
I. DEVELOPMENT CHALLENGE (1/4 PAGE – 2 PAGES RECOMMENDED)

Vanuatu is a small island, least developed country. According to ND-GAIN index¹, Vanuatu's vulnerability was ranked 13th highest out of 183 countries (third highest in the Pacific region after Solomon Islands and Papua New Guinea). Vanuatu's high vulnerability to climate change is due to a combination of factors such as high exposure to natural disasters, scattered island geography, narrow economic base, inadequate communication and transportation networks, and limited capacity to cope with disasters including those caused or exacerbated by the effects of climate change. The rural-urban contrast in the economy is stark in terms of economic and social structures, which have a bearing on the level of vulnerability. About 65% of GDP is generated by the service sector, largely concentrated in a few urban areas. The tourism sector, is the main foreign exchange earner. On the other hand, about 65% of the population live on small-scale subsistence agriculture (including fisheries), and its contribution to GDP is only about 25%. A large fraction (around 75%) of the population lives in rural areas, scattered across 65 inhabited islands with over 12,000 km² of land area. The country has an estimated population of 284,700. Due to geographical challenges, livelihood activities are carried out with limited public sector support.

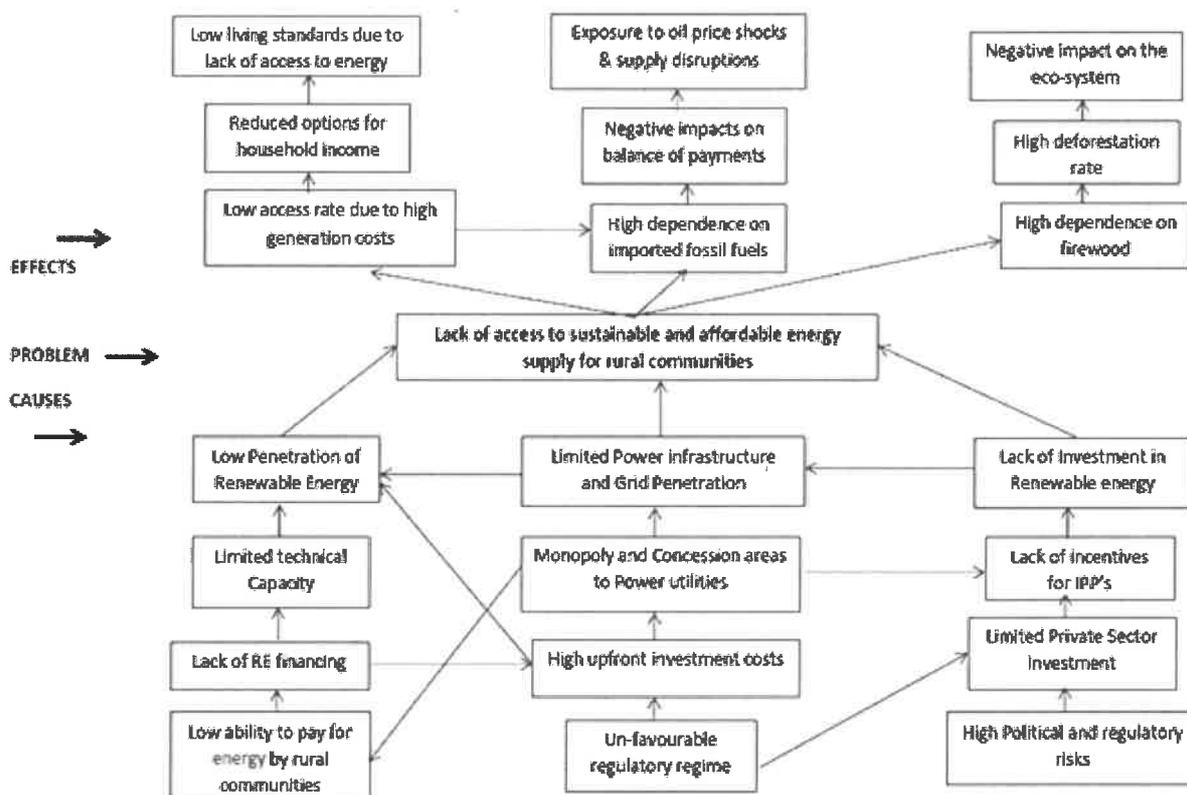
Energy is one of the crucial development indicators in any country and, like the other Pacific Island Countries, Vanuatu's primary energy needs are mainly met by imported petroleum fuel. The majority of electricity is produced from Diesel (71%) and renewable energy (29%) which includes hydro, solar, wind and biofuel. Vanuatu is exploring opportunities to further utilize the renewable energy sources such as hydro, solar, biomass, wind, and coconut bio-fuel and geothermal.

Of the 75 per cent of rural dwellers, only 9% have access to any form of electricity other than battery powered mobile lamps or radios. Apart from physical geographical constraints, the main barriers to extension of electricity grids and to the implementation of local stand-alone-grid solutions are economic ones. The small number of households per community, combined with large distances between the communities, results in high upfront installation costs that cannot be recovered through operation in a commercially viable time span. The economic barriers mentioned above are heightened by the limited ability to pay for energy services in rural communities. In general, the rural population has very little disposable income. With its population distributed over many islands distribution of energy services is both technologically challenging and costly. This results in very low electrification rates and high fuel prices. The result of these factors is that energy services are available only to a small share of the population, and at high prices. The retail price for diesel is among the highest in the region, which is partly due to taxes, as prices before tax are about the same as in comparable countries in the region. The key development challenge is lack of access to sustainable and affordable energy supply for rural communities in Vanuatu (as articulated in the theory of change tree below) exacerbated by impacts of climate change.

In the past, no consistent energy policy or strategy existed in Vanuatu. Those Renewable energy policies and projects that were implemented were fragmented and often driven by proposals from development partners. This approach was not successful, and in response, the government developed a comprehensive National Energy Road Map (NERM) in 2013. The NERM identified five priorities for the energy sector: access, petroleum supply, affordability, energy security, and climate change. It set out objectives, targets and actions to achieve these priorities and contribute to the NERM's overall vision.

The NERM clearly identifies the issues in the energy sector as a challenge to the country's economy, and as restricting economic and social development. In the NERM, access to electricity is identified as one of the country's five development priorities, from remote rural areas to those who are already serviced by a utility under an existing concession. The goal of NERM is to increase electricity access for the rural population and extend the existing grid to reach an increasing number of people. The updated NERM (2016-2030) which was endorsed by the Government in June 2016 has the same vision as the earlier NERM, and its objectives, targets, and actions are intended to be consistent. The update was meant to provide more detail on particular areas (especially energy efficiency and green growth), and improve consistency of the priorities and objectives. The updated NERM focuses on five priorities: accessible energy, affordable energy, secure and reliable energy, sustainable energy, and green growth.

¹ The ND-GAIN Country Index, a project of the University of Notre Dame Global Adaptation Index (ND-GAIN), summarizes a country's vulnerability to climate change and other global challenges in combination with its readiness to improve resilience. (<http://index.gain.org/>)



Climate change and changing weather patterns are already having a negative impact on all the priority sectors in Vanuatu and most evidence points to the fact that they will be exacerbated by climate change related events in the future. Climate related disasters are one of the main hindrances to economic development in Vanuatu and this will certainly continue. Vanuatu is one of the countries most vulnerable to climate change among the other Pacific island nations. The effects of climate change on agriculture production, fisheries, human health, tourism and well-being will have the consequences of decreasing national income while increasing key social and infrastructure costs. Climate change may affect all areas of life for Ni-Vanuatu people and impact women, men and young people in different ways. Vanuatu also faces a full range of geologic and climatic hazards and is also subjected to climatic variability and extremes. The country is located in a seismically and volcanically active region and has high exposure to geologic hazards, including volcanic eruptions, earthquakes, tsunamis, and landslides.

Vanuatu's latitude places it in the path of tropical cyclones, also making it subject to cycles of El Niño and La Niña, which increase the risks of droughts and floods respectively. Future climate change and sea-level rise threaten to exacerbate the risks posed by tropical cyclones, coastal and river flooding, coastal erosion, landslides, hailstorms, heavy rainfall events, and droughts. Vanuatu is also vulnerable to anomalously long dry spells and prolonged wet conditions associated with the El Niño (warm phase) and La Niña (cool phase) of the El Niño-Southern Oscillation (ENSO) phenomenon, ocean acidification and sea level rise.

Between March 12 and 14, 2015, Tropical Cyclone Pam struck Vanuatu as an extremely destructive Category 5 cyclone, with estimated wind speeds of 250km/h and wind gusts that peaked at around 320km/h. With eleven confirmed fatalities, an estimated 65,000 people were displaced from their homes. Approximately 17,000 buildings were damaged or destroyed, including houses, schools, clinics, and other medical facilities. The tropical cyclone destroyed crops on a large scale and compromised the livelihoods of at least 80% of Vanuatu's rural population. The total economic value of the effects caused by Tropical Cyclone Pam was estimated to be approximately VT 48.5 billion (US\$449.4 million). This is equivalent to 64.1% of the gross domestic product (GDP) in Vanuatu, giving an indication of the scale of impact.

As noted, Vanuatu anticipates many impacts from climate change on its society, economy, environment and human health and it is, through the Ministry of Climate Change, actively cooperating with United Nations agencies and international partners to assess these effects and develop appropriate plans through climate

change adaptation and mitigation. Vanuatu's NAPA and NAPs (under preparation) intends to support the progress towards the country's national development priorities and the goal of environmental sustainability, by ensuring that a focus on reducing vulnerabilities and risks is incorporated into planning and activities across all sectors of the economy and society. Vanuatu is also keen to reduce its reliance on fossil fuels for the energy needs. The National Energy Road Map, which sets out a clear strategy and action plan for the development and use of alternative and sustainable energy sources, has an ambitious goal of reducing the country's high reliance on imported fossil fuel by meeting 65% of its electricity needs from renewable energy sources by 2020.

Vanuatu ratified the United Nations Framework Convention on Climate Change (UNFCCC) on 25th March 1993 and the Kyoto Protocol on 17th July 2001. As a party to the convention, Vanuatu officially submitted its Initial National Communication (INC) to the UNFCCC in 1999 (5th COP). The Second National Communication (SNC) has been endorsed by the Council of Ministers and submitted to the UNFCCC during third quarter of 2016. Vanuatu with support from UNDP initiated the INDC preparation activities during July 2015 and has successfully submitted the same to United Nations Framework Convention on Climate Change (UNFCCC) on 29th September 2015. The mitigation contribution for the Vanuatu INDC submission is a sector specific target of transitioning to close to 100% renewable energy in the electricity sector by 2030. The adaptation component provides an opportunity to reiterate the adaptation priorities as identified and prioritized in key national documents such as the National Adaptation Programme of Action (NAPA) and the National Climate Change and Disaster Risk Reduction Policy.

Vanuatu has positioned itself as a regional leader in the fields of Climate Change (CC) and Disaster Risk Reduction (DRR) and has been widely applauded for its initiative to establish a National Advisory Board for Climate Change and Disaster Risk Reduction (NAB) as a means of improving coordination and governance around the two issues. Vanuatu's implementation of the UNFCCC has progressed exponentially in recent years as government sector agencies become more organized and civil society, academic, the private sector, development partners and regional agencies have stepped up their activities in Vanuatu. The Second National Communication (SNC) for Vanuatu highlights the country's commitment in formulating strategies, national policies and best practices for addressing GHG emissions and making a practical contribution to the global mitigation efforts. While at the same time the country is also pursuing its national and regional development priorities and sustainable development objectives. The development objectives are planned to be achieved by integrating GHG abatement efforts with other social, environmental and economic priorities.

Vanuatu is an active participant in Pacific island regional affairs and has signed on to a number of regional policies and initiatives that have implications for climate change mitigation. Vanuatu is also a Party to many other UN conventions, such as those, among others: biological diversity, biosafety, protection of the ozone layer, persistent organic pollutants, and combating desertification. Adaptation to climate change and risk management of natural hazards is one of the core development issues for Vanuatu. In 2007, Vanuatu completed its National Adaptation Programme of Action (NAPA), which outlined the most urgent and immediate needs with respect to climate change and identified several priority sectors (Agriculture/Food Security, Coastal Zones and Marine Ecosystems, Water Resources and Public Health) for action.

The Ministry of Climate Change, in consultation with other government agencies, provincial governments, civil society and other stakeholders, has developed and launched a Vanuatu Climate Change and Disaster Risk Reduction Policy in December 2015. Through the policy, the Government of Vanuatu has committed to direct the country's climate change and disaster risk reduction efforts into six key priorities which are split into systems and themes. Interventions with regard to systems will look at addressing Governance, Finance and Knowledge/Information while the themes of focus include climate change adaptation and disaster risk reduction, low carbon development and response and recovery.

Vanuatu also established a set of strong, ambitious and realistic negotiating positions for COP 21 in Paris to guide deliberations and agreement drafting work in Paris. An official delegation of over 20 people from across government, civil society, academia and development partners were trained and participated in the COP 21 negotiations. COP21 Coordination in Vanuatu was led by Ministry of Climate Change UNFCCC Taskforce including representatives from the Department of Foreign Affairs, Department of Women's Affairs and the GIZ Climate Change Program. Vanuatu also partnered with its allies from the Association of Small Island States (AOSIS), the Least Developed Countries (LDCs), the G77+China grouping, the Melanesian Spearhead Group (MSG) and others to collectively raise issues in solidarity on global and regional climate change concerns. Regional agencies like the Secretariat of the Pacific Regional Environment Program (SPREP), the Pacific Islands Forum Secretariat (PIFS), the Secretariat of the Pacific Community (SPC), the University of the South Pacific (USP) and the German Agency for International Cooperation (GIZ) were involved in technical training activities with the Vanuatu delegation.

II. STRATEGY (1/2 PAGE - 3 PAGES RECOMMENDED)

At the 19th Conference of the Parties (COP19) to the UNFCCC all member states were called upon to prepare their Intended Nationally Determined Contributions (INDCs) with defined mitigation targets for greenhouse gas (GHG) emissions for the post-2020 period. This forms part of an international effort to minimise the global average temperature increase. As noted, Vanuatu with support from UNDP initiated the INDC preparation activities during July 2015 and has successfully submitted the same to United Nations Framework Convention on Climate Change (UNFCCC) on 29th September 2015. The mitigation contribution for the Vanuatu INDC submission is a sector specific target of transitioning to close to 100% renewable energy in the electricity sector by 2030. The adaptation component provides an opportunity to reiterate the adaptation priorities as identified and prioritized in key national documents such as the National Adaptation Programme of Action (NAPA) and the National Climate Change and Disaster Risk Reduction Policy.

The Vanuatu parliament ratified the Paris agreement on 18th June 2016. Upon ratification the INDCs with emission reduction targets will become Nationally Determined Contributions (NDCs). In view of the successful adoption and ratification of the Paris agreement, Vanuatu intends to initiate the preparatory activities for moving from INDCs to NDCs. Vanuatu is interested in the development of a road map and an implementation plan, an accompanying institutional framework and stakeholder capacity building for revising the INDCs to NDCs for subsequent implementation of the mitigation contributions upon receiving the conditional finance, technology and capacity building support as indicated in the submitted INDC.

The United Nations Framework Convention on Climate Change (UNFCCC) negotiations call for developed countries and international organizations to support developing countries' efforts to address greenhouse gas emissions in alignment with their development priorities. In this context, the Low Emission Capacity Building (LECB) Programme was launched in January 2011 as part of a joint collaboration between the European Union and the United Nations Development Programme (UNDP).

Under the NDC Support Programme, three national outputs and one global output (on knowledge management) are being pursued by the UNDP. Each output contains work package with an outline of national activities to be implemented. Capacity building, sustainable development, sustainable co-benefits and gender equality are emphasized as cross-cutting priorities for all outputs.

The NDC Support Programme aims to assist Vanuatu to implement Output 1 under the programme: *Policies, institutional frameworks and national MRV systems strengthened and harmonized to mainstream national mitigation policies and targets in the context of NDCs*. This output is expected to support the review and/or formulation of roadmap for NDC implementation including new mitigation actions beyond current NDC commitment periods. The key activity results includes: designing of NDC implementation plans and institutional frameworks; designing and implementation of MRV systems to support implementation and evaluation of NDCs and designing and strengthening the NAMAs in the context of NDC implementation through robust frameworks for NDC implementation plans and future rounds of NDCs.

Further, during 2014-2015 with support from UNDP, Vanuatu has developed a NAMA "Rural Electrification in Vanuatu". As part of the NDCs, implementation of mitigation interventions identified under the NAMA will contribute towards achievement of the Vanuatu's mitigation contribution. The NAMA for Vanuatu covers two interventions. Under Intervention 1, micro grids will be established. Rural communities/tourism and agricultural facilities/health centres/schools are the focus of these micro grids due to their demand for electricity for lighting, cooling and appliances. The micro grids will use renewable energy sources (solar, wind, hydro) and will provide electricity for lighting, radio and phone charging for households, and for service and production activities in Rural Productivity Zones (RPZs). Intervention 2 will support extension of existing electricity grids on different islands. Households, public institutions and tourism/commercial consumers in the proximity of lines will be connected. Electricity will be provided for lighting, audio/TV, mobile phone charging, coastal fishing (refrigeration of the fish catch), tourism facilities (lodges), agricultural facilities (preparing, processing and packaging produces) or the production of handicrafts. Vanuatu is keen to initiate the NAMA implementation activities as vehicle to achieve the NDC targets and is in the process of obtaining some funding support from Annex 1 parties. However, prior to implementation of NAMA interventions it is prerequisite to carry-out a detailed feasibility study for the identified sites (micro-grids and grid extensions). The sites identified are Wintua village community located in South West Bay on Malekula island for micro-grid intervention and East Ambae (from Lolowai to St. Patricks College) and Maweo (Nasawa to Vonda) for grid extension intervention. Vanuatu intends to carry-out the detailed feasibility study for the above interventions as part of the NDC Support Programme activities.

As noted earlier, the LECB Phase II implementation in Vanuatu as NDC Support Programme is in line with the goals and objectives under the updated National Energy Roadmap (NERM), National Adaptation Programme of Action (NAPA) and the National Climate Change and Disaster Risk Reduction Policy. The programme outcomes are expected to support implementation of Vanuatu's climate change adaptation & mitigation priorities including achieving NDC goals and targets. The NDC Support Programme implementation in Vanuatu compliments several past and current climate change mitigation and adaptation initiatives supported by UNDP and other development partners. The knowledge and lessons learnt through designing and implementing these initiatives has immensely benefitted in coming up with a robust and efficient project design including key outcomes and activities under this project.

The INDC for Vanuatu which was developed with support from UNDP carried out a detailed assessment of the technical data and information available for key mitigation and adaptation sectors (through National communications, GHG inventories, energy roadmap, adaptation plans & priorities etc) including gaps, issues and barriers. Due consideration was given to these issues during designing the NDC Support Programme.

The UNDP supported NAMA on Rural Electrification in Vanuatu focuses on electrification with renewable energies (solar PV micro grids and grid extension interventions) and is designed as an encouraging holistic framework that will help Vanuatu to move towards a low-carbon pathway while advancing long-term sustainable development benefits. The NAMA is also designed to support Vanuatu in achieving its strategies relevant to access to energy including rural development and to complement the country's on-going activities in this respect. Key lessons learned during the NAMA development has also guided in designing this project.

The Pacific Risk Resilience Programme (PRRP) implemented through a partnership between UNDP and Live & Learn Environmental Education (LLEE) works with the governments and communities of Vanuatu (also in Fiji, Solomon Islands, Tonga) focuses on enhancing governance mechanisms to help strengthen the resilience of Pacific island communities to disasters and climate change related risk. The PRRP supporting a strong enabling environment for risk governance to empower communities to identify risks and needs, and formulate and implement sustainable responses also has strong linkages with the NDC Support Programme.

The knowledge and lessons learned from the designing and implementation of the GEF financed Adaptation to Climate Change in the Coastal Zone in Vanuatu (V-CAP) in terms of improvements needed in project design, delivery and management has been given due consideration during designing the NDC Support Programme. The V-CAP project aims to reduce vulnerability and increase adaptive capacity to respond to the adverse impacts of climate change. Also, as noted, GEF & UNDP is supporting the Government of Vanuatu to prepare its Third National Communication (TNC) and First Biennial Report (FBUR) under the UNFCCC. The project, which is currently awaiting UNDP approval, has strong linkages with the NDC Support Programme including the project management and governance structure.

III. RESULTS AND PARTNERSHIPS (1.5 - 5 PAGES RECOMMENDED)

Expected Results

Output 1: Leadership strengthened and championed to promote ambitious climate change

Vision

Strong leadership is urgently required to leverage support across sectors to maintain momentum for NDC implementation and drive integrated climate governance. Eminent persons and climate change leaders – men and women – will be supported to promote a vision for achieving ambitious national and sub-national climate change targets.

1.1: High-level leaders supported to build consensus and promote commitment on ambitious climate change vision

The activities will include but are not limited to:

- Support attendance of key national stakeholders to attend the COP 23

Output 2: Integrated governance enhanced to deliver NDC outcomes

2.1: Institutional frameworks formalised and strengthened

The activities include but not limited to:

- Project inception and Scoping study to understand the objectives or benefits of developing the NDC. This may involve, among others, the gathering, collation and assessment of policies, strategies, plans and programs related to climate change mitigation.
- Carrying-out stock taking exercise which includes activities such as reviewing detail sectoral and background data, any available studies, identifying data gaps, uncertainty and risks that may exist in the INDC and to review its linkages to the NDC-related provisions in the Paris Agreement and implications for NDC implementation.
- In association with Ministry of Women Affairs and project partners, carry-out stakeholder consultations with a gender and social inclusion element focusing on women and marginalized groups
- Identification of Barriers to Implementation including review and recommendation of policy, financing, and technology instruments to implement the NDCs.
- Assessing the institutional capacity and identify the organizational needs and necessary actions for implementing NDCs in Vanuatu including: assessment of existing frameworks in GHG intensive sectors; recommendations for strengthening the framework; policy gap analysis and recommendations on institutional framework for NDC implementation.
- Carrying-out stakeholder consultations to identify, develop and facilitate a holistic approach for developing the NDC implementation road map and implementation plan.
- Consultation with each sectoral group in order to seek comments/suggestions and subsequently develop the detailed CC mitigation and adaptation measures for sectors prioritized under INDC indicators, main risks, assumptions, targets and timeline to be achieved. This includes defining mitigation reduction and adaptation strategies in prioritized sectors under INDC in consultation with agencies related to these sectors and performing the need and gap assessments.
- Estimation of the GHG emissions reductions in the BAU and project alternate scenarios using the accepted IPCC guidelines.
- Estimation of the cost effectiveness of the activities and elaborating sustainability, innovativeness, replicability and scale up strategy.
- Conduct national level dialogue platforms involving policy makers and stakeholders to prioritize the mitigation interventions for implementation under the NDC roadmap
- Development of detailed NDC implementation roadmap.
- Obtain stakeholder comments and feedback on the draft NDC implementation roadmap and subsequent revision of the draft.
- Finalization of the draft NDC implementation roadmap and institutional framework.

2.3: Monitoring and transparency systems for NDC implementation enhanced

There are no MRV systems in Vanuatu that have been developed and/or implemented previously. In the absence of specific guidance on MRV systems to be implemented for NDCs, the Project will have to work with the available UNFCCC decisions to develop a credible and functional MRV system.

The activities include but not limited to:

- Identification of the capacity gaps and country needs with regards to creating systems for data collection and tracking progress toward NDC targets.
- Identification of required MRV tools and institutional processes
- An assessment of options and possibilities to develop a domestic MRV system
- Stakeholder consultation on the potential MRV tools and processes appropriate in Vanuatu context
- Requirements and recommendations for development of institutional mechanisms for national MRV.
- Establishment of institutional arrangements and the national MRV framework including MRV system in line with the UNFCCC reporting structures for National Communications (NC) & Biennial Update Reports (BUR).
- Train the trainers as well as stakeholders on the MRV process.

Vanuatu will also explore and use the existing institutional reporting and stakeholder consultations mechanisms that have been established for initiatives such as the national communications and joint climate change and DRM planning processes.

Output 3: Evidence-based design and planning of mitigation actions delivered

3.1: NDC mitigation targets refined and/or disaggregated

Activities will include:

- Detailed techno-economic feasibility assessments of selected priority mitigation interventions/activities under the NDC roadmap.
- Implement small-scale mitigation (Solar street lighting & Biogas) and awareness raising initiatives as part of NDC roadmap operationalization

3.4: Prioritized NAMAs strengthened and promoted

The activities will include:

Detailed feasibility studies completed for micro-grid at Wintua village community located in South West Bay on Malekula and grid extensions for East Ambae (from Lolowai to St. Patricks College) and Maweo (Nasawa to Vonda)

For Intervention 1 – Micro-grid for Wintua Village. The feasibility study will include the following details:

- Confirmation spatial map;
- In association with Ministry of Women Affairs and project partners, carry-out community level stakeholder consultations particularly with a gender and social inclusion element focusing on women and marginalized groups in the community;
- Identification of generation sites;
- Appropriate system sizing for current needs, projected needs (includes identification of buildings/households to be connected, peak load, load profile, solar fraction);
- Cost assessment with sensitivity analysis for maximum/minimum PV capacity (100%/75% daily demand) and minimum costs model;
- Technology recommendations with component lifetime and replacement costs;
- Recommendation for system operation, monitoring and maintenance;
- Identification of potential income generating activities with anticipated load profiles, recommended restriction on consumption for a robust grid; and
- Tariff structure.

For Intervention 2 – Grid extensions for East Ambae and Maweo. The feasibility study will include the following details:

- Information of potential consumers about the grid extension;
- Appropriate system sizing for current needs, projected needs (includes identification of buildings/households to be connected) including potential income generating activities (rural productivity zones);
- Calculation of capacity to be connected;
- Plan of the grid extension;
- Cost assessment; and
- Tariff structure.

Resources Required to Achieve the Expected Results

Please see Section VII for the financial resources needed. The human resources required including the support from the Government of Vanuatu, UNDP has been elaborated in Section IV and VIII.

Partnerships

The implementation of this project in Vanuatu would represent a very good example on how various ministries, agencies, institutions of government and non-government organizations can work together in a collaborative manner towards developing a national plan of action. The approach used in the SNC and TNC formulation is similar to what is being proposed for the NDC implementation, whereby the immediate needs and concerns related to identification and prioritization of mitigation and adaptation options, strategies and measures are highlighted and collectively addressed by the stakeholders.

Risks and Assumptions

Risk	Level of Risk	Mitigating Strategies and Actions
Non- availability of data and information required for development of NDC roadmap; MRV; NAMA feasibility study and poor absorptive capacity of stakeholders	Moderate	Carry-out extensive consultations with stakeholders during the project inception phase and incorporate their feedback in the work plan
Inadequate consultations and coordination among the stakeholders	High	Involve all relevant stakeholder from the inception phase of project and maintain on-going communication and interaction throughout the project period.
Lack of in country expertise and capacity in developing the NDC roadmap and associated activities	Low	Hire consultants to assist the national team and to build capacities through training
Project Management	Low	Include project management as part of the Ministry's annual work plan and allocate appropriate resources
Political instability and lack of support	High	Develop business continuity plan in association with the implementing partner, project management unit, and key line agencies to ensure the means and points of coordination during disrupted periods.

Stakeholder Engagement

A vast array of stakeholders play a role in climate change and disaster risk reduction activities in Vanuatu. Government at national, provincial and area council levels will be encouraged to work together, alongside CSOs and industry sectors, to address these challenges. Development partners, regional organizations and academic institutions also have key parts to play in planning, research, outreach and project delivery. Collaborative mechanisms need to work effectively to ensure alignment of goals, reduced duplication and efficient use of resources.

In recent years, alliances have been built within and across sectors in Vanuatu and regionally. The existence of the Vanuatu Climate Adaptation Network (VCAN) and Vanuatu Association of NGO (VANGO) demonstrate recognition of the need for collaboration among international and local CSOs to share information, partner on projects and achieve better outcomes, bringing better results for the communities they serve. The cluster system adopted for disaster planning, response and recovery is a further example of partnering to improve Vanuatu's capacity in delivering disaster risk reduction activities. Public private partnerships have been identified in the Energy Road Map as a mechanism to deliver renewable energy infrastructure projects.

The regional charter "Revised Pacific Platform for Action on Advancement of Women and Gender Equality 2005 to 2015", sets the direction for the region in improving outcomes for women. Vanuatu's Department of Women's Affairs (DWA) has developed a national gender equality policy (2015-2019). In association with DWA, a gender analysis including community level stakeholder consultations (as appropriate) particularly with a gender and social inclusion element focusing on women and marginalized groups in the community will be carried out as one of the first activities during project start-up phase.

The Vanuatu Climate Change and Disaster Reduction Policy emphasizes that that women have full opportunities to participate in policy development, decision making and implementation at all levels. Initiatives are under way to ensure gender and climate change and disaster risk reduction efforts are aligned, and efforts should be up-scaled. Women have historically been excluded from participation on committees and other decision making forums. The project management team will ensure the full representation of women to give them a voice and a role in climate change and disaster risk reduction decisions and activities.

The interests of other social groups and particularly vulnerable community members would also be represented in NDC project implementation activities. People with disabilities, the elderly, youth, those in remote locations and from diverse cultural groups would be able to participate, as well as services being provided to meet their needs.

South-South and Triangular Cooperation (SSC/TrC)

As noted, there are several development partners supporting Vanuatu in implementing climate change mitigation and adaptation initiatives in accordance with the national policies and priorities. The EU financed and GIZ implemented ACSE project on Solar and Biogas based Rural Electrification with the implementation of a sector-specific Climate Early Warning System (CLEWS) 'Dashboard' aims to contribute towards improving access to sustainable energy and reducing vulnerability to climate change for ni-Vanuatu through enhanced energy security and strengthened adaptive capacity.

NZ Ministry of Foreign Affairs and Trade is supporting the Vanuatu Rural Electrification Programme (VREP) on rural electrification and improving access to sustainable energy in rural areas providing funds through the World Bank to support the development of a programme to provide subsidized individual plug and play solar systems to rural households.

A study supported by GGGI has been completed with options and recommendations for a National Green Energy Fund (NGEF) for supporting green energy investments at various scales, including remote renewables-based off-grid power.

Also as noted, UNDP is currently supporting the Government of Vanuatu in climate change mitigation and adaptation through a number of projects. UNDP also has a local representation in Vanuatu and is assisting the Government in a number of other areas including governance and sustainable development themes. In addition to the climate change portfolio, UNDP has been supporting the Department of Environment Protection and Conservation in meeting global environmental agreements and assisting the countries in a range of capacity building exercises. UNDP has also implemented other GEF projects in Vanuatu. UNDP also collaborates with Vanuatu Association of NGOs (VANGO) in the delivery of the Small Grant Program (SGP).

The Government of Vanuatu through the Department of Strategic Policy, Planning and Aid Coordination ensures that appropriate consultations are carried out between various development partners (including UNDP) so that the synergies are identified in the beginning of the project implementation and to avoid duplication of efforts.

Knowledge

Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums.

The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects. Finally, there will be a two-way flow of information between this project and other projects of a similar focus.

Sustainability and Scaling Up

The Ministry for Climate Change is the nodal agency as part of the Government's efforts to streamline Vanuatu's climate change response. The ministry includes the Vanuatu Meteorological and Geo-Hazards Department (VMGD), the National Disaster Management Office (NDMO), the Department of Energy (DoE), the Department of Environment and the Project Management Unit (PMU). The Ministry and the NAB are mandated with coordinating all government and non-government initiatives addressing climate change and disaster risk reduction in the country. The National Advisory Board on Climate Change and Disaster Risk Reduction (NAB) is a committee made up of government and non-government members. Its primary purpose is to: "act as Vanuatu's supreme policy making and advisory body for all disaster risk reduction and climate change programmes, projects, initiatives and activities". As such it is the main governmental stakeholder in the proposed project for Vanuatu.

The Government of Vanuatu has established institutional arrangements for joint governance of climate change and disaster risk reduction through the NAB and a Project Management Unit (PMU) within the Ministry. The PMU is responsible for coordinating all Vanuatu's climate change related programmes and projects and aligning the climate change initiatives with development strategies, including the annual and medium-term government budgets. The PMU is also responsible for ensuring that climate change programmes and projects are carried out within their specified timeframes and for ensuring activities meet the necessary public participation and stakeholder requirements.

The Government of Vanuatu is taking up climate change as one of the core development issues and has established specific teams and department to address the issue. The Government has a newly established Ministry for Climate Change Adaptation and a National Advisory Board (NAB) on Climate Change and Disaster Risk Reduction designed to improve coordination and governance surrounding the threats climate change

and disasters pose to its people, environment and assets. Vanuatu as a party to the UNFCCC is keen to be part of the global efforts in addressing climate change and intends to implement the LECB Phase II activities as elaborated in the next section in order to continue with development and consolidation of technical and institutional capacities and with efforts to integrate climate change into national policies, plans and programs. Vanuatu's National Sustainable Development Plan 2016-2030 (also called as "Vanuatu 2030 - The People's Plan") is currently undergoing stakeholder validation. This plan builds on the progress made and lessons learned under the Priorities and Action Agenda, which guided the national development efforts between 2006 and 2015, and the Millennium Development Goals, which also expired in 2015.

Vanuatu 2030 charts the country's vision and overarching policy framework for achieving a stable, sustainable and prosperous Vanuatu within the next fifteen years, and in doing so sets out the national priorities and context for the implementation of the new global Sustainable Development Goals over the same period. The key goals and policy objectives under the plan also include enhanced resilience and adaptive capacity to climate change and natural disasters (adaptation) and prioritising renewable sources of energy and promote efficient energy use (mitigation). The Ministry of Climate Change through its departments and the National Advisory Board (NAB) ensures that both climate change mitigation and adaptation priorities are streamlined and linkages made under the broader national sustainable development priorities and policies.

This project will also contribute to the achievement of similar goals and objectives under other climate change initiatives in Vanuatu including projects which are being implemented collectively under various sub-regional and regional climate change programmes. Hence, successful efforts in Vanuatu can serve as a model (for best practice) for other PICs or SIDS elsewhere to follow.

IV. PROJECT MANAGEMENT (1/2 PAGES - 2 PAGES RECOMMENDED)

Project Management

The project activities are envisaged to be implemented and coordinated under the auspices of Ministry of Climate Change (MCC) utilizing the existing institutional arrangements. The ministry is currently coordinating several donors funded climate change mitigation and adaptation activities. The Department of Energy (DoE), Climate Change Project Management Unit (PMU), project coordinator and consultants will form the project implementation team. The Ministry of Climate Change will work and undertake its tasks in consultation with other relevant government departments, the private sector and NGOs.

The TNC and FBUR project funded by UNDP has a project board and project implementation team including a co-ordinator. The NDC implementation and NAMA feasibility study project activities are envisaged to be implemented and coordinated under the auspices of Ministry of Climate Change (MCC) utilizing the same institutional arrangements for TNC and FBUR project.

The DoE is responsible for central coordination of the development of the energy and climate change mitigation sector in Vanuatu. DoE in association with PMU will provide technical and policy oversight to the project activities and will be supported by coordinator and other stakeholders. The local and international consultants will liaise with the project implementation team for timely and effective delivery of project outputs. The project coordinator will report to the Director General, MCC and will be responsible for the operational programme of project implementation. The project team will also have adequate and appropriate computer and telecommunication facility, including Internet, to enable them to efficiently and effectively undertake their activities.

The project coordinator will coordinate the day-to-day implementation of activities to be carried out by consultants and relevant stakeholders. The PMU with the project Coordinator will provide secretariat support to the PSC, project team and consultants.

Three technical groups will be formed to assist with the implementation of the project activities. Each technical group will comprise of a number of experts drawing both from public and private sectors, communities, and NGOs, as appropriate. UNDP will be the Implementing Agency and will monitor and support implementation of project activities in line with UNDP standard procedures.

Agreement on intellectual property rights and use of logo on the project's deliverables and disclosure of information: The UNDP logo will be mentioned on all promotional materials, other written materials like publications developed by the project, and project hardware. Any citation on publications regarding projects

funded by the UNDP will also accord proper acknowledgement to the UNDP. Information will be disclosed in accordance with relevant policies notably the UNDP² Disclosure Policy on public involvement.

The LECB Phase II project will use the existing tender and contract award process for the Government of Vanuatu which follows the "Guidelines for Procurement of Goods and Services" and "Government Contracts and Tenders Act No 10 of 1998", Vanuatu Ministry of Finance and Economic Management. All the Ministries and Departments are obliged to comply with the guidelines and the Act.

The financial management for the LECB phase II project will also follow the government Financial Management Information System (FMIS). The FMIS provides the Smart Stream program that handles all financial transactions made within all government agencies. Both recurrent budgets and project funds uses the Smart Stream to provide: Purchasing (LPO) and creditor management; Invoicing/Sales and debtor management; Asset recording and management; Budgeting and funds control and Payroll. More details on the financial management are available in the attached manual for Smart Stream Purchasing module.

² See http://www.undp.org/content/undp/en/home/operations/transparency/information_disclosurepolicy/

V. RESULTS FRAMEWORK³

³ UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable external audience clearly understand the results of the project.



Federal Ministry for the
Environment, Nature Conservation,
Building and Nuclear Safety



Federal Ministry
for Economic Cooperation
and Development

(Sub-regional programme outcome 4 (UNDAF outcome 1.1): Improved resilience of PICTs, with a particular focus on communities, through the integrated implementation of sustainable environmental management, climate change adaptation and/or mitigation and disaster risk management.

Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets:

- i) Share of budget resources earmarked for environmental sustainability, disaster risk management, climate change adaptation and mitigation; ii) share of population with sustainable access to improved water sources and to renewable energy (disaggregated by gender and age); and iii) area protected to maintain biological diversity.

Applicable Output(s) from the UNDP Strategic Plan:

- i) Output 1.4. Scaled up action on climate change adaptation and mitigation across sectors which is funded and implemented.
- ii) Output Indicator 1.4.2: Number of countries with comprehensive measures - plans, strategies, policies, programmes and budgets - implemented to achieve low-emission and climate-resilient development objectives.

Project title and Atlas Project Number: NDC Support Programme – Vanuatu, Atlas Project Number: 00101339

EXPECTED OUTPUTS	OUTPUT INDICATORS ⁴	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	2017	2018	FINAL	
Output 1 Leadership strengthened and championed to promote ambitious climate change Vision	Attendance of key national stakeholders at COP 23	COP 23 Vanuatu country report	Limited attendance of key stakeholders at COP	2016	Key Stakeholders participate in COP23 at Bonn	NA	Strengthened capacity of key stakeholders to promote ambitious climate change Vision	Key stakeholders have limited interest in COP/climate change issues
Output 2 Integrated governance enhanced to deliver NDC outcomes 2.1: Institutional frameworks formalised and strengthened	2.1 % of completion of NDC implementation plans and institutional frameworks Technical expert reviews Documents available online at DoE/NAB website	Technical reviews and reports Developed NDC implementation plans and institutional framework Technical expert reviews Documents available online at DoE/NAB website	Submitted INDC to UNFCCC reflects the mitigation targets and goals to be achieved	2016	Project inception and Scoping study completed. Stock taking exercise completed. Barriers to Implementation identified and policy, financing, and technology instruments to implement the NDCs reviewed and recommendations provided In association with Ministry of Women Affairs and project partners, carry-out stakeholder consultations with a gender and social inclusion element focusing on	Framework for NDC implementation roadmap developed. Framework for NDC implementation roadmap developed. Cost effectiveness of the activities and elaborating sustainability, innovativeness, replicability and scale up strategy estimated. Detailed NDC implementation roadmap developed.	NDC implementation plans and institutional frameworks developed and approved by GoV and UNDP. Non-availability of data and information required for development of NDC roadmap, institutional framework, MRV system and NAMA interventions feasibility studies	

<p>2.3: Monitoring and transparency systems for NDC implementation enhanced</p>	<p>2.3 Extent of establishment of MRV systems to support NDC implementation</p>	<p>Technical reviews and reports Established MRV system</p>	<p>No MRV system exists in Vanuatu</p>	<p>2016</p>	<p>women and marginalized groups Institutional capacity assessed and organizational needs and necessary actions for implementing NDCs in Vanuatu identified. Stakeholder consultations carried out to identify, develop and facilitate a holistic approach for developing the NDC implementation road map and implementation plan. Detailed CC mitigation and adaptation measures developed for sectors prioritized under INDC indicators, main risks, assumptions, targets and timeline to be achieved. Capacity gaps and country needs identified with regards to creating systems for data collection and tracking progress toward NDC targets. Required MRV tools and institutional processes identified. Options and possibilities to develop a domestic MRV system assessed. Stakeholder consulted on the potential MRV tools and processes appropriate in Vanuatu context Requirements and recommendations prepared for development of institutional mechanisms for national MRV.</p>	<p>Stakeholder comments and feedback obtained on the draft NDC implementation roadmap and draft revised. NDC implementation roadmap and institutional framework finalized.</p>	<p>MRV systems designed, established and training completed</p>	<p>Poor absorptive capacity of stakeholders Inadequate consultations and coordination among the stakeholders Lack of in country expertise and capacity Political instability and lack of support Data/ information required is readily available. In-country capacity exists to carry out assessment exercises National capacity building through engagement of consultants as needed.</p>
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<p>Output 3 Evidence-based design and planning of mitigation actions delivered</p>	<p>3.1 % of completion of detailed techno-economic feasibility assessments</p>	<p>Completed feasibility studies available online at DoE/NAB website</p>	<p>Feasibility studies not available for implementation of mitigation interventions</p>	<p>2016</p>	<p>Identification of mitigation interventions for detailed feasibility study</p>	<p>Consulting team mobilization and Site visits</p>	<p>Successful completion of detailed feasibility studies for implementation of mitigation interventions</p>
<p>3.1: NDC mitigation targets refined and/or disaggregated</p>	<p>and small-scale mitigation initiatives (solar street lighting & biogas) as part of NDC roadmap operationalization</p>	<p>Project commissioning reports</p>	<p>No solar street lighting & biogas initiatives has been implemented</p>		<p>Community and stakeholder consultation</p>	<p>Techno-economic feasibility assessment of mitigation interventions</p>	<p>Project commissioning & monitoring</p>
<p>3.4: Prioritized NAMAs strengthened and promoted</p>	<p>3.4 % of completion of NAMA feasibility studies</p>	<p>Completed NAMA feasibility studies available online at DoE/NAB website</p>	<p>Feasibility studies not available for implementation of identified interventions under the rural electrification NAMA</p>		<p>For Intervention 1 - Micro-grid for Wintua Village: In association with Ministry of Women Affairs and project partners, carry-out community level stakeholder consultations particularly with a gender and social inclusion element focusing on women and marginalized groups in the community</p>	<p>Procurement, installation & commissioning</p>	<p>Successful completion of detailed feasibility studies for micro-grid at Wintua village community located in South West Bay on Malekula and grid extensions for East Ambae (from Lolowai to St. Patricks College) and Maweo (Nasawa to Vonda</p>
					<p>Confirmation spatial map</p>		
					<p>Identification of generation sites</p>		
					<p>Appropriate system sizing for current needs, projected needs</p>		
					<p>Cost assessment with sensitivity analysis for maximum/minimum PV capacity and minimum costs model</p>		
					<p>Technology recommendations with component lifetie and replacement costs</p>		

VI. MONITORING AND EVALUATION

The project will be monitored through the following M& E activities. The M& E work plan is provided in the table below.

Project start:

A Project Inception Workshop will be held within the first month of project start with those with assigned roles in the project organization structure, UNDP country office and the LECB Global Support Unit as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

The Inception Workshop should address a number of key issues including:

- a) Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP CO vis à vis the project team.
- b) Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms.
- c) Based on the project results framework and the relevant Tracking Tool if appropriate, finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
- d) Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.
- e) Discuss financial reporting procedures and obligations, and arrangements for annual audit.
- f) Plan and schedule Project Board meetings. Roles and responsibilities of all project organisation structures should be clarified and meetings planned. The first Project Board meeting should be held within the first 8 months following the inception workshop.

An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

Quarterly:

- Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform.
- Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high.
- Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.
- Other ATLAS logs can be used to monitor issues, lessons learned etc. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

Bi-annual progress:

- Status Survey Questionnaires to indicate progress and identify bottlenecks as well as technical support needs will be carried out twice a year.

Periodic Monitoring:

A detailed schedule of project reviews meetings will be developed by the project management, in consultation with project implementation partners and stakeholder representatives and incorporated in the Project Inception Report. Such a schedule will include: (i) tentative time frames for project board Meetings, (or relevant advisory and/or coordination mechanisms) and (ii) project related Monitoring and Evaluation activities.



Day to day monitoring of implementation progress will be the responsibility of the Project Coordinator, Director or CTA (depending on the established project structure) based on the project's Annual Work plan and its indicators. The Project Team will inform the UNDP-CO of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion.

Periodic monitoring of implementation progress will be undertaken by the UNDP-CO through quarterly meetings with the project proponent, or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities.

End of Project:

During the last three months, the project team will prepare the Project Quality Assurance Report. This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's results.

Audit clause:

Audit on project will follow UNDP Financial Regulations and Rules and applicable Audit policies.

M&E Work plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly	Slower than expected progress will be addressed by project management.	Project coordinator and project implementation team
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.	Project coordinator, project implementation team and UNDP Fiji CO
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	Annually	Relevant lessons are captured by the project team and used to inform management decisions.	Project Implementation team & Project support partners
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	Project coordinator, project implementation team and UNDP Fiji CO
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	Annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.	Project coordinator, project implementation team and UNDP Fiji CO

Project Report	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk log with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)		Project coordinator, project implementation team
Project Review (Project Board)	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	Annually	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	Project Board and Project Implementation Team

VII. MULTI-YEAR WORK PLAN

Expected Outputs	Planned Activities	Planned Budget		Responsible Party	Funding Source	Planned Budget			
		Year 1	Year 2			Year 1	Year 2		
Output 1: Leadership strengthened and championed to promote ambitious climate change Vision	Attendance of key national stakeholders at COP 23	15,000		MCC	BMZ				
		15,000				Travel			
		Sub-Total for Activity 1							
		61,000	20,000			ICI (BMUB)	International consultants for achieving the targets including gender analysis as per RRF for		
		19,500	5,000				Local consultants for achieving the targets including gender analysis as per RRF		
Output 2: Integrated governance enhanced to deliver NDC outcomes	Output Indicator 2.1: Institutional frameworks formalised and strengthened	10,000	8,000	MCC	ICI (BMUB)	International consultants for achieving the targets including gender analysis as per RRF			
		2,000	2,000			Training/Workshops			
		92,500	35,000			Travel			
		Sub-Total for Activity 2							
		40,000	30,000			International consultants for achieving the targets including IT support as per RRF for			
Output 3: Evidence-based design and planning of mitigation actions delivered	Output Indicator 2.3: Monitoring and transparency systems for NDC implementation enhanced	15,000	5,000	MCC	ICI (BMUB)	Local consultants for achieving the targets as per RRF			
		5,000	2,000			Training/Workshops			
		5,000	3,000			IT Equipment for MRV			
		65,000	40,000						
		Sub-Total for Activity 3							
Output 3: Evidence-based design and planning of mitigation actions delivered	Output Indicator 3.1: NDC mitigation targets refined and/or disaggregated	15,000	10,000	MCC	BMZ	International consultants/contractors/equipment suppliers for achieving the targets			
		5,000	4,000			Local consultants/contractors/equipment suppliers for achieving the targets			
		85,000	85,000			Training/Workshops			
		Sub-Total for Activity 4							
		45,000	20,000			International consultants for achieving the targets including community level gender analysis as per RRF			
General Project Management	Output Indicator 3.4: Project implementation and monitoring strengthened and promoted	5,000	5,000	MCC	ICI (BMUB)	Local consultants for achieving the targets including gender analysis as per RRF			
		3,000	3,000			Training/Workshops			
		3,000	2,000			Travel			
		56,000	30,000						
		Sub-Total for Activity 5							
General Project Management	Project management including monitoring and evaluation of project implementation and project outputs & activities	20,000	7,000	MCC	ICI (BMUB) & BMZ	Contractual services for project management including monitoring & evaluation of project implementation, outputs & activities			
		4,500	2,000			Office Supplies			
		4,000	4,000			Direct Project Cost (DPC)			
		14,500	10,000			Agency Fee (GMS) BMUB 7% (BMUB Total Funding 350,000)			
		10,000	6,400			Agency Fee (GMS) BMZ 8% (BMZ Total Funding 265,000)			
Sub-Total for General Project Management									
						Total (USD)	595,900		

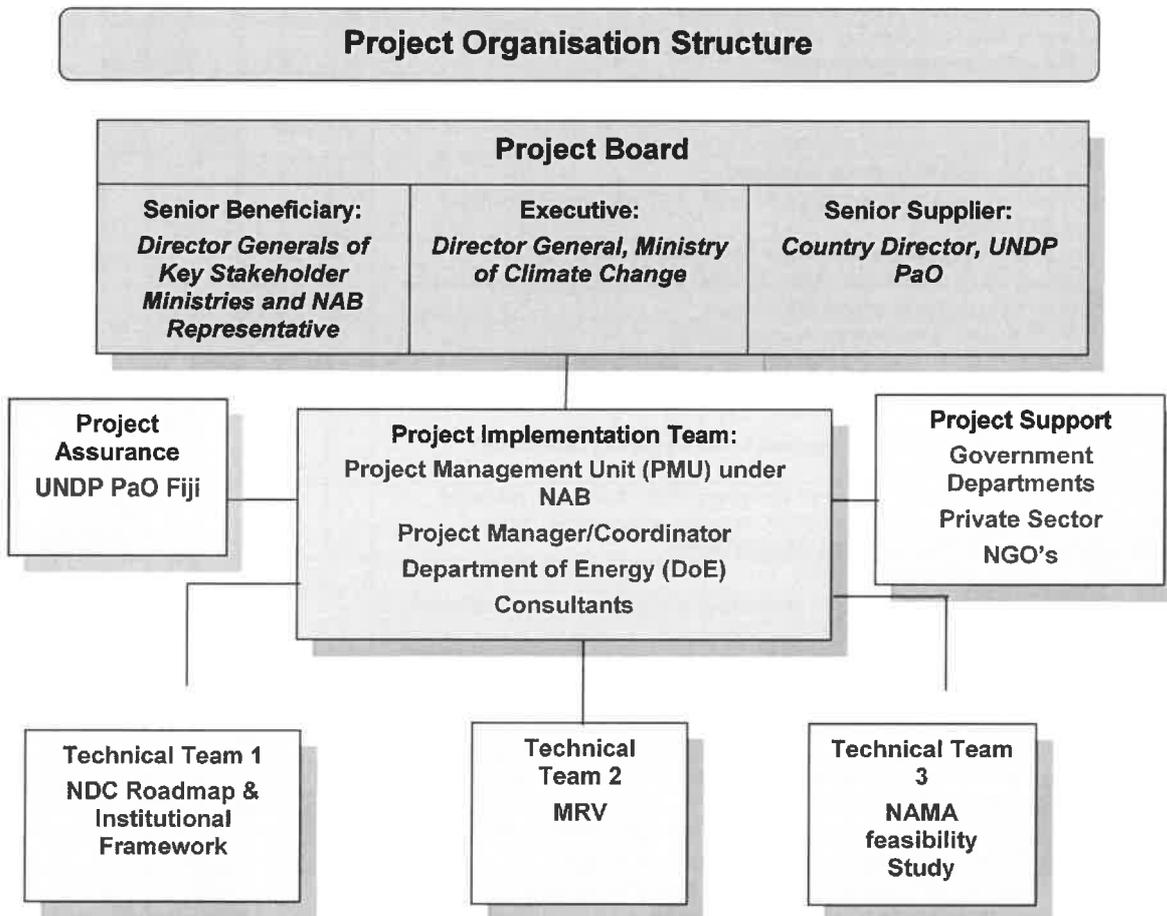
Outputs/Activities	2017				2018			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Output 1: Leadership strengthened and championed to promote ambitious climate change Vision								
Attendance of key national stakeholders at COP 23								
Output 2: Integrated governance enhanced to deliver NDC outcomes								
Project inception and Scoping study completed.								
Stock taking exercise completed.								
Barriers to Implementation identified and policy, financing, and technology instruments to implement the NDCs reviewed and recommendations provided.								
Institutional capacity assessed and organizational needs and necessary actions for implementing NDCs in Vanuatu identified.								
Stakeholder consultations carried out to identify, develop and facilitate a holistic approach for developing the NDC implementation road map and implementation plan.								
Sectoral groups consulted and detailed CC mitigation measures for each respective sector developed.								
Framework for NDC implementation roadmap developed.								
Cost effectiveness of the activities and elaborating sustainability, innovativeness, replicability and scale up strategy estimated.								
Conduct national level dialogue platforms involving policy makers and stakeholders to prioritize the mitigation interventions for implementation under the NDC roadmap and Support attendance of key national stakeholders to attend the COP 23								
Detailed NDC implementation roadmap developed.								
Stakeholder comments and feedback obtained on the draft NDC implementation roadmap and draft revised.								
NDC implementation roadmap and institutional framework finalized.								
Capacity gaps and country needs identified with regards to creating systems for data collection and tracking progress toward NDC targets.								
Required MRV tools and institutional processes identified.								
Options and possibilities to develop a domestic MRV system assessed.								
Stakeholder consulted on the potential MRV tools and processes appropriate in Vanuatu context								
Requirements and recommendations prepared for development of institutional mechanisms for national MRV.								
Institutional arrangements established and the national MRV framework prepared including MRV system in line with the UNFCCC reporting structures for National Communications (NC) & Biennial Update Reports (BUR).								
Stakeholders trained on the MRV process.								
Output 3: Evidence-based design and planning of mitigation actions delivered								
For Intervention 1 – Micro-grid for Wintua Village:								
Confirmation spatial map								
Identification of generation sites								
Appropriate system sizing for current needs, projected needs (includes identification of buildings/households to be connected, peak load, load profile, solar fraction)								
Cost assessment with sensitivity analysis for maximum/minimum PV capacity (100%/75% daily demand) and minimum costs model								
Technology recommendations with component lifetime and replacement costs								
Recommendation for system operation, monitoring and maintenance								
Identification of potential income generating activities with anticipated load profiles, recommended restriction on consumption for a robust grid								
Tariff structure								
For Intervention 2 – Grid extensions for East Ambae and Maweo:								
Potential consumers informed about the grid extension								
Appropriate system sizing for current needs, projected needs including potential income generating activities (rural productivity zones)								
Calculation of Capacity to be connected								
Draft plan of the grid extension prepared								
Estimated investment and operation costs								
Feasibility study report completed and submitted								
Carry out detailed techno-economic feasibility assessments of selected priority mitigation interventions/activities under the NDC roadmap								
Implement small-scale mitigation (Solar street lighting & Biogas) and awareness raising initiatives as part of NDC roadmap operationalization								
Technical assistance								
Engage regional and international consultants to support on the project								
Project Management								
Project Coordinator								
Administrative Assistant								
External Audit								
Monitoring and Reporting								

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

Roles and responsibilities of the project's governance mechanism: The project will be implemented following UNDP's national implementation modality, according to the Standard Basic Assistance Agreement between UNDP and the Government of Vanuatu, and the Country Programme.

The **Implementing Partner** for this project is *the Ministry of Climate Change, Government of Vanuatu*. The Implementing Partner is responsible and accountable for managing this project, including the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of UNDP resources. The TNC and FBUR project supported by UNDP has a project board and project implementation team including a manager/co-ordinator. The NDC implementation and NAMA feasibility study project activities are envisaged to be implemented and coordinated under the auspices of Ministry of Climate Change (MCC) utilizing the institutional arrangements for TNC and FBUR project.

The project organisation structure is as follows:



The Project Board is responsible for making by consensus, management decisions when guidance is required by the Project coordinator, including recommendation for UNDP/Implementing Partner approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition. In case a consensus cannot be reached within the Board, final decision shall rest with the UNDP Programme Manager. The Project Board is comprised of: Director Generals of key stakeholder ministries and NAB representative as Senior Beneficiaries, Director-General, Ministry of Climate Change as the Executive and the Country Director, PaO as the Senior Supplier. The project assurance role will be provided by the Fiji UNDP Country Office. Additional quality assurance will be provided by the LECB Global Support Unit as needed. Please refer to section IV for project management responsibilities.

IX. LEGAL CONTEXT AND RISK MANAGEMENT

LEGAL CONTEXT STANDARD CLAUSES

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (country) and UNDP, signed on (date). All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by the agency Ministry of Climate Change, Government of Vanuatu (“Implementing Partner”) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

RISK MANAGEMENT STANDARD CLAUSES

1. Consistent with the Article III of the SBAA [*for the Supplemental Provisions*], the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP’s property in the Implementing Partner’s custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
 - a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - b) assume all risks and liabilities related to the Implementing Partner’s security, and the full implementation of the security plan.
2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner’s obligations under this Project Document [and the Project Cooperation Agreement between UNDP and the Implementing Partner.
3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aa_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under/further to this Project Document.
4. Consistent with UNDP’s Programme and Operations Policies and Procedures, social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
5. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

X. ANNEXES

1. Social and Environmental Screening Template

Project Information

Project Information	
1. Project Title	NDC Support Programme- Vanuatu
2. Project Number	00097731
3. Location (Global/Region/Country)	Vanuatu

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?

Briefly describe in the space below how the Project mainstreams the human-rights based approach

The project supports the meaningful participation and inclusion of all stakeholders, during the design, implementation and monitoring of the project. They will participate to capacity development activities and the project will support the development of an enabling environment conducive to the participation of stakeholders in the management of natural resources. This approach is consistent with the participation and inclusion of human rights principle.

During the project formulation, consultation sessions and meetings have been conducted with key stakeholders to exchange experience and knowledge and to assess the baseline of the project. It is anticipated that these consultations, cooperation and coordination efforts during the formulation of the project will prove to be effective in generating efficient and effective stakeholder engagement during project implementation. Such consultations also assure that the interest of potentially marginalized individuals and groups are taken into account in the implementation. The approach for stakeholder engagement is consistent with a human rights-based approach to development programming. The capacities of project beneficiaries (rights holders) will be strengthened for each specific project outcome indicators through institutional arrangements that will be established through the project. In addition, specific project outcome indicators will strengthen the capacities of government (i.e. the duty bearers) through implementation of institutional frameworks.

Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment

Gender sensitivity and gender considerations have been taken into account in the formulation of the project; proposing gender sensitive approaches where needed, including the need to pay attention to gender equality. Every effort will be made to incorporate gender issues in the implementation of this project. Roles of men and women to participate in activities of the project will be equally assigned without any discrimination. The project will take steps to ensure that women account for at least 40% of all training and capacity building in the project. Moreover, the project will strengthen data collection and monitoring programmes – gender segregation of data collection and monitoring will be introduced as a basis for ensuring long-term gender benefits. This gender inclusive project – which is part of the UNDAF 2013-2017 – will foster gender equality in environmental management and women's

empowerment and participation in environmental management. This approach will facilitate a focus on gender-based environmental issues and gender-based solutions.

Briefly describe in the space below how the Project mainstreams environmental sustainability

The project will build upon the institutional capacities that were established through the national communications and other climate change mitigation and adaptation initiatives and provide continued assistance to Vanuatu in meeting its commitments under the NDCs. This is in accordance with its commitments as a non-Annex 1 Party (as mandated by Article 4 and 12 of this Convention and COP 16 and 17 decisions). The project will also strengthen the technical and institutional capacities of relevant line ministries within Vanuatu to develop NDC implementation roadmap including MRV and NAMA feasibility studies. Through the project, Vanuatu intends to initiate the preparatory activities for moving from INDCs to Nationally Determined Contributions (NDCs). Vanuatu is interested in development of a road map and an implementation plan, an accompanying institutional framework and stakeholder capacity building for revising the INDCs to NDCs for subsequent implementation of the mitigation contributions upon receiving the conditional finance, technology and capacity building support as indicated in the submitted INDC. The project will also increase the national technical and institutional capacities and assisting the Government to integrate climate change issues into sectoral and national development priorities.

The project is well aligned with the UNDAF 2013-2017, particularly the “environmental management, climate change and disaster risk management” programme area through strengthening the national capacity to manage environmental information. It will provide better environmental information to stakeholders to make better decisions and to better monitor the environment. The project is also well aligned with the Priorities and Action Agenda for Vanuatu (PAA) 2006 – 2015 and the National Sustainable Development Plan (NSDP) 2016 – 2030; considering that the latter will strengthen the national environmental priorities for the next 15 years by establishing the environment as one of the three pillars of sustainable development in Vanuatu. Through the various components and thematic working groups, the project will contribute to strengthening the coordination between key sectors to address climate change adaptation and mitigation.

There are no environmental risks involved with the implementation of this project.

Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks? <i>Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any “Yes” responses).</i>	QUESTION 3: What is the level of significance of the potential social and environmental risks? <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i>	QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?
Risk Description	Impact and Probability (1-5)	Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.
Risk 1: None	I =	N/A

	P =				
Risk 2 : None	I =	N/A	N/A	N/A	
	P =				
Risk 3: None	I =	N/A	N/A	N/A	
	P =				
Risk 4: None	I =	N/A	N/A	N/A	
	P =				
[add additional rows as needed]					
QUESTION 4: What is the overall Project risk categorization?					
Select one (see SESP for guidance)				Comments	
		<i>Low Risk</i> <input type="checkbox"/>		<i>Low risk</i>	
		<i>Moderate Risk</i> <input type="checkbox"/>			
		<i>High Risk</i> <input type="checkbox"/>			
QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?					
Check all that apply					
<i>Principle 1: Human Rights</i> <input type="checkbox"/>					
<i>Principle 2: Gender Equality and Women's Empowerment</i> <input type="checkbox"/>					
<i>1. Biodiversity Conservation and Natural Resource Management</i> <input type="checkbox"/>					
<i>2. Climate Change Mitigation and Adaptation</i> <input type="checkbox"/>					
<i>3. Community Health, Safety and Working Conditions</i> <input type="checkbox"/>					
<i>4. Cultural Heritage</i> <input type="checkbox"/>					
<i>5. Displacement and Resettlement</i> <input type="checkbox"/>					
<i>6. Indigenous Peoples</i> <input type="checkbox"/>					
<i>7. Pollution Prevention and Resource Efficiency</i> <input type="checkbox"/>					

Final Sign Off

Signature	Date	Description
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QA Assessor		UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have "checked" to ensure that the SESP is adequately conducted.
QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have "cleared" the SESP prior to submittal to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental Risks		
Principles 1: Human Rights		Answer (Yes/No)
1.	Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
2.	Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? ⁵	No
3.	Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No
4.	Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5.	Are there measures or mechanisms in place to respond to local community grievances?	No
6.	Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	No
7.	Is there a risk that rights-holders do not have the capacity to claim their rights?	No
8.	Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
9.	Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Principle 2: Gender Equality and Women's Empowerment		
1.	Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2.	Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
3.	Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
3.	Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No

⁵ Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.



Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management		
1.1	Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	NO
1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4	Would Project activities pose risks to endangered species?	No
1.5	Would the Project pose a risk of introducing invasive alien species?	No
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	No
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8	Does the Project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	No
1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11	Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? <i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i>	No
Standard 2: Climate Change Mitigation and Adaptation		
2.1	Will the proposed Project result in significant ⁶ greenhouse gas emissions or may exacerbate climate change?	No
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	No
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)?	No

⁶ In regards to CO₂, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

	<i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	
Standard 3: Community Health, Safety and Working Conditions		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
Standard 4: Cultural Heritage		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions? ⁷	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples		

⁷ Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.

6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	No
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No
6.3	Would the proposed Project potentially affect the rights, lands and territories of indigenous peoples (regardless of whether Indigenous Peoples possess the legal titles to such areas)?	No
6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.4	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.5	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.6	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.7	Would the Project potentially affect the traditional livelihoods, physical and cultural survival of indigenous peoples?	No
6.8	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
Standard 7: Pollution Prevention and Resource Efficiency		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No
7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i>	No
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No

2. Risk Analysis. Use the standard Risk Log template. Please refer to the Deliverable Description of the Risk Log for instructions

#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
1	Non-availability of data and information required for NDC roadmap, MRV system and NAMA feasibility study and poor absorptive capacity of stakeholders	During design	Technical Resources	Results in improper assessments and development of inappropriate outputs P = 2 I = 2	Carry-out consultations with stakeholders during inception phase and incorporate their feedback during implementation of project activities	Project Coordinator	N/a	N/a	N/a
2	Project Management	During design	Resources & Management	Affects the project implementation, operation and long term sustainability P = 2 I = 3	Include project management as part of the department's annual work plan and allocate appropriate resources	Project Board & Project Coordinator	N/a	N/a	N/a

3	Institutional capacity at all levels of GoV and stakeholders insufficient to adequately manage project activities	During design	Resources & management	Impacts the long term sustainability of project activities P = 2 I = 3	Allocating appropriate project and Government resources in institutional strengthening, training and capacity building	Project Board & Project Coordinator	N/a	N/a	N/a
4	Political change	During design	Political	Change in political leadership can result in the new administration not being supportive of the project P = 2 I = 2	The following will facilitate that the project will survive changes in government: i) raise the project profile and advocate for project benefits right from the outset; ii) involve key national and local stakeholders including update on progress regularly; and iii) engage key national and policy stakeholders in activities. In addition the fact that development partners such as UNDP support the project financially will mitigate this risk.	Project Coordinator	N/a	N/a	N/a
5	No or limited coordination with other national and regional projects	During design	Organizational	Can lead to duplication of efforts and associated inefficiencies. P = 2 I = 3	The project will work diligently and proactively to arrange appropriate complementary and joint activities and where relevant develop practical follow-up activities.	Project Manager	N/a	N/a	N/a

3. Capacity Assessment: Results of capacity assessments of Implementing Partner (including HACT Micro Assessment)

During the formulation of two GEF/UNDP projects (the NAPA formulation and CB2/CCCD) in 2014, a Fiji-based independent audit firm (Ernst & Young) conducted a micro-HACT assessment of the Department of Environmental Protection and Conservation (DEPC) of the Ministry for Climate Change (MCC). The purpose of the micro-HACT assessment was to review the existence and functioning of DEPC's internal control of receipts, recording and disbursement of cash transfers, identify any potential risk areas, and determine compliance with the Harmonized Approach to Cash Transfer (HACT). The 2014 assessment is still valid and the scope also represents the capacity of the Ministry of Climate Change. The two main objectives of the assessment are:

- **Capacity Development Objective:** to review the strengths and weaknesses of DEPC's financial management system. The assessment would include a recommendation to strengthen less robust areas and also to feed the information gathered into the overall capacity development plan; and
- **Financial Management Objective:** to help the UN agencies identify the most appropriate assurance methods and best procedure to use for transferring cash.

The assessment was based on the UNDG HACT Framework Micro-Assessment methodology that covers the following aspects: the implementing partner; flow of funds; organizational structure and staffing; accounting policies and procedures; internal audit; financial audit; report and monitoring; information system; and procurement. Using a pre-approved questionnaire, the following interviews and reviews were undertaken: interviews with relevant staff; reviews of the DEPC current practices, procedures and policies, implementing accounting system, and templates for record-keeping and reporting.

The overall risk rating of the Capacity Development and Financial Management was considered low. For this reason, the Vanuatu LECB Phase II project will be implemented through a 'NIM' approach. UNDP will provide implementation support services if this is deemed necessary by the Ministry of Climate Change. Should this be the case, a Letter of Agreement (LoA) will be signed by UNDP and the Ministry of Climate Change. The total cost for such implementation support services is included in the budget as 'direct project costs'.

4. Project Board Terms of Reference and TORs of key management positions

a. Project Board

Overall responsibilities⁸: The Project Board is the group responsible for making by consensus management decisions for a project when guidance is required by the Project Manager, including recommendation for UNDP/Implementing Partner approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance to standards⁹ that shall ensure best value to money, fairness, integrity transparency and effective international competition. In case a consensus

⁸ Source: Guidelines on UNDP Implementation of UNDAF Annual Review Process

⁹ UNDP Financial Rules and Regulations: Chapter E, Regulation 16.05: a) The administration by executing entities or, under the harmonized operational modalities, implementing partners, of resources obtained from or through UNDP shall be carried out under their respective financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. b) Where the financial governance of an executing entity or, under the harmonized operational modalities, implementing partner, does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, that of UNDP shall apply.



cannot be reached, final decision shall rest with the UNDP Programme Manager. Project reviews by this group are made at designated decision points during the running of a project, or as necessary when raised by the Project Manager. This group is consulted by the Project Manager for decisions when PM tolerances (normally in terms of time and budget) have been exceeded.

Based on the approved annual work plan (AWP), the Project Board may review and approve project quarterly plans when required and authorizes any major deviation from these agreed quarterly plans. It is the authority that signs off the completion of each quarterly plan as well as authorizes the start of the next quarterly plan. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies. In addition, it approves the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities.

Composition and organization: This group contains three roles, including:

- 1) An Executive: individual representing the project ownership to chair the group.
- 2) Senior Supplier: individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project. The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project.
- 3) Senior Beneficiary: individual or group of individuals representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries.

Potential members of the Project Board are reviewed and recommended for approval during the LPAC¹⁰ meeting. For example, the Executive role can be held by a representative from the Government Cooperating Agency or UNDP, the Senior Supplier role is held by a representative of the Implementing Partner and/or UNDP, and the Senior Beneficiary role is held by a representative of the government or civil society. Representative of other stakeholders can be included in the Board as appropriate.

Specific responsibilities:

Defining a project

- Review and approve the Initiation Plan (if such plan was required and submitted to the LPAC).

Initiating a project

- Agree on Project Manager's responsibilities, as well as the responsibilities of the other members of the Project Management team;
- Delegate any Project Assurance function as appropriate;
- Review the Progress Report for the Initiation Stage (if an Initiation Plan was required);
- Review and appraise detailed Project Plan and AWP, including Atlas reports covering activity definition, quality criteria, issue log, updated risk log and the monitoring and communication plan.

Running a project

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the Project Manager;
- Provide guidance and agree on possible countermeasures/management actions to address specific risks;
- Agree on Project Manager's tolerances in the Annual Work Plan and quarterly plans when required;
- Conduct regular meetings to review the Project Quarterly Progress Report and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Review Combined Delivery Reports (CDR) prior to certification by the Implementing Partner;
- Appraise the Project Annual Review Report, make recommendations for the next AWP, and inform the Outcome Board about the results of the review.
- Review and approve end project report, make recommendations for follow-on actions;
- Provide ad-hoc direction and advice for exception situations when project manager's tolerances are exceeded;
- Assess and decide on project changes through revisions;

¹⁰ Depending on its composition, the Outcome Board can fulfill the function of the Project Appraisal Committee (LPAC)

Closing a project

- Assure that all Project deliverables have been produced satisfactorily;
- Review and approve the Final Project Review Report, including Lessons-learned;
- Make recommendations for follow-on actions to be submitted to the Outcome Board;
- Commission project evaluation (only when required by partnership agreement)
- Notify operational completion of the project to the Outcome Board.

Executive

The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The Executive has to ensure that the project gives value for money, ensuring a cost-conscious approach to the project, balancing the demands of beneficiary and supplier.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Ensure that there is a coherent project organisation structure and logical set of plans
- Set tolerances in the AWP and other plans as required for the Project Manager
- Monitor and control the progress of the project at a strategic level
- Ensure that risks are being tracked and mitigated as effectively as possible
- Brief Outcome Board and relevant stakeholders about project progress
- Organise and chair Project Board meetings

The Executive is responsible for overall assurance of the project as described below. If the project warrants it, the Executive may delegate some responsibility for the project assurance functions.

Senior Beneficiary

The Senior Beneficiary is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The role represents the interests of all those who will benefit from the project, or those for whom the deliverables resulting from activities will achieve specific output targets. The Senior Beneficiary role monitors progress against targets and quality criteria. This role may require more than one person to cover all the beneficiary interests. For the sake of effectiveness the role should not be split between too many people.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Ensure the expected output(s) and related activities of the project are well defined
- Make sure that progress towards the outputs required by the beneficiaries remains consistent from the beneficiary perspective
- Promote and maintain focus on the expected project output(s)
- Prioritise and contribute beneficiaries' opinions on Project Board decisions on whether to implement recommendations on proposed changes
- Resolve priority conflicts

The assurance responsibilities of the Senior Beneficiary are to check that:

- Specification of the Beneficiary's needs is accurate, complete and unambiguous
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target
- Impact of potential changes is evaluated from the beneficiary point of view
- Risks to the beneficiaries are frequently monitored

Where the project's size, complexity or importance warrants it, the Senior Beneficiary may delegate the responsibility and authority for some of the assurance responsibilities (see also the section below)

Senior Supplier

The Senior Supplier represents the interests of the parties which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. If necessary, more

than one person may be required for this role. Typically, the implementing partner, UNDP and/or donor(s) would be represented under this role.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Make sure that progress towards the outputs remains consistent from the supplier perspective
- Promote and maintain focus on the expected project output(s) from the point of view of supplier management
- Ensure that the supplier resources required for the project are made available
- Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes
- Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts

The supplier assurance role responsibilities are to:

- Advise on the selection of strategy, design and methods to carry out project activities
- Ensure that any standards defined for the project are met and used to good effect
- Monitor potential changes and their impact on the quality of deliverables from a supplier perspective
- Monitor any risks in the implementation aspects of the project

b. National Project coordinator

As noted, The NDC implementation and NAMA feasibility study project activities are envisaged to be implemented and coordinated under the auspices of Ministry of Climate Change (MCC) utilizing the institutional arrangements for TNC and FBUR project. The Project Co-ordinator/ for the project is envisaged to play a similar role as National Project coordinator for this project.

1. Scope of Work

The Project coordinator will manage the project on a day-to-day basis and is accountable to the executing agency for the planning, management, quality control, timeliness and effectiveness of the activities carried out, as well as for the use of funds. The Project coordinator will ensure the regular monitoring and feedback from activities already under implementation.

The Project coordinator will be located within the PMU. The Project coordinator will work closely with the UNFCCC focal point, the Technical Groups and the PSC.

2. Duties and Responsibilities

The Project coordinator will have the following duties:

- a) Work closely with the PMU in implementing of the climate change enabling project as appropriate in a timely manner;
- b) Ensure proper and effective management of all project activities;
- c) Prepare a detailed work plan and budget for the project implementation;
- d) Organise and supervise the workshops and trainings needed for the project;
- e) Identify, hire and provide subcontracts in consultation with the Manager, Climate Change
- f) Prepare and submit to UNDP and the PMU quarterly narrative and financial reports;
- g) Coordinate and oversee the preparation of the outputs of the project;
- h) Ensure effective communication and adequate information flow with the relevant authorities, institutions and government departments in close collaboration with the Technical groups and PSC;
- i) Liaise with relevant institutions in order to involve their staff in projects and disseminate information relevant to the project;
- j) Ensure appropriate stakeholder participation in the project implementation and coordinate the work of all stakeholders under the guidance of the MCC and NAB and in consultation with the UNDP office;
- k) Ensure that information is available to the PSC about all Government, private and public sector activities, which impact on capacity development;
- l) Maintain and establish additional links with other related national and international programs and other Enabling Activities and other national projects;
- m) Prepare the Terms of Reference for consultants and experts in consultation with the Manager of Climate Change and ensure their timely hiring;

- n) Guide the work of consultants and experts and oversee compliance with agreed work plan and timely completion of tasks;
- o) Organize and coordinate the procurement of services and goods under the project;
- p) Coordinate, manage and monitor the implementation of the project activities/tasks undertaken by the various technical working groups, local experts; consultants, sub-contractors and co-operating partners;
- q) Assume overall responsibility for the proper handling of logistics related to all project workshops and events;
- r) Manage the Project finance, oversee overall resource allocation and where relevant submit proposals for budget revisions with the help of the UNDP officer;
- s) Undertake any other actions related to the Project as requested by the PMU and UNDP.
- t) Serve as secretary to the PSC as it relates to climate change activities, projects and programmes;
- u) Prepare periodic progress reports and present to PSC members;
- v) Summarise the results of the project;
- w) Initiate and mobilize resources for the potential follow up activities.

3. *Qualifications and Skills*

- a) Advanced University degree (Bachelors or Masters Level) in fields related to climate change, environmental sciences, natural resources or any other related disciplines.
- b) Minimum of 5 years of working experience in the area relevant to the project;
- c) Substantial involvement in the preparation of the national climate change mitigation action plans and programmes;
- d) Demonstrated ability in managing projects, and in liaising and cooperating with all project stakeholders including government officials, scientific institutions, NGOs and private sector;
- e) Familiarity with international organizations operations and structure;
- f) Substantial experience in Government and in interdepartmental procedures;
- g) Familiarity with international negotiations and processes under the UNFCCC;
- h) Fluent written and oral communication in Bislama and English;
- i) Strong communications and interpersonal skills;
- j) Excellent computer knowledge (MS Office, Internet); and
- k) Vanuatu citizenship.