trust (MCT), Federated States of Micronesia (FSM), World Wildlife Fund (Fiji, Papua New Guinea, Solomons), the Pacific Community (SPC), Conservation International (CI), Secretariat of the Pacific Regional Environment Programme (SPREP), International Union for Conservation of Nature (IUCN), UN Environment Programme (UNEP), Bank of Cook Islands (BCI), Matanataki, and GCF Team.

**Working group 2 Climate Information and Service** included SPREP, UNEP, Asian Development Bank (ADB), and UN Development Programme (UNDP).

**Working group 3 Agriculture, Food and Water Security** included SPREP, SPC, Fiji Development Bank (FDB), the Food and Agricultural Office (FAO), and UNDP.

The first session allowed each of the three groups to build an understanding of who is working where on what projects across the Pacific by sharing a mapping of their current activities in



collaboration with GCF. Follow-up conversations included the highlighting of common issues across the region, the presentations of GCF technical guidelines for each thematic area, and a final brainstorm of ideas for strengthening communities of practice. Key success factors noted include:

- A clear reason to join with clear value add, e.g., learning from others;
- Mutual commitment to low-cost engagement with high returns from involvement; and
- Building on existing networks with the recommendations that Informal mechanisms usually work very well, noting that The Pacific Island Forum Secretariat hosted AE Round Tables in the past and these could be revised.

GCF ensured that recommendations and actions from these discussions are recorded, continued, and tracked.

## 6. Day 4, working group session 2: Developing a transformational project

In Working Group Session 2, Entities were invited to share transformational projects, and participants shared both lessons from existing projects as well as those in the pipeline. Each working group discussed mobilisation of private sector participation in climate change projects and explored the potential for innovative financial mechanisms.

Although private sector engagement was recognised as a potential amplifier for projects, Pacific entities across the groups highlighted the challenges and limited opportunities for the Pacific region, citing limited partners, lack of mid-level companies, and access to markets.

## 7. Day 5, plenary 3: Raising ambition – moving towards a programmatic approach

Following the opening of Plenary Three, German Velasquez, Director of the Division of Mitigation and Adaptation (DMA), reiterated the status of the GCF global portfolio compared to the Pacific region and expressed the urgency for action to meet the deadlines of GCF-1 (2019 – 2023).

Participants then broke into two working sessions, where they were invited to share their ideas on Programmatic Approaches via Mentimeter, the two groups were facilitated by Ken Kassem (IUCN) and Alvin Chandra (UNEP). Each group was invited to respond to one of the two questions: What can your organisation do or contribute to the development and design of a programme for the Pacific? And, in order for your organisation to design a good programme for the Pacific to bring forward to the GCF, what are the top 3 things that you would require from GCF?

The following table is a consolidation of the comments provided:

Group A: What can your organisation contribute to the development and design of a programme for the Pacific?	Group B: What are the top 3 things that you would require from GCF?
<ul style="list-style-type: none"> <li>• A vast amount of existing experience exists in the region, at both national and regional level</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity building for the DAEs</li> <li>• Need more human capacity to develop GCF projects (DAEs are overwhelmed)</li> <li>• Need flexibility from GCF</li> </ul>



- Costs of regional projects are very high, and should consider expanding limits to take into account the ability to design regional projects
- Need to understand what a programmatic approach means, do a stock take around the Pacific and look at existing experiences and lessons learned (i.e., GEF Ridge to Reef)
- Need to take into account national and subregional contexts
- Need to consider capacity building and capability – noting that we have limitations on people and systems available
- Programmatic approach can be done at both regional and national level, as long as there is a common framework
- On climate rationale – i.e., lack of climate data in the Pacific region
- Private sector involvement and importance to understand the Pacific context, particularly for adaptation (flexibility from GCF)
- Building the administrative costs
- Coastal and Marine Ecosystem Resilience Programme (CMERP) GCF proposal is developed as a Programme
- There is a challenge on the foreign exchange list (particularly from an on-lending perspective)

Mr. Velasquez also led a session on turning challenges into opportunities for regional projects.

Emerson Resende, Climate Policy Specialist, led a panel on opportunities for scaling up projects supported by other climate donors, with speakers from SPC (who spoke of the GEF Ridge to Reef project in the Pacific) and SPREP (who spoke of the potential to upscale a project with the Adaptation Fund in Kiribati).

Rajeev Mahajan from the GCF Private Sector Facility facilitated a panel looking specifically at opportunities with the private sector. He was joined by Simon Forsyth from Pegasus Capital Advisors and Exsley Taloiburi from Climate Change Finance and Resilience – Pacific Islands Forum Secretariat. Participants expressed appreciation for both examples and recognised the benefits of private sector engagements but expressed again the limitations for such partnerships in the region.

Baptiste Gaydon, Associate Professional from the Division of Country Programming, presented the Enhanced Direct Access (EDA) as a programmatic Approach, while Demetrio Innocenti, Manager of GCF's SAP/PPF/EDA Facility, moderated a panel including MCT, MFEM, and SPC who each shared their experiences of developing an EDA proposal for GCF, looking particularly at how they addressed the issues of the long-term sustainability of project financing.

This session evoked a number of comments and feedback about how to capitalise on the offers and suggestions presented in the group work as well as how to integrate concept notes and GCF support within existing EDA.

### **Some of the challenges faced**

- Concept notes are not moving through the pipeline fast enough and being realised as projects. In order to evolve the pipeline, a conversation should be held to understand some of these bottlenecks and how they can be addressed.
- There is a need for more clarity about the purpose and intent of what it means to scale up. It's not just making a project bigger but replicating a project and being able to duplicate and adapt it for different stakeholders. There are currently several examples of scaled up projects in the GCF's project portfolio, and it is estimated that over 25% of GCF projects to date are products of scaling up.



- Capacity building – SPC expressed the reality that for small DAEs in the Pacific, there is a real need for actual ‘capacity’ (i.e., more people) to meet the requirements and expectations of GCF guidelines. The example was given that if the current SPC Climate Finance unit was grown from two to six people, a lot more could happen. FDB noted the lack of pre-feasibility studies impedes concept notes, and that FDB would require support to conduct such studies. To help address these capacity gaps, it was agreed that there is a need to direct Readiness resources towards the building of Pacific DAE capacity.
- COVID-19 has exacerbated the problems in SIDS resulting in lowered economic growth in agriculture, fisheries, and tourism. As Pacific SIDS have lost revenue and become more debt stressed, entities expressed a low appetite across governments and/or lack of eligibility for different financial instruments such as loans.
- Participants also highlighted the differences between the Caribbean region which has much greater proximity and access to markets in the United States than the Pacific has to its closest (and smaller) neighbours.

### Takeaways

To see an increase in programming in the Pacific, starting in 2022, it was noted that:

- SIDS, including those in the Pacific, remain a priority for GCF;
- There is a need to collectively identify umbrella programmes under which smaller projects can be included. Collaboration can be at the programmatic level e.g., Ridge to Reef (SPC/GCF/GEF);
- Good initial project design is critical for successful projects to reach the approval stage;
- Country Programme priorities can be a starting source and may be grouped to bring common themes together;
- GCF is ready to start the conversation on EDA as an approach immediately, but this must be community and locally driven; the region must lead on priorities and opportunities for partnerships;
- Political will is essential and governance arrangements enhance likelihood of success;
- GCF needs to understand the regional and country context of the Pacific and recognise that projects that are suitable for Africa and Caribbean are not always easily transferrable.

At the conclusion of this plenary, the GCF team (Demetrio Innocenti and Freddy Soto) led a side panel update on SAP.

## 8. Day 6, working group session 3: Deep dive clinics with DAE

In the final working group, Pacific DAEs had the opportunity of real-time consultation ‘clinics’ with GCF technical experts to strengthen current specific concept notes. This session was found to be of great value to the Entities who expressed their appreciation for the dedication and relevant feedback. Each of these discussions will be followed up in bilateral meetings following the Dialogue to expedite the progress of the concept notes and projects towards GCF Board approval. The conclusions of these working sessions were presented in Plenary 4 by the relevant Entities. Detailed presentations are available in the Annex, and an overview of each is presented below:

### Working Group 1 Marine and Coastal Ecosystems and Fisheries

Led by the GCF team made up of:

- Division of Mitigation and Adaptation: Chris Dickinson, Ecosystems Management Senior Specialist Brett Barstow, Project Officer, Division of Mitigation and Adaptation.



- Division of Country Programme: Diane McFadzien, Regional Manager, Asia-Pacific; Freddy Soto, PPF/SAP Associate Professional; Baptiste Gaydon, PPF/SAP Associate Professional.
- Climate Impact Assessment Network: Kevin Horsburgh, Climate Science Lead.
- Office of Portfolio Management: Vladislav Arnaoudov, Climate Change Monitoring and Evaluation Specialist.
- Private Sector Facility: Saurabh Kaura, Climate Investment Specialist.

#### Direct Access Entities

- Secretariat of the Pacific Regional Environment Programme (SPREP) - Peter Davies
- The Pacific Community (SPC) - Dirk Snyman, Climate Finance Coordinator
- Micronesia Conservation Trust (MCT) - William Kostka, Executive Director
- Ministry of Finance and Economic Management (MFEM) - Ana Tiraa, Accredited Entity Advisor

#### International Accredited Entities

- International Union for Conservation of Nature (IUCN) – Andrew Foran, Regional Programme Coordinator, IUCN Oceania Regional Office
- World Wildlife Fund (WWF) – Mark Drew, WWF Pacific Director
- Conservation International (CI) – Steven Panfil, Senior Director, Project Development and Implementation

#### Deep Dive Projects:

##### DAE MINISTRY OF FINANCE AND ECONOMY – COOK ISLANDS

- Working title – Building climate resilience for communities through coastal ecosystems
- MFEM Participants: Ana Tiraa, Accredited Entity Advisor, and Kirby Morejohn, Marine Specialist

##### MICRONESIA CONSERVATION TRUST (MCT)

- Working title Community Based interventions for Reducing Vulnerability to Climate change in Northern Pacific Small Island Vulnerable States
- MCT Participants: William Kostka, Executive Director

##### THE PACIFIC COMMUNITY (SPC)

- Working title - Supporting Resilient Island Communities in Tuvalu, Fiji, Solomon Islands, and Vanuatu through the local climate adoptive living mechanism
- SPC Participants: Dirk Snyman, Climate Finance Coordinator

#### Working Group 2: Climate Information and Service

##### Led by the GCF team:

- Division of Mitigation and Adaptation: Joseph Intsiful, Senior Climate Information and Early Warning Systems Specialist; Lixiang Wang, Project Officer; Edson Hlatshwayo, Portfolio Associate Professional
- Division of Country Programme: Samantha Rabine, Regional Officer, Asia-Pacific
- Office of the Executive Director: Kevin Horsburgh, Climate Science Lead
- Office of Portfolio Management: Vladislav Arnaoudov, Climate Change Monitoring and Evaluation Specialist, Jooshun Shin, Portfolio Management Assistant Consultant
- Private Sector Facility – Yves Patrick Karangwa, Associate Professional

##### Accredited Entities



Secretariat of the Pacific Regional Environment Programme (SPREP) – Rupeni Mario

- United Nations Environment Programme (UNEP) – Jochem Zoetelief, Senior Programme Officer
- Asia Development Bank (ADB) - Noelle O'Brien, Principal Climate Change Specialist
- United Nations Development Programme (UNDP) – Srilata Kammila, Head of Adaptation; Aishath Azza, Regional Technical Advisor

### Deep Dive Project

In the absence of an existing written concept note, the working group brainstormed a potential regional project to be led by SPREP as the Accredited Entity, focusing on Climate Information Services and Early Warning Systems (CIEWS) in the Pacific, which is outlined in Plenary 4 and can be found in the Annex.

Participants included:

- Ambassador Diann Black-Layne, AOSIS
- Srilata Kammila and Aishath Azza, UNDP
- Rupeni Mario, SPREP
- Sefanaia Nawadra, UNEP
- Donna Lagdameo, UNDRR
- Naohisa Koide, GFDRR
- Markus Repnik, WMO
- Noelle O'Brien, ADB
- John Harding, CREWS/WMO

### Working Group 3: Agriculture, Food and Water Security

Led by the GCF team

- Division of Mitigation and Adaptation: Veronica Galmez-Marquez, Ecosystems Management Senior Specialist, Marc Dumas-Johansen, Agriculture and Food Security Specialist; Nazeem Wasti, Project Officer, Shahid Parwez, Senior Agriculture and Food Security Specialist a.i.
- Division of Country Programme: Muslima Djumanazarova, Operations Assistant, Asia-Pacific
- Private Sector Facility: Ayaka Fujiwara, Climate Investment Specialist
- Climate Impact Assessment Network: Vladislav Arnaoudov, Climate Change Monitoring and Evaluation Specialist

Direct Access Entities

1. Secretariat of the Pacific Regional Environment Programme (SPREP)- Melanie King, Manager, Programme Coordination Unit, SPREP
2. The Pacific Community (SPC) - Pauline Siret, Climate Finance Officer
3. Fiji Development Bank (FDB) - Setaita Tamanikaiyaroi, Manager, Marketing and Business Development

International Entities

1. FAO - Malia Talakai, Natural Resources Officer
2. International Fund for Agricultural Development (IFAD) - Tamara Nicodeme, Programme Manager, and Sakiusa Tubuna, Subregional Coordinator.
3. UNDP - Aishath Azza, Team Leader for the Resilience and Climate Change portfolio

### Deep Dive Projects

SPREP: *“Enhancing the resilience of the outer islands of Kiribati”*



- SPREP presented a concept note in detail and GCF provided constructive feedback
- SPREP participants - Melanie King, Manager, Programme Coordination Unit

SPC: *“Establishing resilient, low carbon agricultural systems in Tonga, Vanuatu and Samoa”*

- SPC presented a concept note in detail and GCF provided constructive feedback
- SPC participants - Pauline Siret, Climate Finance Officer

FDB

- FDB presented on early project ideas in Agriculture
- FDB participants - Setaita Tamanikaiyaroi, Manager, Marketing and Business Development

## 9. Day 7, plenary 4: Road map and action plan, and the Closing session

Pa Ousman Jarju, Director of DCP, welcomed participants to the closing session and expressed his appreciation to all involved for their commitment to strengthening the engagement of partners across the Pacific region and with the Secretariat. He reaffirmed the Secretariat’s commitment to addressing the portfolio imbalance and to raising the profile of DAEs in the Pacific by supporting Entities in strengthening their projects through the Pacific pipeline. Mr. Jarju affirmed that GCF heard the key lessons of the need for early engagement with relevant stakeholders, the importance of support from civil society, the private sector, academia, development partners, and other programs, as well as the need to start the project development phase in parallel to accreditation. He also reiterated the calls from the region for more capacity to be placed in DAEs, to improve their access to scientific data, recognise the important role of traditional knowledge, and allow more flexible approaches to adjust strategies and tools to better fit the region and project contexts. Mr. Jarju concluded by stating that GCF needs to be a more present partner and needs to optimise the existing communities of practice with national, international, and multinational agencies.

The three Working Groups: Marine and Coastal Ecosystems, Climate Information Services (CIS and Early Warning Systems (EWS), Agriculture and Water Security, presented their final presentations with an overview mapping of who is doing what where in the region; a summary of observations and issues that need to be considered and addressed; their takeaways of best practice gleaned from experience sharing with other DAEs present; and their updated concepts notes from the deep dive clinics. Presentations outlining these conclusions and initial roadmaps of the journey towards Board approval for their respective concept notes can be found in the Annex below.

### Final commitments and calls to action

Diane McFadzien, GCF Asia-Pacific Regional Manager, outlined the key recommendations for consideration as well as GCFs commitments for further action and appeal to partners for follow-up collaboration.

### Key recommendations for consideration

GCF will explore how policies/procedures can be made more flexible, considering the specific circumstances of the Pacific in terms of:

- Challenges and limitations for private sector engagement – noting that there is diversity amongst SIDS;
- Requests for scientific data to enhance climate rationale;
- Technical Expert models to consider blending regional experts;
- Differing capacity requirements;



- Higher Transaction Costs of Pacific Programmes including travel, transportation, and foreign exchange.

#### **GCFs Actions:**

- GCF will compile a summary of inputs, actions, and recommendations after the event (July).
- Capacity Building of DAEs - calls scheduled week of July 22 to discuss Readiness and other means of support.
- Project Deep Dives – Task teams will set up bilateral meetings to follow up and discuss GCF support/action plans.
- Review Regional Readiness proposals in conversations with NDAs to explore what can be pooled together.

#### **GCF requests to partners**

- Scope activities of existing successful projects to identify opportunities for scaling up
- Continue to strengthen communities of practice – sharing of data, results, lessons learned and best practices.
- Expand partnerships - Governments, DAEs, IAEs, Private Sector, Academia, Civil Society.
- Communicate on the policy scale through relevant Board representatives.
- Prioritise a Programmatic Approach – EDA model has much potential in the Pacific context.
- Review Policy Considerations – ongoing reforms, consider SIDS specifically.

Finally, Javier Manzanares, GCF's Deputy Executive Director (DED), closed the session by thanking all present for their very active and vocal participation and the rich and productive discussions the event produced. Mr. Manzanares expressed gratitude for the efforts participants had made to invest in the two-week event and recommitted GCF's stand to support the entities in bringing the pipeline forward. He reaffirmed the importance GCF places on Small Island Developing States.

He recognised the specific challenges faced by countries in the region and reiterated that GCF stands ready to support Pacific Governments and DAEs to bring about the additional capacity required, whether it be specialized expertise or simply additional capacity to support the mammoth tasks ahead.

He assured the participants that GCF had heard their declaration that one size does not fit all, and as such, some GCF standard programmes and facilities may require tailored and flexible approaches to meet the specific needs of the Pacific. He strongly encouraged the DAEs and partners, to work closely with the GCF Asia Pacific Regional Desk to co-develop regionally appropriate or 'homegrown' solutions.

The DED also expressed the ambitions and commitment of GCF of growing the Pacific pipeline, and of growing the investment from the initial resource mobilisation period to double or more during these next few years of the first replenishment period, GCF1, and noted the very short time frame to do this.

He acknowledged the rich technical expertise and experience participants had shared as well as the networks they engage with and noted the opportunities for scaling up and building on successes and lessons to date.

The DED particularly highlighted the depth of work that was achieved in the sectoral working groups and about the project-specific conversations that have taken place between the GCF Project Teams, DAEs and other relevant partners.

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## Annexes

### A. Marine and coastal ecosystems working group final presentation

The working group final presentation was presented by Dirk Snyder (SPC) and Ana Tiraa (MFEM). The members of the working group included:

- Ministry of Finance and Economic Management (MFEM) Cook Islands – Ana Tiraa, Stephanie Vaiimene, Tessa Vaetoru, Kirby Morejohn (Ministry of Marine Resources)
- Micronesia Conservation Trust (MCT), FSM – William Kostka, Trina Leberer, Lisa Ranahan Andon
- WWF (Fiji, PNG, Solomons) – Mark Drew, Jean-Paul Jaudel
- The Pacific Community (SPC) – Dirk Snyder
- Conservation International (CI) – Robert Merritt, Steven Pnafil, Johann Bell
- SPREP – Peter Davies, Stuart Chape
- IUCN – Andrew Foran, Ken Kassem
- UNEP – Kolone Tikeri, Sefanaia Nawadra
- Bank of the Cook Islands (BCI) – Jenny Henry, Anna Glassie, Vaine Nooana-Arioka
- Matanataki – Jodi Smith
- GCF Team: Chris Dickinson, Brett Barstow, Julija Kuklyte, Hubert Jenny, Nazeem Wasti, Vladislav Arnaoudov, Diane McFadzien, Saurabh Kaura, Baptiste Gaydon, Freddy Soto, Anna Katsantonis, Paul Nepolian, Lupton-Bowers (Facilitator)

#### General Observations:

- There is a diverse pipeline of projects across the Pacific
- There are some overlaps in terms of geography
- Pacific interest in EDA
- There is also a lot of non-GCF-funded work with existing partners that we need to ensure complementarity with (e.g., GEF, EU GCCA, bilateral)

#### Best practice sharing

- Importance of adaptation and livelihood development for communities (SPREP)
- Coastal Fisheries Management Sustainable management opportunities for the Pacific (CI, SPC)
- MPAs and Climate Resilience (MCT)
- Innovative Financial Mechanisms (IUCN)
- Private Sector Approaches (Matanataki/WWF)

#### Conclusions from Deep Dive sessions on Concept Notes

- DAEs should be a priority
- Coastal and ocean ecosystems, fisheries are vitally important for the Pacific
- The unique geographical and socio-economic context of the Pacific should draw flexibility from GCF when assessing proposals – one size does not fit all.
- Climate change adaptation pathways are clear, reducing anthropogenic stressors is also vital for the survival of ecosystems and be resilient to climate change
- Private sector opportunities are limited, small enterprises and community facilities are possible in the region
- GCF needs to make a commitment to ‘fast track’ these concepts
- GCF will support the Pacific DAE Pipeline and increase the number of programmes/projects



### Current concept notes include

The table below describes the current concept notes and the roadmap and activities to help bring it to the board by 2023.

Project	GCF Team	Type	Targeted CIC2 Submission	Targeted Board Submission	Notes
A holistic approach to coastal ecosystem resilience, Cook Islands (MFEM)	'Chris'	SAP	Q4 2021 - Q1 2022	2023	<ul style="list-style-type: none"> <li>Formal submission of CN</li> <li>TA project development, safeguards, explore PPF</li> </ul>
Community based interventions for reducing vulnerability to climate change in Pacific Island States (MCT)	Chris / Nazeem	PAP / EDA	Q3 2021	Qtr 4 / 2022	<ul style="list-style-type: none"> <li>PPF Service Support</li> </ul>
Supporting resilient island communities through Local Climate Adaptive Living Mechanism (SPC)	Hubert /	PAP / EDA	Q3 2021	QTR 4 / 2022	<ul style="list-style-type: none"> <li>On-granting to local govt through performance-based climate resilience grants</li> <li>Partnership with UNCDF</li> <li>Global LoCAL initiative</li> </ul>

### B. Climate information services & early warning systems working group final presentation

The participants included the following

- SPREP: Rupeni Mario, Tagaloa Cooper – Halo, Azarel Mariner, Nelida Taebo, Philip Malsale
- United Nations Environment Programme (UNEP) – Jochem Zoetelief, Sefanaia Nawadra, Kolone Tikeri
- Asia Development Bank (ADB) – Noelle O’Brien, Alexandra Galperin
- United Nations Development Programme (UNDP) – Montserrat Xilotl, Aishath Azza
- UNDRR: Donna Lagdameo
- WMO/CREWS: Henry Taiki, Tessa Tafua
- APEC: Bo Ra Kim
- GCF: Joseph Intsiful, Edson Hlatshwayo, Lixiang Wang, Vladislav Arnaoudov, Kevin Horsburgh, Samantha Rabine, Yves-Patrick Karangwa

#### Context

- Pacific Meteorological Council is a long-standing support mechanism for coordinating and implementation of weather, climate, and climate change science in the Pacific.
- Pacific NMHSs play a pivotal role in the provision of information and warnings to all users including communities.
- It is important to translate DRR/EWS initiatives to Pacific context.
- There are opportunities to replicate and upscale lessons learned.

#### Observations



- There is a strong need for complementarity across planned and ongoing work in the region.
- Opportunities exist to forge partnerships and build synergies to scale up existing or ongoing work.
- Diverse and strong partnerships exist at the national, regional, and international level including institutions and universities – opportunities exist to continue building and strengthening communities of practice across the region.
- Regional support is required to build information systems and access to data across partners.

### Sharing of Best Practices

#### Importance of Programmatic Approach for Enhancing the Efficiency and Effectiveness Of CIEWS/DRR/CRM

- Regional programmatic approach – leave nobody behind, countries can benefit from tailored intervention, opportunity to leverage resources and coordination across donors.
- Capacity gap analysis needed to identify clearly and specifically what needs to be done.
- Challenges include limited national budgets and financial planning to cover maintenance costs and high turnover after investment in building capacity.
- Stressed the role and value that ICT plays in a programmatic approach.

#### Creating new investment architecture for CIEWS

- Access to and sharing data is a political issue and relative to each national context– regulatory and cultural barriers.
- Need to increase the national demand for data so governments allocate it in national budgets.
- CIEWS issues need to go beyond technical needs – make CIEWS data relevant to the entire value chain – it is necessary to increase market demand for data and information.
- Building and fostering public–private partnership (PPP) is critical for a programmatic approach to blended financing

### Proposed concept note

Pacific flagship on CIS and EWS, supported by SPREP and GCF Members.

Goal: to have **one programme** that consolidates the current piecemeal proposed CIS & EWS projects and, upscale and learn from projects /programmes under implementation



GREEN  
CLIMATE  
FUND

## General Challenges

### In terms of the One Programme

- Piece meal work in each country, lack of flagship programme
- Lack of capacity and proper governance in some countries
- Computational infrastructure and capacity is not up to global standards
- Forecasting systems in use are highly variable in approach and quality
- Insufficient capacity to develop and deliver accurate, localised and impact-based forecasts and warnings

### In terms of preparation of CN

- It is confusing what level of detail is needed in the CN for PPF endorsement and what could be the actual activities funded by PPF.
- More guidance is needed to progress the one programme concept note to a funding proposal
- Would need early GCF engagement for concept design

## Concept Note

### To provide communities, governments and industries with systems and services to better protect from climate change induced disasters through

- Strengthening governance and institutional arrangements
- Provision of forecasts and warnings
- Communication and delivery of forecasts and warnings to end-users
- Enhancing hydro-meteorological Infrastructure
- Capacity building and training

## Road map and action plan for the Concept Note

SPREP Action Points	GCF Actions for Support	Indicative start date
Development of One Programme concept note	Provide assistance and guidance to ensure early alignment of the one programme concept note objectives with the sector guide.	July 2021
Development of funding proposal including required annexes. Will require PPF resources  (Available support though Project Preparation Facility)	Provide support to concept note development and guidance to progress and approve the PPF application.  Guidance to support streamline early proposal development.	August to 2021
Submission of full funding proposal	Provide technical assistance (as required) and guidance to finalise the proposal for submission	End 2022 /Early 2023
Convene the community of practice and peer working groups including the integration with universities and institutions (integrate to the existing regional mechanisms)	Utilize convening power to leverage partnerships -- specifically, leveraging IPCC groups  Initiate connection to build network	July 2021  August 2021

## C. Agriculture and water security working group final presentation

The presentation was delivered by Karen Mapusua (SPC). The members of the working group included:

- SPREP – Peter King, Vitolina Samu
- SPC – Pauline Siret, Karen Mapusua
- FDB – Setaita Tamanikaiyaroi
- FAO – Malia Talakai, Mathilde Iweins
- UNDP – Aishath Azza
- UNEP – Alvin Chandra
- IFAD – Tamara Nicodeme, Sakiusa Tubuna, Tawfiq El-Zabri, Kisa Mfalila
- GCF Team: Marc Dumas-Johansen, Shahid Parwez, Nazeem Wasti, Veronica Galmez-Marquez, Hubert Jenny, Muslima Djumanazarova, Ayaka Fujiwara

## The Pacific Context for Climate Change and Agriculture, Food and Water Security

- The focus needs to be on food systems – production, processing, distribution, food consumption. This reinforces the relevance of a Systems Approach.



- The ocean at the heart of the Pacific for protein sourcing (tuna case), Agriculture is the backbone.
- Agriculture makes a considerable contribution to GDP; many are dependent on agriculture for their livelihoods and a big challenge is dealing with an ageing agricultural production.
- Need to recall women's role in marketing strategies for agricultural production.
- Biophysical – Social – Cultural Nexus: e.g., Unique challenges in Atolls, compounded with extreme weather events, salinization of agricultural lands.
- Water security challenges are linked to sources: groundwater, rainwater, surface water.
- Even coconut suffers during drought conditions! i.e., reduction of income.
- Climate change turbocharges the issues and challenges.

### **Observations**

- There is a diverse pipeline of projects across the Pacific with some overlaps in terms of geography and thematic foci.
- There is also a lot of non-GCF-funded ongoing projects that we need to ensure complementarity with (e.g., GEF, AFD, bilateral) and many existing partnerships that require an adequate understanding of comparative advantages of each entity.
- GCF is quite new to the region; SPC is already partnering with other agencies such as UNICEF.
- There are some accreditation limitations for using non-grant financial instruments – we need to explore innovation on the use of GCF Grants.
- Climate rationale for food waste sub-sector not entirely clear – Entities report receiving different messages from GCF Secretariat on what could constitute an Agri-GCF project.

### **The role of GCF in financing paradigm shifting pathways – the Private Sector Angle**

Ayaka Fujiwara, GCF PSF Climate Investment Specialist presented the following:

- Role of GCF in de-risking private capital: GCF being the first loss investor. Investment in reimbursable grants or equity. Numerous financial instruments exist (debt, equity, loans, guarantees). Taking the risk for channelling funds to Local Financial Institutions (LFIs).
- What do we mean by paradigm shift? How much impact can we deliver in the medium- and long-term. Projects must demonstrate a robust Theory of Change for replicability and upscaling. Impact beyond project implementation.
- Dimensions of paradigm shift include scale, depth, and sustainability.
- Current portfolio quite heavy on the mitigation side. Need to increase adaptation share in the private sector.

### **Responses and comments from AEs on Private Sector discussions**

- **SPREP:**
  - Private sector does not necessarily exist in many of the Pacific countries. Mobilising the private sector can be challenging. The expectation is that the local communities can do fundraising to maintain their water infrastructure. Context analysis is needed. It's not only about private sector investment as there is a need to have some time for the private sector to understand (including CSR). Speak the language first!



- GCF Readiness to understand what composes the private sector in the region.
- We need to unpack the private sector in the region, as well as opportunities.
- **IFAD:**
  - Private sector in agriculture in the Pacific is relatively small and limited; and most have leveraged all their collateral and other securities to access loans.
  - Banks on the other hand are struggling under COVID-19 circumstances, though in some cases the deteriorating portfolio quality is not explicitly reported.
  - It seems that targeted micro-equity solutions might be worth considering, to enable private sector to invest in areas of growth.
- **SPC:**
  - Hard to see involvement of private sector apart from developing micro-credit products, provide technical assistance for marketing strategies, business plans etc. In many cases private sector means MSMEs.

### **Innovations for transforming food system in the Pacific**

- Very small innovations can save millions of dollars.
- GCF needs to respond to the societal pain points.
- Food as nutrition. There is a double burden of increased consumption of imported foods with reduced nutritional benefit.
- Hit of multiple climate stressors on agriculture sector at the same time.
- Ageing population is an issue. Need transition from grey farmers to young entrepreneurs.
- Need to increase knowledge of high value products: medicinal aromatic plants, horticulture for soil erosion. Secondary transformation linked to oil markets. Super foods (turmeric latte). Micro-greens such as kale. Making these palatable.
- Improve R&D. Drones can help spot drought. Predictive pest, disease, input (fertilizer) analysis based on data.
- Improved post-harvest management can be linked to reduce food waste and to increased quality of final product. Simultaneously build processing and storage capacities to leapfrog ramping up production.
- Establish linkages between farmers and buyers, leveraging strong social fabric in island communities.
- Blockchain for transparency increased.
- Commercial opportunities for the private sector? How to organize, educate and access segments others, e.g., Financial Institutions (FIs), cannot.

### **Key takeaways on transformational projects**

- Innovations for whom and by whom? They need to be rooted in communities.
- Innovation different in seascapes and landscapes but integrative approaches are available (e.g., Ridge to Reef approach).
- How to overcome the issues faced by the banking sector in the region? It is important to find partnerships and champions.
- Nexus innovation – seek out and respect traditional knowledge in small island countries.



- Need to increase the ability of farmers to payback – financial literacy, guarantee and surety schemes, new FI products (e.g., FDB Agriculture family loan, community Farm Box, etc.).

### Current project proposals and roadmap

The table below describes the current concept notes and the roadmap and activities to help bring them to the board.

Project Proposal	DAE	Stage	Location	Type	Opportunities and concrete way forward
Enhancing the resilience of the outer islands of Kiribati	SPREP	Idea Note	Kiribati	SAP	<ul style="list-style-type: none"> <li>• Opportunities for complementarity with the Adaptation Fund.</li> <li>• Formulation of Concept Note only after Kiribas provides green light. Coordination challenges with gov. entities.</li> <li>• SPREP to assess baseline data needs at feasibility stage (feasibility vs. implementation)</li> <li>• Potential link with NAP.</li> </ul>
Establishing resilient, low carbon agricultural systems in Tonga, Vanuatu and Samoa	SPC	Concept Note	Tonga, Vanuatu, Samoa	SAP	<ul style="list-style-type: none"> <li>• CN with SPC to be resubmitted in the following 2-3 weeks.</li> <li>• Lessons learned on Theory of Change</li> <li>• Adaptive learning and learn by doing approach integrated for the small-scale agriculture sector.</li> </ul>
Climate-smart agriculture in Fiji	FDB	Idea	Fiji	SAP	<ul style="list-style-type: none"> <li>• Support for pre-feasibility at CN stage. Use of TA or PPF to be discussed with the Secretariat.</li> <li>• Continue engagement with PSF on financial structuring at idea stage.</li> <li>• FDB to assess information and data needs for climate analysis to demonstrate clear climate rationale (analysis could be conducted with PPF support).</li> </ul>

### Existing projects in the Pacific

**FAO in the Pacific.** Funding sources: GEF, ADF, LDF

#### Experiences:

- Fiji: Upscaling landscape and forest restoration in Yasawa, Mamanuca Islands.
- Solomon Islands (GEF): Biodiversity conservation and Protected Areas. Protected Areas Trust Fund will be promoted. Restoration and enhancements of forest carbon stocks.
- Tonga: Integrated land and agro-ecosystem management systems project. Production of biogas and organic fertilizer, participation of schools to involve youth.
- Kiribati: Fisheries i.e., diversifying of fishing farming activities. Fishing aggregating devices. Changes in post-harvesting techniques to reduce waste and improving storage options. Use of solar driers to reduce waste and energy use in the sector.
- Samoa: Community-based fisheries management programme (corals, mangroves – blue carbon).
- Regional submission to the UNFCCC under the Koronivia Joint Programme (integrative approach).
- From ‘farm to fork’ approach.

### IFAD in the Pacific

- Key ingredient for programme success: Community-based interventions approach. Farmer to farmer learning. Integrated farming systems. Recognising the role of local markets.
- Tonga: Community planning as a pre-requisite for centralised public investment. Allows introducing climate-smart investments.
- Kiribati: participatory targeting & community planning in outer islands.
- Solomon: Agri-business partnerships, community-driven.



- Samoa: Agro-forestry – village and household farm plans.
- Vanuatu: Blockchain.
- Participatory Guarantee Schemes for improving access to markets through branding of niche products & organics.
- 20 projects – USD 80 million in the Pacific.
- Execution through governments but work with local partners. Not currently working with Banks in the Pacific.
- IFAD’s work at the policy level.