



FSM NDA Office Newsletter



Strengthening the Capacity of NDA and other FSM stakeholders through Monitoring & Evaluation for Climate Change & Disaster Resilience Training, 5-9 November 2018.

Practitioners in the Federated States of Micronesia working on the front line of climate change and disaster management have completed a capacity building training course in Pohnpei, boosting their monitoring and evaluation (M&E) skills and strengthening the nation's ability to meet future climate challenges.



The training brought together 22 participants from national and state agencies, non-governmental organizations and civil society partners.

A joint initiative of the FSM Department of Environment, Climate Change and Emergency Management and the USAID Institutional Strengthening in Pacific Island Countries to Adapt to Climate Change Project, the training was implemented by the Pacific Community with support from GIZ.

The innovative and practical approach of this training was welcomed by participants who noted the significant impact that the tools, knowledge, and resources will have on their daily work.

"I've learnt a lot about evaluating projects from beginning to end. I think that this is an important training and we should look into replicating it," said Executive Director Andy George from the Kosrae Conservation and Safety Organization

This training came timely as FSM is readying itself for



scaled up climate financing from the Green Climate Fund and with the nation's focus now on its Country Program implementation. M&E capacity will certainly help FSM leaders and development partners appreciate successful and effective approaches to reducing climate vulnerability and increase good practices on adaptation activities.

FSM sends delegation to COP24 in Poland

The 24th Conference of the Parties Health Manager Moses Pretrick, Legal Fund is part of the financial to the United Nations Framework Advisor to FSM Permanent Mission in mechanism of the UNFCCC and Convention on Climate Change, or New York Clement Yow Mulalap, FSM serves the Paris Agreement. Hence COP24, was held from 3-14 December Consultant Ana Maria Kelymeyer, FSM- the Fund reports to the Conference 2018 at Katowice, Poland. The Head of GCF National Coordinator Belinda S. of the Parties and the COP then the FSM delegation was Secretary for Hadley, Chiara Franco of The Nature provides guidance on GCF's Finance & Administration, the Honorable Conservancy and Winfred Nanpei of the operations. Sihna N. Lawrence and the members of FSM National Weather Service Office.

the delegation included FSM Deputy One of the most important tasks of this Climate finance is critical to Permanent Representative to the United year's conference was to make decisions combating climate change and Nations Jeem Lippwe, Assistant Secretary on ensuring full implementation of the most agree that finance is the Cindy Ehmes, FSM Environmental Paris Agreement. The Green Climate missing link to climate resilience



which GCF has a key role to play.

The FSM National Designated Authority for the Green Climate Fund, Secretary Sihna N

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Lawrence, delivered the national statement to the parties of the convention at the high level segment. In her statement Secretary Lawrence urged all parties for an immediate collective action to bring the Paris Agreement alive and real saying that “reaching a global agreement in Paris has encouraged us and led us to believe that global cooperation is possible.” She went on to add that “we have a proven means to achieve the goal of limiting global warming to 1.5 degrees Celsius without putting ourselves at risk.”



The nation is committed to make climate finance an enabler for FSM to build resilience and achieve its Nationally Determined Contribution (NDC) goals.

Vaka Motu (boat for the islands) as a pathway to Sustainable Sea Transport in the FSM



FSM is progressing well with its Sea Sustainable Transport proposal for the Green Climate Fund. The Vaka Motu (boat for the islands) – is a traditionally designed sailboat built with modern materials and propelled by fossil fuel-free technologies: solar and biofuel (coconut oil).

FSM’s initial interest to pursue this national priority project idea was first expressed at the UNCCC COP23 in 2017 and later confirmed at the 23rd Micronesia Islands Forum (MIF) in April of 2018. Based on the leadership’s decision and as a priority in FSM’s Country Program, the NDA office took the opportunity at the GCF Structured Dialogue held in Pohnpei July 2018 and started preliminary discussions with partners including Okeanos, the GCF Secretariat, Accredited Entities (GIZ/SPREP) and other countries in the Micronesia region to join in the pursuit of acquiring sea transportation well suited to meet the needs of our islands.



Okeanos Vaka Motu was seen as the selected sea transportation most suited to the Micronesia region based on its ability to reduce environmental threats while protecting culture and providing tools for sustainable development and economic independent from foreign aid and imported fossil fuels

A concept note was developed in collaboration with SPREP for the five Micronesia countries (FSM, RMI, Palau, Kiribati and Nauru) and was submitted to the Green Climate Fund in September 2018 for a total of \$10 million USD through the Simplified Approval Process mechanism. GCF Secretariat responded providing their feedback and recommended that the project be scaled up to a full proposal for \$50 million USD.

As a result SPREP and the NDA office conducted a multi-stakeholder consultation workshop aimed at providing an update on the status of project development and to seek input from wide range of stakeholders to inform the design of the project. It was highlighted for the participants to note that acquiring vaka motus will not replace or substitute existing sea transportation vessels but rather it will support in filling the gap and help with consistent or emergency services to our outer island communities with health, education, food, goods and basic needs.

Representatives from the four FSM states as well as national government and other stakeholders gathered at the Island Palms Conference Room on 26 November to discuss the development of the full project proposal to be submitted to the GCF. The anticipated submission date of the proposal is for the October 2019 GCF

FSM No Longer Part of the Pacific Islands Renewable Energy Investment Program with ADB

FSM's initial engagement with ADB as the Accredited Entity for an FSM proposal for a renewable energy project directed to the Green Climate Fund began during a meeting in Guam back in 2016. The FSM NDA team introduced the Green Climate Fund Program to all of the FSM state utility corporations and the Asian Development Bank (ADB) presented the concept note format, expectations and requirements in the development of the proposal document.

Soon after this meeting, the FSM agreed to join this regional initiative. A no-objection letter was issued to GCF for ADB's concept note submission to the GCF December 2016 Board meeting held in Samoa. The countries included in this regional program are the Cook Islands with its fully developed proposal, and FSM, Nauru, Papua New Guinea, Marshall Islands, Samoa and Tonga with their concept notes. The submitted Concept note sought to obtain GCF project preparation funds in the amount of \$15.0 million (\$10.0 million for project preparation; 5.0 million for capacity building and energy sector reforms).

The GCF Board Members approved the Cook Island project at the end of the meeting. However there were more questions on the technical assistance component for the remaining six countries. It was suggested that a clearer logical framework would be needed to explain the outcomes and impacts of the component. Several GCF Board Members were of the view that the component should be proposed under the Project Preparation Facility (PPF) of the readiness programme. Therefore only \$5.0 million was

approved for capacity building and energy sector reforms leaving the \$10.0 million unfunded.

During the 21st Meeting of the GCF Board from 17-20 October 2018, Tonga got approved for 29.9 million on its renewable energy project. FSM on the other hand kept on with consultative meetings, video/phone conferences and numerous email exchanges to develop its energy project proposal, which aims to achieve a paradigm shift to help rapidly move from its current energy pathway that is entirely dependent on fossil fuels to a pathway that is low-carbon, climate resilient and provides greater levels of access to marginalized populations in states where accessibility to energy is low. It was anticipated that this project would significantly contribute to FSM's NDC goals.

At meetings held in Pohnpei during the week of January 21-25, ADB announced that a decision has been made without the FSM's consent to cease work on the GCF grant proposal for the Pacific Renewable Energy Investment Program because of an informal communication from one GCF Board Member claiming that 'GCF will not consider revenue generating energy project proposals even for countries amongst the most vulnerable to climate change with limited sovereign borrowing capacity and that only have few options for financing investments to develop renewable energy generation'. The FSM NDA Office independently reached out to the GCF Secretariat to validate that there is a new policy change but received communication back that no official policy change has been made at GCF.

Regardless of this information, which was shared during a meeting between ADB and FSM on Friday January 28, 2019, a decision was reached for FSM "to do all that it can to move forward its renewable energy program with whatever available funds they own and look towards other development partners to fund the proposed project". The ADB will no longer serve as an Accredited Entity for this project.



The following dates are proposed for meetings of the Board in 2019:

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| B.22: | 26 – 28 February 2019 |
| B.23: | 11 – 13 June 2019 |
| B.24: | 15 – 17 October 2019 |



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