



**CLIMATE CHANGE PROJECT PREPARATION FACILITY FOR ASIA AND  
THE PACIFIC  
(ADAPT ASIA-PACIFIC)**

**QUARTERLY REPORT  
NUMBER TWO  
JANUARY 1-MARCH 31, 2012**

**Prepared for  
United States Agency for International Development (USAID)  
Regional Development Mission for Asia (RDMA)  
Under  
CONTRACT No. 486-C-11-00005**

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**April 2012**

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## **1.0 Summary**

In this quarter, which covers the period January 1-March 31, 2012, AECOM International Development (AECOM) continued implementation of activities in line with the approved Work Plan and PMP. Principal achievements this quarter centered on: organization of the ADAPT Asia-Pacific First Annual Forum; launch of the ADAPT Asia-Pacific website; finalization of key baseline assessments on climate change adaptation capacity building opportunities, climate change adaptation projects and programs in the region, and climate change adaptation funds and finance mechanisms; supporting initial climate change adaptation project proposal preparation in selected countries (Lao PDR and Nepal); and, finalization and approval of ADAPT Asia-Pacific's Year One Work Plan and PMP.

## **2.0 Performance Objectives and Expected Outputs**

Project performance objectives for the quarter focused on continued activity implementation in line with the annual Work Plan. Core performance objectives and expected outputs include:

- Developing and launching the ADAPT-Asia website;
- Organization of the ADAPT Asia-Pacific first Annual Forum;
- Completing assessment of existing climate change adaptation projects and identifying 4-5 strategic project/country implementing agency entry points;
- Launching of first UNDP/ADAPT Asia-Pacific collaboration on preparation of GEF-financed Least Developed Country Fund (LDCF) project document for Lao PDR Effective Governance and Small Scale Rural Infrastructure and Disaster Preparedness in a Changing Climate;
- Conducting key baseline assessments on capacity building and climate change adaptation funds/finance mechanisms;
- Engagement with core program partners to introduce them to ADAPT Asia-Pacific and initiate activity planning and design;
- Developing a compendium of climate change adaptation courses;
- Finalizing the Work Plan and Performance Management Plan (PMP).

## **3.0 Summary of Key Program Development and Implementation Activities**

AECOM continued with development and implementation of various program initiatives at both regional and national level during the second quarter of the project implementation. Key activity highlights and results are provided below by project task.

### **Task One: Knowledge Sharing Platform**

ADAPT Asia-Pacific focused on the development and launch of ADAPT Asia-Pacific's website and identification of niche areas for partnership with existing regional networks, especially with APAN (Asia Pacific Adaptation Network) during this quarter.

The website was launched (<http://adaptasiapacific.org>) featuring project information and the first annual Forum held on March 13-15 (see below) from which presentation files and other meeting materials can be downloaded. The website also displays the Compendium of Climate Change Adaptation Funds where major funding sources are summarized with relevant links. The website also provides the latest news and events useful to those who seek adaptation funding and/or

training opportunities. The website will further strengthen collaboration with APAN in knowledge sharing in the Asia-Pacific region. The idea of establishing a community of practice for adaptation financing has been discussed to keep stakeholders, including the Forum participants, informed and engaged.

### **Task Two: ADAPT Asia-Pacific Annual Forum**

The ADAPT Asia-Pacific First Annual Forum was held on March 13-15, 2012 in Bangkok, Thailand. Approximately 120 participants gathered consisting of representatives from government institutions from more than 20 Asian and Pacific Island countries as well as from key climate change funds (Adaptation Fund, the Least Developed Country Fund, the Special Climate Change Fund, the Climate Investment Funds, and the Global Climate Change Alliance), multilateral institutions (UNEP, UNDP, ADB, WB), and bilateral donors (JICA and AusAID).

The Forum was organized as a side event to the APAN Forum (March 12-13, 2012) to ensure that invited government officials could also attend the APAN Forum. The APAN Forum provided an additional opportunity for the participants to learn more about the latest climate change adaptation work in Asia and the Pacific and build a network with the larger adaptation community.

This first Forum was designed to discuss how governments can compete more effectively for international climate change adaptation funds with three specific goals: (1) raise awareness and understanding of potential adaptation project proponents in Asia and the Pacific of available climate funding resources and the requirements for accessing these funds; (2) identify priority capacity gaps and country needs in preparing climate change adaptation project proposals; and, (3) introduce the ADAPT Asia-Pacific project and its potential role in facilitating country access to the adaptation funds.

The Forum featured three keynote speakers: Dr. Katharine Batten, USAID Global Climate Change Coordinator; Dr. Bindu N. Lohani, Vice President for the Asian Development Bank; and Elisea Gillera Gozun, Presidential Advisor on climate change in the Republic of the Philippines. Keynote speakers set the scene by providing global, regional, and national perspectives on urgent needs for adaptation actions. In addition, a special presentation by Dr. David McCauley from the Asian Development Bank facilitated a better understanding of the future of adaptation financing climate. The critical role of adaptation financing was highlighted as there is a huge gap between financial needs and currently available funds. The sessions on current adaptation finance with fund managers from major adaptation-related funds, as well as multilateral/bilateral development agencies that facilitate access to funds, presented the details of mechanisms and requirements of adaptation financing and raised the understanding to accessing these funds. The sessions with country representatives, who have experience in accessing funds and conducting adaptation-related trainings and capacity building programs, identified the challenges and opportunities for accessing these funds. Lastly, the wrap-up session presented principles and criteria for selection of country-level assistance and training programs as a next step of ADAPT Asia-Pacific project implementation.

ADAPT Asia-Pacific is working on the concept of establishing a virtual network (Community of Practice) with the participation of the Forum participants and other interested climate change adaptation champions in the region. The main objectives of this online platform are to share best practices and lessons learned and to keep the Forum participants informed of the latest developments in climate change adaptation project preparation and access to adaptation funds, including new funding and training opportunities. This network will also

provide an opportunity to its members to share experience, ask questions to their colleagues and counterparts, and get an expert opinion on key adaptation project preparation and finance issues.

### **Task Three: Climate Change Adaptation Capacity Building Program**

#### **Summary of Key Accomplishments**

The adaptation capacity building program got underway in earnest at the end of January with the arrival of the Team Leader for Capacity Building. In the ensuing two months, major accomplishments included the following: (i) an assessment of capacity building programs was prepared and is nearing completion; (ii) dialogues were undertaken with potential partners for collaboration on designing, developing and/or supporting capacity building programs; (iii) a concept paper was prepared for the design and delivery of a new capacity building program -- The Economics of Climate Change Adaptation; (iv) a package of assistance to upgrade the capacity of Thailand's Office of Climate Change Coordination under the Office of Natural Resources and Environmental Policy and Planning (ONEP) was designed; and, (v) scope of work to address gender gaps and opportunities in ADAPT Asia-Pacific project activities was developed during this quarter.

#### **A Regional Assessment of Capacity Building for Climate Change Adaptation**

The regional assessment has been canvassing existing capacity building undertaken in the region and internationally that is focused on strengthening the capacity of national agencies and other organizations to prepare climate change adaptation projects and access adaptation funds. The assessment is focusing on courses and projects conducted since 2009 to the present and those planned for the remainder of 2012. It covers the 13 countries of Asia eligible for project support. An assessment of the Pacific countries will be done separately.

As of the end of March, information on approximately 110 programs has been gathered. There were 84 in the Asia region and 26 outside the region. The following tables summarize the findings. A shortlist of upcoming programs drawn from this information will be used to provide priority training to selected government officials during 2012.

**Table 1: Programs Summarized by Type**

<b>Program Description</b>	<b>Number of programs</b>
Courses on preparing project proposals and accessing funds	12
Technical courses on topics required to develop projects	14
Courses on incorporating CCA into development plans and programs and introducing technical and sector-specific topics	55
Courses on climate change models, introduction to climate science	9
Conferences	14
Courses offered by local training organizations	2

**Table 2: Programs Summarized by Sector**

<b>Sector</b>	<b>Number of Programs</b>
Agriculture (and natural resources management)	6
Climate science and modeling	8

Coastal	1
Community-based adaptation	6
Disaster risk reduction/management	23
Economics	2
Ecosystem management (and community-based adaptation)	2
Financing	5
Food security	2
Forestry	2
Gender	2
General (overview of climate change adaptation)	12
Impact, risk and/or vulnerability assessment	5
Information and communication technology (for DRR and adaptation)	1
Mainstreaming	2
Preparing and financing projects	3
Rural	2
Urban	7
Water resources	11
Multi-sector	7

In addition to these capacity building programs, approximately 121 projects were identified that include capacity building activities consistent with ADAPT Asia-Pacific's focus on project development and accessing funding. These projects potentially offer the opportunity for hands-on, practical training and experience. Tools that can be used in project design or implementation have also been recorded on an opportunistic basis.

Work also began on an assessment of capacity building needs and gaps, relying primarily on studies that have been undertaken by international agencies, and on self-assessments by the countries themselves. Initial results indicate that needs and gaps that ADAPT Asia-Pacific may wish to focus on include: (i) project development – case studies, good practices, and other tools to support climate change adaptation project development; (ii) economics of climate change adaptation; (iii) access to and capacity to employ technical project tools (downscaling, scenario building, risk and vulnerability assessments, etc.); (iv) access to climate change adaptation financing; (v) improved networking in climate change adaptation project development and financing; and, (vi) climate-proofing infrastructure projects.

This work is leading to the preparation of an overall strategic plan for capacity building support under ADAPT Asia-Pacific. Based on information gathered to the end of March, the capacity building strategy may include the following elements: (i) Support to Existing Programs: support government officials to participate in existing capacity building programs, and help strengthen existing capacity building institutions and programs through the addition of new modules or through other means; (ii) New Programs: design and deliver new capacity building programs, including on the economics of climate change adaptation, climate proofing infrastructure, and climate change adaptation finance; and, (iii) Modalities: capacity building will be delivered by using technical assistance projects whenever possible, especially those that can introduce cutting-edge technologies and methodologies to government practitioners; by organizing side-by-side capacity building opportunities where experts work directly with government

counterparts; by developing institutional twinning arrangements and mentoring; and, by organizing cohorts and other peer exchange platforms.

More than a dozen institutions have been identified with which ADAPT Asia-Pacific could potentially partner, both to help improve their capacity and to ensure that capacity building programs developed under the project have a long-term institutional home and thereby ensure sustainability of the project's capacity building efforts.

Major principles underlying the capacity building strategy will include: (i) all activities will be designed and delivered with sustainability in mind; (ii) there will be no "reinventing the wheel", and existing, proven capacity building programs/materials/resources will be used and supported whenever possible in preference to designing new programs; and, (iii) ADAPT Asia-Pacific programs will involve peer-to-peer learning whenever possible.

### **Economics of Climate Change Adaptation Training Program**

The economics of climate change adaptation was one area identified as not being adequately covered by any existing capacity building program. Consequently, in consultation with UNDP and the World Bank, a concept paper for the design and delivery of a program on the economics of climate change adaptation was prepared.

The objective is to build a cadre of government staff at the national, subnational and sector levels who can produce high quality economic analyses of standalone CCA projects and investment projects with adaptation components or, for senior staff at central and sector ministries, who can competently assess such project designs and proposals. The training program will initially receive support from ADAPT Asia-Pacific and partners, but eventually will be self-sustaining through adoption of the program by a regional (and perhaps national) institute(s) and by employing a training of trainers approach.

The target audience will be mid-level government staff responsible for economic assessment of projects and programs in their respective sectors. The program will also target senior members of finance, planning and sector ministries responsible for assessing the quality of proposed projects, programs, policies and strategies that include climate change adaptation objectives.

The following outcomes are envisaged by the close of the ADAPT Asia-Pacific project: (i) about 100 trained government officials who in turn will be able to mentor/train their colleagues; (ii) a sustained capacity building program in the region based at a regional - and perhaps national - institute; (iii) regional awareness raising and a South-South learning platform on the economics of CCA; (iv) tools such as economic models, databases and case studies; and, (v) enhanced CCA decision making in the receiving countries and regionally.

Envisaged activities include: (i) a program design workshop that will develop regional and generic country-level programs and decide on an institution to lead the program; (ii) a regional training workshop targeting both senior and mid-level officials from line ministries and central planning and finance ministries; (iii) national training workshops for two countries; (iv) field practice for trainees using actual projects, and provision of mentoring during this time; (v) second regional workshop in which trainees will share their experiences and lessons; and, (vi) uptake of the program as a regular feature of the selected institute's capacity building program and creation of a platform for training alumni to interact over the long term.

## **Assistance to ONEP in Thailand**

A draft program of assistance for the Office of Natural Resources and Environmental Policy and Planning (ONEP), and specifically its Office of Climate Change Coordination (OCCC), (the project's government counterpart in Thailand) was prepared and remains under discussion as of the end of March.

Major areas of support, as currently drafted, would include: (i) a consultant to provide day-to-day support to the OCCC, which has only recently been established; (ii) preparation of a short- and medium-term program for staff capacity building to quickly build technical and administrative strength within OCCC; and, (iii) strengthening OCCC's role as secretariat to the National Climate Change Committee and the Sub-committee on Climate Change Adaptation, including provision of occasional expert inputs on topics of strategic and policy importance.

## **Addressing gender gaps and opportunities in ADAPT Asia-Pacific project activities**

Building on a draft received from consultants, a scope of work was prepared for addressing gender gaps and opportunities in ADAPT Asia-Pacific project activities. The expected results of this work include: (i) projects and capacity building programs supported by ADAPT Asia-Pacific adequately incorporate gender dimensions into their designs and implementation/delivery; (ii) regional knowledge sharing activities take into account opportunities for enhancing the development and exchange of gender-related knowledge; and, (iii) ADAPT Asia-Pacific staff have enhanced capacity to identify gender gaps in their work.

Main deliverables are expected to include: (i) gender guidelines, principles, case studies and tools that are used in the preparation of adaptation projects and capacity building programs; (ii) summary of ADAPT Asia-Pacific staff perceptions and knowledge of gender issues related to project tasks; (iii) summary of gender requirements associated with major adaptation funds; and, (iv) monitoring and evaluation reports on how well gender recommendations have been implemented over the course of the ADAPT Asia-Pacific project.

## **Task Four: Technical Assistance in Project Preparation**

### **Summary of Key Accomplishments**

From a detailed assessment of national adaptation plans it was quickly recognized that there are many conceptual-level ideas for adaptation projects in each of the 27 selected countries but casting these in "bankable" terms is problematic, especially as no country in the Asia-Pacific region is accredited for direct access to the specialized adaptation funds. A preferable entry point, therefore, is through adaptation fund intermediaries, such as the United Nations Development Programme (UNDP), which is the major agency accessing the Least Developed Country Fund (LDCF) of the Global Environment Facility (GEF). UNDP has welcomed the opportunity of receiving ADAPT Asia-Pacific assistance and suggested several projects where timely input would be helpful. However, UNDP is preparing relatively few and rather small adaptation projects, so a detailed review of the Asian Development Bank (ADB) project pipeline was also undertaken. This was followed up with detailed discussions with the respective ADB project task managers and a short-list of 5-10 projects was identified, which are detailed below. A similar analysis will be undertaken for the World Bank at a subsequent phase of the project.

In addition to the demand side, a second analysis was undertaken of the supply side, with examination of the 11 major specialized sources of adaptation funding. This analysis revealed that there is only \$200-300 million of unallocated adaptation funds available globally, so restricting ADAPT Asia-Pacific to assisting countries to access specialized adaptation funds may not be very productive. Therefore, the project scope has been expanded to the broader concept of adaptation financing. For example, ADB has announced plans for about \$1 billion in adaptation financing over the next few years, but a relatively small proportion of that funding will come from adaptation funds. The proposed \$100 billion per year in climate change finance agreed under the Copenhagen Accord by 2020 and the emerging Green Climate Fund offer long-term prospects for adaptation funding, but these sources may not be available until after the project is completed. Nevertheless, accreditation and creation of national trust funds are worthwhile areas for ADAPT Asia-Pacific to assist national governments.

### Assessment of Climate Change Adaptation Projects in Asia

The detailed analysis of adaptation projects from National Adaptation Programmes of Action (NAPAs) and other national climate change action plans revealed over 900 projects in the 13 Asian countries and over 100 projects in the 14 Pacific Island countries. Several of these projects are being implemented through NAPA implementation activities, typically funded by LDCF and implemented by UNDP. The other major source of specialized adaptation funding is the Pilot Program on Climate Resilience, which is providing over \$400 million in assistance to 6 countries (Bangladesh, Nepal, Cambodia, Samoa and Papua New Guinea) and one regional program for the 14 Pacific Island countries. The ADB project pipeline for the next three years has 140-150 projects that could have adaptation components included. As shown in Table 3, most countries are interested in adaptation projects in agriculture and food security and water resources, while the multilateral development banks are more interested in climate proofing infrastructure.

**Table 3: Projects/Activities Identified by Adaptation Sector from National Plans**

Country (number of activities)	Adaptation Sector					
	Agriculture/ Fisheries/ Food Security	Forestry/ Wetlands/ Biodiversity	Water Resources	Infra- structure/ Urban	Health/ Disaster Risk Reduction	Capacity Building/ Other
Bangladesh (37)	6 (16%)	2 (5.4%)	9 (24.3%)	2 (5.4%)	7 (18.9%)	11 (29.8%)
Cambodia (20)	4 (20.0%)	2 (10.0%)	9 (45.0%)	1 (5.0%)	3 (15.0%)	1 (5.0%)
India (229)	44 (19.2%)	46 (20.1%)	90 (39.3%)	8 (3.5%)	23 (10.0%)	18 (7.9%)
Indonesia (89)	31 (34.8%)	9 (10.1%)	21 (23.6%)	9 (10.1%)	13 (14.6%)	6 (6.7%)
Lao PDR (45)	11 (24.4%)	14 (31.1%)	13 (28.9%)	1 (2.2%)	6 (13.3%)	0 (0.0%)
Maldives (62)	17 (27.4%)	7 (11.3%)	8 (12.9%)	19 (30.6%)	8 (12.9%)	3 (4.8%)
Mongolia (141)	71 (50.4%)	9 (6.4%)	45 (31.9%)	1 (0.8%)	8 (5.7%)	7 (5.0%)
Nepal (9)	1 (11.1%)	3 (33.3%)	2 (22.2%)	1 (11.1%)	2 (22.2%)	0 (0.0%)
Philippines (29)	3 (10.3%)	2 (6.9%)	5 (17.2%)	7 (24.1%)	4 (13.8%)	8 (27.6%)

Sri Lanka (140)	33 (23.6%)	24 (17.1%)	16 (11.4%)	16 (11.4%)	9 (6.4%)	42 (30.0%)
Thailand (51)	3 (5.9%)	6 (11.8%)	3 (5.9%)	16 (31.4%)	1 (2.0%)	22 (43.1%)
Timor Leste (29)	4 (13.8%)	5 (17.2%)	4 (13.8%)	6 (20.7%)	9 (31.0%)	1 (3.4%)
Viet Nam (30)	4 (13.3%)	1 (3.3%)	3 (10%)	2 (6.7%)	2 (6.7%)	18 (60.0%)
Total (911)	232 (25.5%)	130 (14.3%)	228 (25.0%)	89 (9.8%)	95 (10.4%)	137 (15.0%)

### Development of Selection Criteria for the ADAPT Asia-Pacific Project Preparation Facility

From the rapid analysis of existing project concepts, the need for a set of selection criteria became obvious, as the total number of projects to be delivered over the 5-year duration of ADAPT Asia-Pacific is only 25, compared to a potential pool of well over 1,000 projects. The draft selection criteria that are being finalized by ADAPT Asia-Pacific are as follows:

- (a) Extent to which adaptation action plans have been mainstreamed into national economic development plans or sector plans;
- (b) Level of country support to integrate adaptation into project design, especially for infrastructure projects;
- (c) Capacity needs at the country level in relation to project preparation and adaptation components and willingness to engage in on-the-job training;
- (d) Level of project preparation funds and the source of those funds (which will dictate certain design elements to be incorporated);
- (e) Extent to which task managers and responsible government officials are keen to have an adaptation component, especially in infrastructure projects; and,
- (f) Likelihood that the adaptation component will be able to attract relevant adaptation funding, whether from an existing (or new) adaptation fund or from multilateral or bilateral official development assistance.

### Assessment of CCA-related Global and Bilateral Funds

The ADAPT Asia-Pacific team conducted an in-depth assessment on existing specialized global funds, which provide resources to finance adaptation activities in developing countries. The assessment was able to identify 11 multilateral and bilateral funds for which ADAPT Asia-Pacific countries are eligible to access resources:

#### *Multilateral funds:*

1. The Adaptation Fund (AF)
2. The Least Developed Countries Fund (LDCF)
3. The Special Climate Change Fund (SCCF)
4. The Pilot Program for Climate Resilience (PPCR)

#### *Funds managed by national governments*

5. The Global Climate Change Alliance (GCCA)
6. The Nordic Development Fund (NDF)
7. The Nordic Climate Facility (NCF)

8. The International Climate Initiative (ICI) - Germany
9. The Japan's Fast Start Finance (FSF)
10. The International Climate Fund (ICF) - United Kingdom
11. The International Climate Change Adaptation Initiative (ICCAI) – Australia

It can be estimated that there is approximately USD 260-500 million of uncommitted funding available in the multilateral funds system to finance new project proposals. These resources are from the AF, LDCF and SCCF combined. Resources under the PPCR are not included in the above estimate since they have already been allocated to nine countries and two regional programs.

As for the bilateral funds, Japan FSF and the UK's ICF are the two largest bilateral sources of climate finance for developing countries. Both are supposed to have sizeable uncommitted resources but how each country will continue to fulfill the pledges and program these funds is unknown. The NDF, ICI and NCF also have resources available for future projects but the actual amounts are unknown. Funds that have allocated all of their resources for the time being are the EU's GCCA and the Australia's ICCAI.

From ADAPT Asia-Pacific perspectives, engagement with the funds managed by a government or a group of governments is possible but will likely present operational challenges. The main reason is that these funds function as programming funds for the donors themselves and also as funds of the multilateral funds. On the other hand, the multilateral funds still have substantial uncommitted resources which are open for developing countries to access through a relatively standardized framework of project proposal submissions. Therefore, it seems most practical for ADAPT Asia-Pacific in the immediate term to engage with the AF, LDCF and SCCF and support countries to develop project proposals for these funds. In addition, ADAPT Asia-Pacific's engagement with the PPCR should also be investigated. While the PPCR operates based on a selection of pilot countries, it may still present opportunities for ADAPT Asia-Pacific to engage with the implementing multilateral development institutions and pilot countries in the preparation country specific or regional projects. In all cases, working with the multilateral funds will require ADAPT Asia-Pacific to develop a close relationship with the multilateral institutions.

### **Project Preparation Support to UNDP Project in Lao**

ADAPT Asia-Pacific met with UNDP officials in Bangkok and Vientiane during January and reached agreement to support UNDP and Lao PDR's Ministry of Natural Resources and the Environment (MoNRE) to prepare the project document (ProDoc) for the GEF-financed Lao PDR: Effective Government for Small Scale Rural Infrastructure and Disaster Preparedness in a Changing Climate. The project preparation process commenced in January 2012. ADAPT Asia-Pacific's support to the UNDP project preparation team, which consists of one international and two national consultants, will include a rural infrastructure engineer and an adaptation economist. The rural infrastructure engineer will identify a menu of local level, climate resilient infrastructure investments, while the adaptation economist will prepare economically sound selection criteria for infrastructure subprojects and provide guidance on the selection of an optimal set of subprojects. ADAPT Asia-Pacific identified an infrastructure engineer, Chris Manu, who mobilized in Vientiane in late March, and an adaptation economist, Chris Cheatham, who will carry out a desk study within his SoW in May. ADAPT Asia-Pacific is working with UNDP's Bangkok regional office to draft a MoU that will set out the broad framework envisaged for the collaboration between UNDP and USAID ADAPT Asia-Pacific.

## Project Preparation Support to UNDP project in Nepal

ADAPT Asia-Pacific met in January with officials from the UNDP regional office in Bangkok and agreed to support the GEF-financed Nepal: Community Based Flood and Glacier Lake Outburst Risk Reduction Project. This project has two distinct components: (1) the design of the controlled draining of 5,000-meter high Imja Lake that is forming due to the melting of Imja Glacier and (2) flood preparedness training and flood-proofing of community water supply and storage facilities in selected districts in the Terai and Churia regions. Subsequently, the ADAPT Asia-Pacific team traveled to Kathmandu in late March to participate in the UNDP-organized regional workshop on glacier lake outburst risk reduction. During its stay in Kathmandu, ADAPT Asia-Pacific met on several occasions with UNDP/Nepal and the International Center for Integrated Mountain Development (ICIMOD), the institution selected by UNDP to lead the preparation of the ProDoc for the above-mentioned project, to define ADAPT Asia-Pacific's specific role on the UNDP project. Following extensive discussions it was mutually decided that ADAPT Asia-Pacific would support only the project's first component in the provision of high-level international and national engineering support to the ICIMOD team to identify and assess options for the controlled draining of Imja Lake and to support the pre-feasibility design of a cost-effective, technologically-appropriate early warning system (EWS) for the villages downstream of Tosh Rolla glacier lake. ADAPT Asia-Pacific also agreed to assist ICIMOD with the preparation and review of the ProDoc. At the close of this reporting period, ADAPT Asia-Pacific had begun recruitment to fill the above consultancies.

## Project Preparation Support to ADB projects

ADAPT Asia-Pacific has conducted an extensive review of ADB's development projects and identified several potential projects within ADB's development projects that can be supported by ADAPT Asia-Pacific. The current list of ADB projects for which ADAPT Asia-Pacific support is planned is described in the Table 4 below.

**Table 4: Potential ADB project proposals**

ADB Project	Next Steps	Current Status
<b>Cambodia</b> Mainstreaming climate resilience into development planning of key vulnerable sectors (PPCR); Funding level - \$7 million (2012); ADB Project Leader – Ancha Srinivasan	ADAPT Asia-Pacific to join the wrap up meeting (end-March), and possibly fund feasibility assessments of NAPA priority projects during implementation of the project, in addition to the \$1 million for feasibility studies to be provided by PPCR (subject to USAID approval of this approach).	Mission now planned for 19-25 April and P. King planning to join mission for final 2-3 days.
<b>Regional</b> Vulnerability Assessment and Risk Management in Cities in the Greater Mekong Subregion: Cambodia, Lao PDR and Viet Nam Funding level - \$1.5 million RETA; ADB Project Leader – Florian Steinberg	ADAPT Asia-Pacific to agree to fund vulnerability assessment and risk management in one city and provide parallel co-financing to ADB (subject to USAID approval)	No clear direction from ADB, so suggest dropping this opportunity.
<b>Sri Lanka</b> Road sector capacity development TA project with Road Development Authority; Funding level – TBD;	ADAPT Asia-Pacific to join the fact-finding mission, jointly prepare the TA paper, and ADB to approve the CDTA by July/August 2012 (subject to USAID approval). ADAPT Asia-Pacific to co-	Country Resident Mission to advise on follow-up by 7 April.

ADB Project Leader – Vidhisha Samarasekara	finance the CDTA with Nordic Development Fund.	
<b>Cambodia</b> Second Rural Water Supply and Sanitation Sector Project (RWSSP2); Funding level –TBD; ADB Project Leader – Michael White	This project is under implementation until 2015. The proposed involvement of ADAPT Asia-Pacific is to work with the government implementing agency to prepare climate proofed sub-projects during the implementation phase (USAID agreement on accessing adaptation financing rather than adaptation funds alone, and participating in implementation, would be needed).	ADB preparing terms of reference by end April for ADAPT consultant(s).
<b>Regional</b> Living Himalayas Initiative – Bhutan, India, Nepal, and Bangladesh; Funding level - \$500,000 RETA; ADB Project Officer – Cindy Malvicini	ADB requested by Living Himalayas Secretariat to support implementation of MoU agreed at November 2011 Bhutan Climate Summit. ADAPT-Asia requested to join March 2012 ADB fact-finding mission to map out RETA for adaptation action planning in energy, water, food security, and biodiversity, where ADAPT-Asia could support identification and screening of potential investment projects.	Followed up with WWF in Kathmandu as staff (Tariq Aziz) are being relocated to Bhutan to work on this initiative. No further information from ADB to date.

### **Supporting NIE Accreditation Work within the ADAPT Asia-Pacific Region**

Direct access by accredited national implementing entities (NIEs) is one of the unique features of the Adaptation Fund (AF). The AF is currently the only multilateral climate change fund which has fully operationalized direct access. The AF began the work to accredit NIEs in January 2010. However, as of March 2012, there are no accredited NIEs from the 27 ADAPT Asia-Pacific target countries.

An organization must meet the Fiduciary Standard established by the Adaptation Fund Board (AFB) in order to become a NIE. The AF defines the Fiduciary Standard as “a reference framework of policies, systems and practices which are required by an organization to effectively manage funds and projects on a sustainable basis”.

ADAPT Asia-Pacific can play an important role in supporting countries in the NIE accreditation process. Key challenges that countries currently face in the process include difficulties in: 1) selecting an appropriate NIE candidate; 2) preparing an NIE application with adequate supporting documents; and, 3) continuing to strengthen certain institutional capabilities even after attaining accreditation. ADAPT Asia-Pacific can organize its technical support to countries along these three aspects. Based on the current accreditation progress in the region, Lao PDR, Mongolia, the Philippines, and Indonesia seem to be good candidates for ADAPT Asia-Pacific support at the different stages of the accreditation process.

### **Task Five: Overarching Program Management and Coordination**

Work Plan: the ADAPT Asia-Pacific team revised the Work Plan per the COR’s comments and feedback and submitted for approval. The revised Work Plan was approved by the COR on February 29, 2012.

Performance Management Plan: The final project PMP was developed in consultation with the USAID/RDMA REO team and submitted for USAID/RDMA's approval. The COR approved the PMP on January 31, 2012, which is being used as a guiding document for project activities.

Expanding the geographic scope of the project to the Pacific Small Island Developing Countries (PSIDS): USAID/RDMA requested a contract modification to include the eligible nations in the Pacific Small Island Developing States (Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu) into the geographic scope of the ADAPT Asia-Pacific project. With this modification, the title of the project also changed to "ADAPT Asia-Pacific" from "ADAPT Asia".

Registration of ADAPT Asia-Pacific in Thailand: The ADAPT Asia-Pacific team prepared the required administrative and program documents to submit to the Thailand International Cooperation Agency (TICA) for registration of the project in Thailand. As a part of this registration process, ADAPT Asia-Pacific met with the Secretary General of the Office of Natural Resources and Environmental Policy and Planning (ONEP) to obtain consent from the ONEP to be a sponsoring government agency for registration. Dr. Supat, Secretary General of the ONEP, agreed to support the project by providing a letter of intention to USAID/RDMA for partnership with ADAPT Asia-Pacific.

#### **4.0 Outstanding Project Implementation Tasks and Challenges**

Outstanding project implementation tasks and challenges during the second quarter were: (1) finalizing introductory meetings with USAID bilateral missions and other potential partners to present the ADAPT Asia-Pacific project and (2) registration of the ADAPT Asia-Pacific project with Thailand International Cooperation Agency (TICA).

ADAPT Asia-Pacific continues meeting with different bilateral USAID missions to inform them about the program and gain their support in initiating program activities in their respective countries. Due to the conflicting and busy schedules of the different actors involved during this quarter, the process is taking more time than expected. The ADAPT Asia-Pacific team works with the COR to arrange meetings or teleconferences with key bilateral missions (USAID/Bangladesh, USAID/Sri-Lanka, USAID/Timor-Leste and USAID/Mongolia) in the countries where we foresee immediate opportunities for ADAPT Asia-Pacific to support climate change adaptation activities.

The ADAPT Asia-Pacific submitted necessary documents to TICA for the registration of the ADAPT Asia-Pacific project with the government of Thailand and is waiting for a response from the TICA on the status of the registration. We expect to receive a response to our request by the end of the third Quarter.

#### **5.0 Resource Leveraging and Sustainability**

During the first quarter, AECOM worked closely with RDMA to initiate ADAPT Asia-Pacific's core implementation strategy of leveraging programming resources and capabilities with project partners, including USAID missions. ADAPT Asia-Pacific was successful in leveraging in-kind contributions in the total amount of 48,000 USD from different donors and participants to the

organization of the ADAPT Asia-Pacific First Annual Forum this March. To ensure local ownership and sustainability of the newly designed capacity building activities, the ADAPT Asia-Pacific team identified several local universities and training centers (AIT, ADPC, AIM, South Pacific University, etc.) in the region to engage them in the organization of capacity building activities to be carried out by ADAPT Asia-Pacific. ADAPT Asia-Pacific will continue exploring innovative strategies for cooperation that will include resource leveraging and ensuring overall program sustainability.

## **6.0 Performance Objectives for Next Quarter (April 1 – June 30, 2012)**

In the third quarter of performance in FY12, AECOM will focus on activity implementation under all tasks per the first-year work plan. Key performance objectives for the quarter are as follows:

- Commence the work on establishment of a Community of Practice for ADAPT Asia-Pacific;
- Provide consultant support to ONEP's Office of Climate Change Coordination Unit dealing with day-to-day CCA activities, strategic planning, and other priority matters;
- Complete the Asia regional assessment of capacity building for climate change adaptation, and produce a similar Pacific regional assessment;
- Prepare an overall strategic program for capacity building under ADAPT Asia-Pacific, beginning with countries of Asia;
- Canvass USAID country missions in Asia concerning candidates in senior government positions who could receive strategic capacity building support from ADAPT Asia-Pacific through scheduled climate change adaptation training programs;
- Finalize a compendium of CAA training courses on project preparation available in the region and internationally;
- Design the new training course on The Economics of Climate Change Adaptation;
- Launch the second UNDP-ADAPT Asia-Pacific collaboration on preparation of the GEF-financed Least Developed Country Fund (LDCF) project document for Nepal Community Based Flood and Glacier Lake Risk Reduction;
- Explore collaboration with UNDP on preparation of project document for Tuvalu Effective and Responsive Island-level Governance to Secure and Diversify Climate Resilient Marine-based Coastal Livelihoods and Enhance Climate Hazard Response Capacity;
- Continue to closely monitor shortlist of potential ADB project proposals for opportunities for ADAPT Asia-Pacific support;
- Develop a strategy for commencing project activities in the Pacific Islands Countries;
- Conduct first round of meetings in Suva, Fiji with potential partner institutions and begin to define initial intervention(s) for Pacific region;
- Present the ADAPT Asia-Pacific project to USAID/Indonesia in Jakarta and explore potential technical assistance to Indonesia Climate Change Trust Fund;
- Commence a rapid assessment of the national climate funds and identify potential program interventions for ADAPT Asia-Pacific;
- ADAPT Asia-Pacific will discuss with the two countries on potential support to the accreditation of National Implementing Entities (NIEs) for the Adaptation Fund, building on the expressions of interest from the ADAPT Asia-Pacific 1<sup>st</sup> Annual Forum in March 2012;
- ADAPT Asia-Pacific will visit Ulaanbaatar and Dhaka to present the project to USAID/Mongolia and USAID/Bangladesh and to explore potential technical assistance in project preparation, capacity building and accreditation with the Adaptation Fund;

- Commence Gender Assessment of ADAPT Asia-Pacific's capacity building and project preparation facility;
- Present the ADAPT Asia-Pacific project to USAID/Bangladesh, USAID/Sri Lanka, USAID/Mongolia and USAID/Timor-Leste through teleconferencing or visits to these countries.