



GREEN  
CLIMATE  
FUND



SPC  
Secretariat  
of the Pacific  
Community

# Operations Manual for the Green Climate Fund Enhanced Direct Access programme “Climate change adaptation solutions for local authorities in the Federated States of Micronesia”

June 2024



## Table of Contents

Table of Contents .....	1
1. Background .....	3
2. Overall grant mechanism.....	3
2.1. Thematic areas.....	3
2.2. EDA facility structure.....	3
2.3. EDA Programme funding flows .....	6
2.4. Exit strategy.....	7
3. Grant applications to the EDA facility .....	7
3.1. Applicants.....	7
3.2. Application Process.....	9
3.3. Eligibility criteria.....	13
3.4 Evaluation and investment criteria for proposal selection .....	13
Financial eligibility criteria .....	14
3.5 Capacity assessment methodology and scoring criteria .....	15
4. Capacity support to grantees.....	15
5. Disbursement of grants .....	16
6. Financial and progress reporting.....	16
7. Procurement procedures .....	17
8. Legal and compliance.....	17
9. Grievance Redress Mechanism .....	19
□ Appendix I – EOI Form.....	21
● How to submit this Expression of Interest .....	24
□ Appendix II – Grant Application Form .....	25
□ Appendix III : RCGF Capacity Assessment Questionnaire.....	37
● Entity Declaration .....	37
□ Appendix IV – Indicative list of eligible activities .....	45
□ Appendix V – Indicative breakdown of O&M costs for potential sub-projects.....	48
□ Appendix VI – Indicative list of ineligible activities .....	50
□ Appendix VII – Sub-Grant Review .....	51
□ Appendix VIII – Grant Reporting Template .....	57
□ Appendix IX – Draft Terms of Reference for FSM EDA Programme Facilitating Agents .....	62

## Acronyms

CCES	Climate Change and Environmental Sustainability Programme
CEOI	Call for Expressions of Interest
CSO	Civil Society Organization
DECEM	Department of Environment, Climate Change & Emergency Management
DRR	Disaster Risk Reduction
E&S or E+S	Environment & Social
EDA	Enhancing Direct Access
EOI	Expression of Interest
EPB	EDA Programme Board
FAs	Facilitating Agents
FSM	Federated States of Micronesia
GCF	Green Climate Fund
GRM	Grievance Redress Mechanism
IRM	Independent Redress Mechanism
JSAP	Joint State Action Plan
LAs	Local Authorities
M&E	Monitoring & Evaluation
N/A	Not Applicable
NDA	National Designated Authority
NGOs	Non-Government Organizations
O&M	Operations and Maintenance
PCU	Programme Coordination Unit
RCGF	Resilient Communities Grant Facility
SPC	The Pacific Community
USD	US Dollar

# 1. Background

The Pacific Community (SPC) as an Accredited Entity to the Green Climate Fund (GCF), together with the National Designated Authority (NDA) from the Federated States of Micronesia (FSM), developed an Enhanced Direct Access (EDA) Green Climate Fund programme that will establish a dedicated facility to strengthen the capacity of local authorities (LAs) in FSM to adapt to climate change and to address urgent, top priority vulnerability issues. The facility will empower all interested LAs by providing them with organizational and individual capacity-building in resilience and priority adaptation project development. Then, the facility will release, through the NDA and State focal points, call(s) for proposals for LAs to submit priority adaptation projects according to a set of pre-identified criteria. Once approved, grants will be provided to partner LAs to implement selected projects.

This operations manual sets the rules and procedures for the on-granting facility, in accordance with SPC's policies. It details how the grant management system will be operated in all the phases of the project management cycle, including roles and responsibilities.

## 2. Overall grant mechanism

The EDA programme has established a Resilient Communities Grants Facility (RCGF) to support adaptation measures in vulnerable communities across all four FSM States through an estimated 30-40 sub-grants in the range of USD 75,000–1,000,000 per grant. The EDA programme will support technical assessment and design of sub-grant activities (e.g. engineering designs, environmental management plans) as well as the implementation of these activities in line with the priorities of local communities and GCF requirements.

### 2.1. Thematic areas

The RCGF will support three thematic areas that have been identified by local communities and the government of FSM as priorities for adapting to climate change. These interventions are based on the viability of past interventions in FSM and other Pacific communities. The three thematic areas are<sup>1</sup>:

1. **Climate-induced Disaster Risk Reduction and Coastal Protection:** Projects that will address the effects of coastal erosion, sea level rise, storm surges, flooding and landslides. Grants provided under this theme may include climate-proofing infrastructure, ecological infrastructure or emergency supplies and facilities for municipalities to respond to disaster.
2. **Food Security:** Projects that fall address agriculture, land management and fisheries for food security under future climate change conditions through sustainable agricultural systems and livelihoods as well as access to markets and value chains. This may include climate-smart agriculture, climate-resilient crop varieties, aquaculture, fisheries, watershed management and value chains for crops, fisheries, and livestock.
3. **Water Security:** Projects that fall increase the resilience of water resources to climate change. Interventions may include rainwater harvesting and storage, addressing seawater intrusion into groundwater resources, catchments rehabilitation and solar-powered water pumps.

### 2.2. EDA facility structure

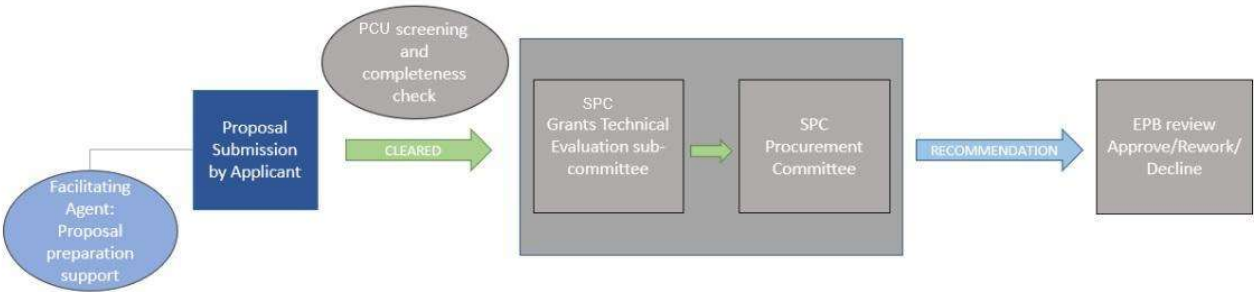
The RCGF has a dedicated implementation structure to review, screen and approve sub-grant proposals. This includes the Enhancing Direct Access (EDA) Programme Coordination Unit (PCU), the EDA Programme Board (EPB), SPC's Technical Evaluation sub-committee, The SPC Procurement Committee, and Facilitating Agents (see Figure 1). The roles of the various organizations comprising the RCGF are outlined below and summarized in Table 1.

**EDA Programme Coordination Unit (PCU):** The PCU will issue calls for Expressions of Interest (EOI) to initiate submissions to the RCGF. EOIs will be screened by the PCU to determine project eligibility. If a project falls within the appropriate thematic areas and there is no duplication with other initiatives, a

---

<sup>1</sup> For a more complete list of potential activities, see Appendix IV – Indicative list of eligible activities.

capacity assessment of the applicant will be undertaken to determine whether the applicant has the financial and other capacity to implement the proposed project (see Figure 2, Section 3.2 and Section 3.3.3 as well as the relevant appendices to this document).



**Figure 1: RCGF Governing Bodies Roles**

**EDA Programme Board:** The EPB will be chaired by the NDA and will include State-level representation as well as national departments that reflect the various themes of the RCGF support. Based on stakeholder consultations, this dedicated body would also comprise a climate expert from DECEM, State GCF focal points and the head of FSM’s National Women’s Council to represent the voices of local communities and provide guidance on gender-responsiveness of project outcomes.

**SPC Grants Technical Evaluation sub-committee:** An independent technical sub-committee will comprise experts on each of the thematic areas, an environmental and social inclusion expert, a national expert with an understanding of the local context in FSM, and a representative from the PCU. The Committee will undertake a full technical and financial review of proposals and provide recommendations on applications moving forward to the SPC Procurement Committee or going back for additional proposal development.

The recruitment of technical experts to the sub-committee will follow a competitive bidding undertaken by SPC as part of the establishment of the project’s governance structure. In the event that technical experts with relevant background and/or experience of working in the Pacific cannot be recruited, the EDA Programme may explore the option of sourcing this support from within existing technical divisions of SPC as long as there is no conflict of interest. This is to ensure independent assessments and transparency. The EDA Programme will also ensure there is no conflict of interest should technical support be sourced from within SPC. Eligibility criteria for these members of the sub-committee include:

- A university degree in the relevant field of expertise (preference for a postgraduate degree).
- At least five years of experience in the field of climate change or sustainable development, with demonstrated experience in the relevant field of expertise.
- Familiarity with the Pacific region (preference for familiarity with the context in FSM).
- No conflict of interest or involvement in any of the LAs, FAs or other parties to the project, including any implementing partners to the sub-grant applications.

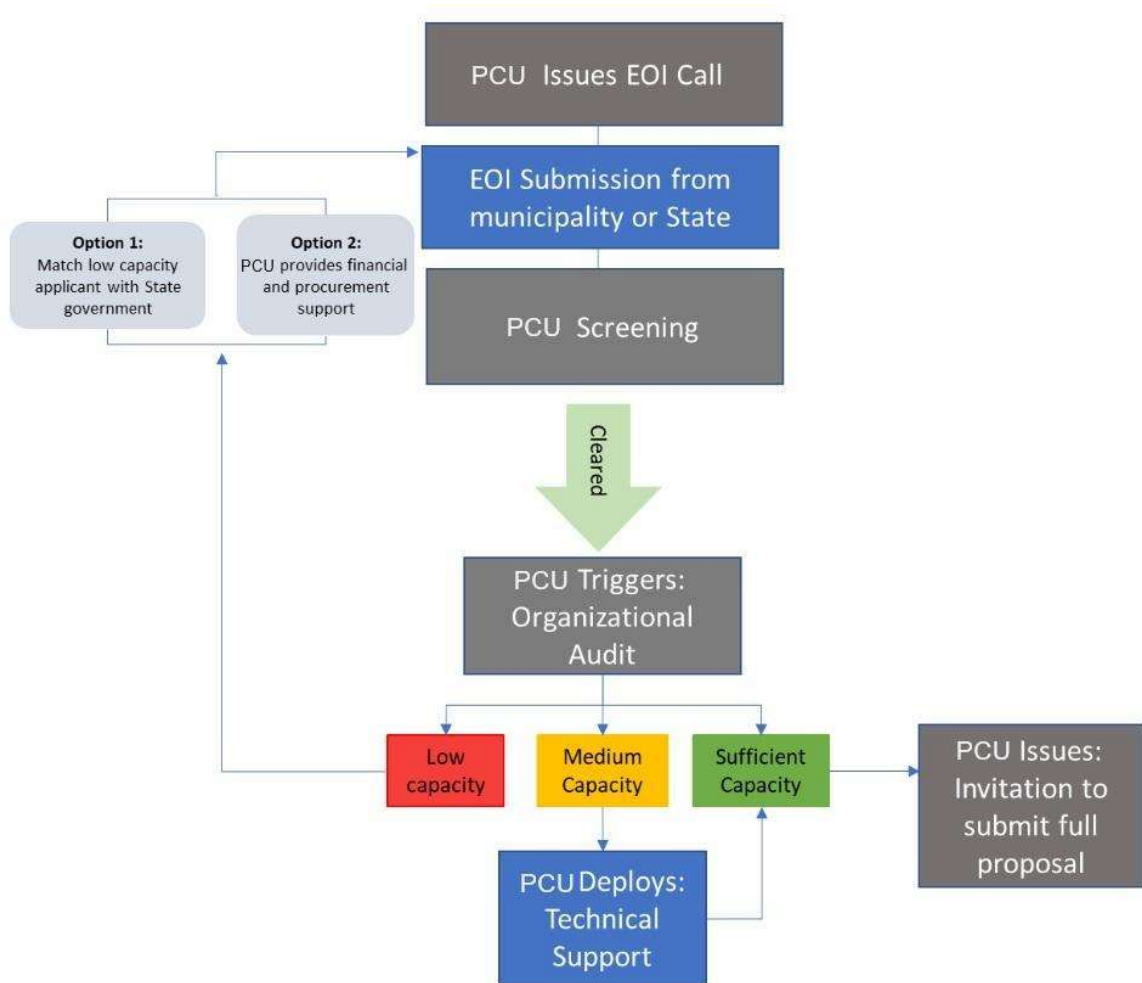
**SPC Procurement Committee:** The SPC Procurement Committee is composed of an SPC Division Director (Chair), a representative from the PCU who will act as the Granting Section representative and three other representatives from SPC. The Procurement Committee members are responsible for carrying out final assessments of all proposals recommended by the Technical Evaluation sub-committee, ensuring that SPC’s Grants Policy is followed and ensuring that the evaluation has followed a consistent and equitable process.

**Facilitating Agents:** A cohort of Facilitating Agents will be selected through a call for tenders. Facilitating Agents will be national organisations (NGOs/CSOs) or individual national consultants. These Facilitating Agents (FAs) will be trained to provide project development support as well as project

implementation support once projects are approved. Once a project is approved, a Facilitating Agent will be assigned to each project to support the reporting and monitoring processes. Draft terms of reference for the Facilitating Agents have been provided in Appendix IX – Draft Terms of Reference for FSM EDA Programme Facilitating Agents, detailing the expected roles, responsibilities, experience and capacities of the Facilitating Agents to be able to support LAs in sub-project applications and implementation.

**Table 1. Summarised roles and responsibilities of stakeholders**

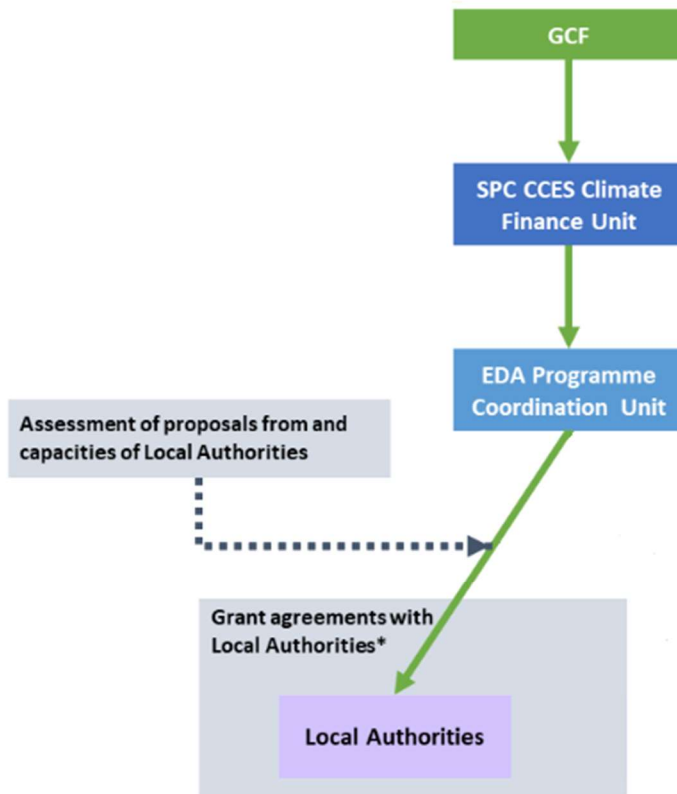
Stakeholder	Responsibility	Role
SPC (accredited entity)	Oversight, management and reporting	<ul style="list-style-type: none"> <li>● Supervise overall implementation of the EDA programme</li> <li>● Coordinate between the various stakeholders including the NDA, PCU, EPB, Procurement Committee, LAs, FAs, etc.</li> <li>● Monitor and report on the implementation of the EDA programme</li> </ul>
FSM NDA	Coordination and management	<ul style="list-style-type: none"> <li>● Supports SPC in establishing the programme governing bodies for the RCGF</li> <li>● Chair the EPB</li> <li>● Supports oversight of PCU and receives annual updates to program progress</li> </ul>
SPC EDA Programme Coordination Unit (executing entity)	Day-to-day management	<ul style="list-style-type: none"> <li>● Run the day-to-day operations of the EDA programme</li> <li>● Manage the Resilient Communities Grant Facility</li> </ul>
SPC Grants Team	Grants support and guidance	<ul style="list-style-type: none"> <li>● Provide support and guidance to the PCU on SPC grants policy and processes.</li> <li>● Support PCU with review of capacity assessment outcomes.</li> <li>● Support PCU with facilitating SPC Procurement Committee meetings for assessment of grant proposals.</li> <li>● Support PCU with grant contracts.</li> </ul>
EDA Programme Board	National-level guidance and direction	<ul style="list-style-type: none"> <li>● Overall guidance and direction to the EDA programme</li> <li>● Guidance on risk management and mitigation measures</li> <li>● Ensure coordination between various donor, government-funded projects and government agencies</li> <li>● Review progress and assess performance</li> <li>● Approve relevant reports and project amendments including amendments to the budget and M&amp;E framework</li> <li>● Advise on or address project grievances</li> </ul>
SPC Procurement Committee	Sub-grant approval	<ul style="list-style-type: none"> <li>● Review financial and other capacities of sub-grant proponents</li> <li>● Approve sub-grants based on capacities and recommendations of Grants Technical Evaluation Sub-committee</li> </ul>
Grants Technical Evaluation Sub-committee	Sub-grant review	<ul style="list-style-type: none"> <li>● Undertake technical and financial review of sub-grant proposals</li> <li>● Provide recommendations based on alignment of proposals with eligibility criteria</li> </ul>
Local authorities	Sub-grantees	<ul style="list-style-type: none"> <li>● Identify potential sub-grants and prepare and submit proposals</li> <li>● Implement and report on approved sub-grant projects</li> </ul>
Facilitating agents	Support sub-grant implementation	<ul style="list-style-type: none"> <li>● Provide support on the development of sub-grant proposals</li> <li>● Provide support on the implementation of sub-grant projects</li> <li>● Conduct quarterly site visits</li> <li>● Support reporting and monitoring processes</li> </ul>



**Figure 2: PCU Role EOI Process**

### **2.3. EDA Programme funding flows**

The funding flows for the EDA programme are illustrated in Figure 3. As the Accredited Entity, SPC's CCES Division – through its Climate Finance Unit – will receive funds from the GCF. These funds will in turn flow to the PCU as the Executing Entity for the EDA Programme, in which capacity it has the responsibility for managing the RCGF. Based on the grant applications received and the capacities of the applicants to administer those grants, the PCU will either enter into grants agreements with the LAs submitting the applications or serve as the financial and procurement provider and directly support project implementation in collaboration with the LAs. Section 3 outlines the full details for the process of submission and assessment of proposals and applicants' capacities. Funds will thus be transferred by the PCU to the grantees on the basis of the grant applications following the procedures outlined in Section 5 on disbursement.



**Figure 3: Funding flows for EDA Programme** [\*Agreements will be made directly with local authorities where they have the requisite capacities to implement sub-grants. Else, SPC will serve as the financial and procurement provider and directly support project implementation.

## 2.4. Exit strategy

SPC and the FSM have co-signed a letter (attached to the GCF funding proposal) stating their intent for handover of the RCGF from SPC to the government of FSM at the completion of the GCF funding period. By this time, the EDA Programme will have established the practices, processes and guidelines necessary for the ongoing functioning of the RCGF. Moreover, the relevant capacities for management of the RCGF will have been fostered through the capacity development activities of the EDA Programme.

Upon handover of the EDA Programme, the PCU will be absorbed into a relevant FSM government institution – provisionally identified as the Department of Finance and Administration in its capacity as the NDA for FSM. SPC will step back from its role within the PCU as well as the EPB, with these functions being taken on by the Government of FSM. Any future role that SPC may have in ongoing support to the RCGF will be considered based on a request from the Government of FSM to that effect.

## 3. Grant applications to the EDA facility

### 3.1. Applicants

The RCGF is open to any municipality, both government organizations and those administered by traditional councils, across FSM as well as state governments. As the majority of the municipalities across FSM do not have the capacity to implement a small grant on their own (even after capacity building), they will be able to access grants through the state agencies or through support from SPC. Prior to the issuing of EOIs, interventions under the EDA Programme will have supported LAs to identify and prioritise adaptation solutions and to select sub-grants for the EOI. The prioritisation and selection



process will include extensive stakeholder consultations and input. The EOI submission will require proof of consultations and lists of those consulted. State agencies will also have been supported to work with smaller, less resourced municipalities to develop EOIs on their behalf for larger grant amounts. State agencies may apply directly to the EDA Facility but must demonstrate support from municipalities in their jurisdiction for the sub-grant.

Following consultations with communities, LAs with demonstrated capacity to develop fundable projects, implement such projects, report as required and account for funds disbursed would apply directly using a Facilitating Agent. Municipalities with low capacities will be able to choose to receive additional support either from a State agency or from SPC.

### 3.2. Application Process

The RCGF process is divided into four stages as shown in Figure 4 below.

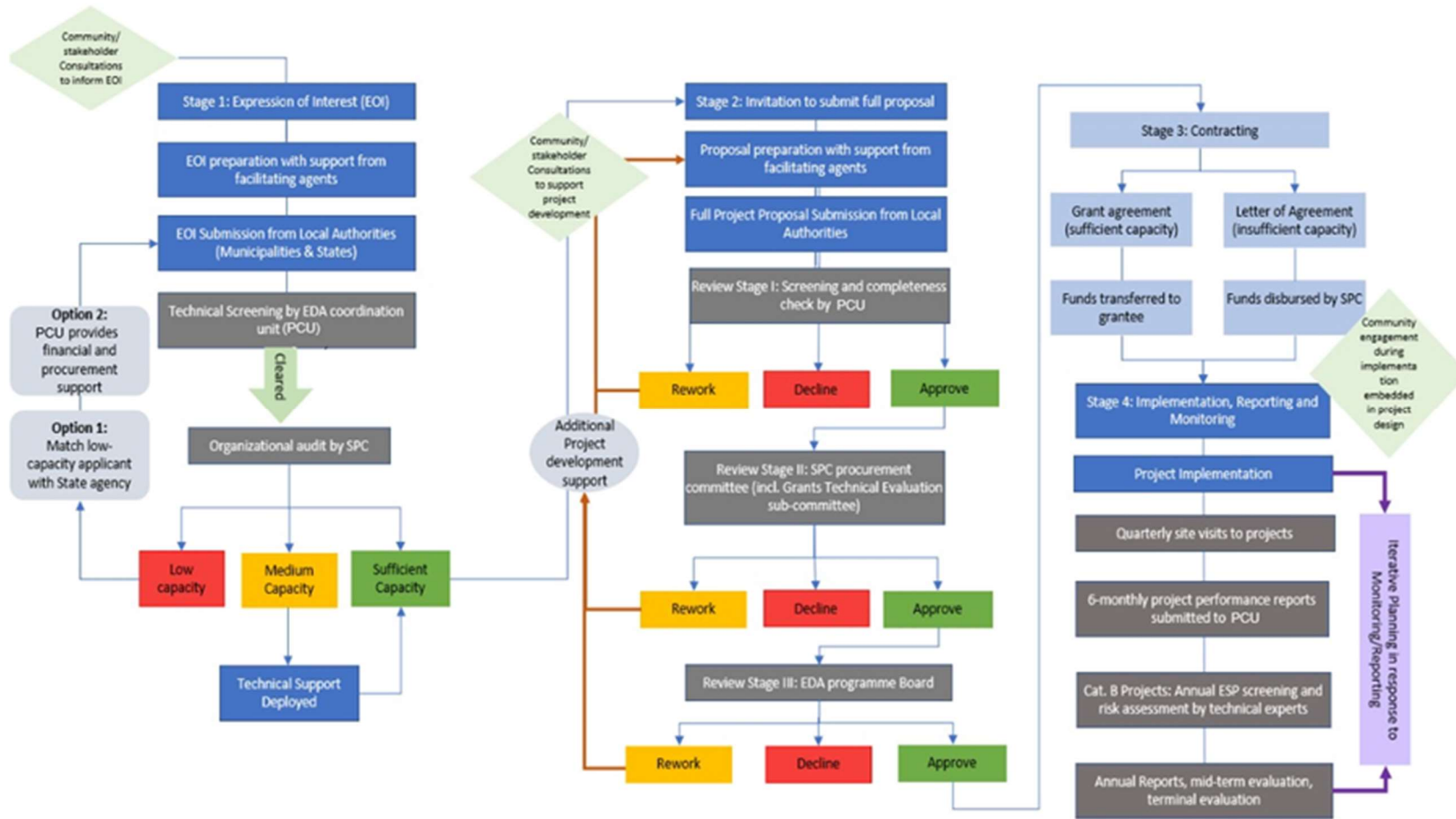


Figure 4: RCGF EDA Facility

## **Pre-Stage 1: Initial Community Involvement**

Prior to submitting an EOI, extensive community engagement and involvement in the selection and prioritisation process will take place. All EOIs must demonstrate engagement and input from community stakeholders. Support for prioritising adaptation solutions will be provided by the EDA Programme including training (delivered by facilitating agents) on conducting and documenting stakeholder consultations. State agencies that submit an EOI must demonstrate that their sub-grants will address climate risks faced by municipalities and that interventions are endorsed by local communities. Community involvement will include sensitisation on the eligibility criteria against which sub-grant proposals will be assessed during Stage 1 and Stage 2. The community engagement will serve to ensure that communities endorse sub-projects comprising activities that are eligible for sub-grants as listed in Appendix IV. The eligibility of the activities is based on their contribution to the GCF investment criteria as outlined in Section 3.3.1 Eligibility and investment criteria for proposal selection.

### **Stage 1: Expression of Interest**

The PCU will issue an initial call for EOIs and then additional rounds will be issued every twelve months thereafter. The EOI will be issued to all eligible local authorities for grant amounts ranging between USD 75,000–1,000,000. Responses to the EOIs will serve to determine the level of technical and capacity support needed by the applicants.

The call will be supported by briefing sessions that will be convened through the PCU on the grant process, the EOI, and the full proposal development will be provided by facilitating agents. These sessions will provide an opportunity for potential recipients, including members of municipal communities, to learn more about the RCGF opportunity and to obtain initial support to develop appropriate local level responses and input around their project ideas. At the same time, the sessions will provide the opportunity to integrate scientific and local knowledge, develop a base of priority interventions from which sub-grants can be identified and developed, and identify potential implementation partners. These processes will empower LAs to identify best practice adaptation solutions themselves through training and site-visits.

Prospective grant recipients will be required to submit a short EOI outlining their proposed adaptation intervention (see Appendix I for EOI form). An initial environment screening will be required for any Category B projects. EOIs will be screened by the PCU to determine project eligibility, alignment with GCF criteria (see Section 3.3), level of E&S risk, project implementation partners (including involvement of private sector and other actors) and ensure local community engagement has taken place. For state agencies, an endorsement letter from one or more municipalities must be included as part of the EOI. If a project falls within the appropriate thematic areas, aligns with the GCF investment criteria and there is no duplication with other ongoing support in FSM, the EOI will be cleared and a capacity assessment of the applicant launched.

If the EOI is not cleared, feedback will be provided as to why the EOI was not cleared. The applicant will be supported by a facilitating agent to support the development of another more suitable EOI or to refine the EOI to meet the eligibility criteria for submission into a later EOI call.

The PCU, with support from SPC's Grants Team, will conduct a capacity assessment of applicants whose EOI has been cleared for full proposal development (an external consultant or firm may be procured to undertake the capacity assessment if needed). The assessment will determine whether the applicant has the capacity (financial and organisational) to implement the proposed project. SPC's capacity assessment process will be followed (see Section 3.5, Appendix III – RCGF Capacity Assessment Questionnaire). Upon completion of the assessment, three options are available:

- (i) If it is determined that the applicant has sufficient capacity, the applicant will be invited to submit a full grant application proposal;
- (ii) If it is determined that the applicant has minor organisational, managerial or financial gaps (medium capacity), then technical assistance will be offered to improve capacity along those lines; and
- (iii) If it is determined through the audit that the applicant has severe gaps (low capacity), the PCU will suggest two sub-options for submission:

- a. Sub-Option 1. The LA (in this case usually a municipality) would be matched with a higher capacity LA (usually a State agency).
- b. Sub-Option 2. The PCU would provide financial and procurement support to the implementation of the sub-grant, in collaboration with the municipality.

Under both of the latter sub-options, the LA will still be provided with training on organisational, managerial and financial gaps by specialists (procured to provide managerial and financial training). Additionally, the LA will be able to choose its preferred option.

The call for EOIs will be issued on a twelve-month basis until such time as all project funds are allocated.

## **Stage 2: Invitation to submit full proposal**

Once an applicant receives a favourable capacity assessment, the applicant will be invited to develop a full proposal. As part of this process, applicants will be offered support for project preparation. Consultants and Facilitating Agents trained under the EDA Programme will be deployed to support applicants in their preparation of full proposals. Specialist E&S safeguard and gender expertise has been provided for in the budget and will be available if necessary.

Prospective applicants will submit detailed project proposals to the PCU (see Appendix II for the grant application form). For state agencies, a letter of endorsement from the municipalities that will be supported through the grant will be required. The funding proposal should provide information on how municipalities will benefit from the sub-grant and detail how knowledge/skill transfer will occur. The sub-grant proposals should also detail the operations and maintenance plans including such costs during project implementation<sup>2</sup>. The PCU will note the submission of the documentation, acknowledge receipt, and review it for completeness. Particular attention will be paid to whether stakeholder input and engagement has been continued through the full proposal development (from the EOI stage). In addition, the project partners and implementation plans will be reviewed to assess how funds will be managed and how partners will execute the activities. This will include a review of the type of partner organisations involved, e.g. civil society, non-governmental organisations, private sector entities, academia, etc.

Once the pre-screening and completeness checks have been conducted by the PCU, the proposals will be reviewed by the SPC Grants Technical Evaluation sub-committee focusing on the technical aspects of the write up. The Grants Technical Evaluation sub-committee will include an E&S safeguard and gender and social inclusion expert, who will provide a specific screening on whether the proposal appropriately identifies E&S risks and sufficiently incorporates gender elements. Reviewers will evaluate detailed project proposals against the agreed checklist which includes the GCF investment criteria as well as E&S screening criteria. Afterwards, the recommendations of the Grants Technical Evaluation sub-committee goes to the SPC Procurement Committee for final assessment.

After the Procurement Committee reviews the proposal, the PCU will then compile the outcomes of the Procurement Committee into an integrated review and make recommendations to the EPB as to approve, not to approve, or call for additional work on the detailed project proposal. All reviews will be made available to proponents.

The EPB will then decide whether to approve the full proposal, reject it, or refer it back for further modifications. The record of the EPB meeting will capture the EPB's recommendations and the reasoning behind the decision. In the cases of conditional approval, the meeting record would detail the conditions that need to be met for approval. As the Executing Entity, SPC will hold a position on the EPB and be legally responsible for the EPB's actions and decisions. To this end, SPC will have the right to veto the approval of applications that are in non-compliance with policies of SPC and of GCF on the basis of due diligence evaluations.

The PCU will notify prospective applicants of the recommendations of the EPB. Applications that are approved will enter into the contracting stage. Projects that are referred back to proponents for further modification will have an opportunity to be resubmitted during the next call for proposals.

---

<sup>2</sup> It will be mandatory to allocate funds to the operation and maintenance of financed assets and equipment in the sub-grant proposals. Legal owners of assets and equipment will bear post-implementation operation and maintenance costs.

### **Stage 3: Contracting**

Once approved by the EPB, the PCU will prepare and enter into a contract with the LA.

The legal agreements between SPC and the grant recipient will be negotiated and finalized based on the nature of the activity and of the anticipated funding flows. This process will include internal processing as well as compliance and additional due diligence screening as needed. The agreements will contain all relevant details regarding the terms and conditions of the RCGF financing. Details of grants that have been awarded will be published on the SPC website within 30 days. Unsuccessful applicants will be notified, and feedback will be provided on their submissions if requested.

SPC's standard terms and conditions for grant agreements will apply to any grant awarded under the RCGF, unless otherwise agreed. Contracts will specify the annual project work plan and associated budgets, deliverables and disbursement schedules, in line with SPC's Procurement and Grant Policies. They will also specify monitoring, evaluation and reporting requirements. Baselines will need to be established within the first three months of grant sub-grant inception.

This stage will conclude with the signing of legal agreements between SPC and the grant recipient.

### **Stage 4: Implementation, monitoring and reporting**

Grant recipients will be expected to implement their sub-grants according to the schedules and deliverables that are set out in their contracts. The sub-grants will be fully under the control and management of the recipient LAs, with execution support to be provided by Facilitating Agents. A milestone approach to sub-grant awards and payment schedules will be utilized whereby grant recipients will report the achievement of project milestones as per the grant agreement. Facilitating Agents will be assigned to each sub-grant and will conduct a site-visit once each quarter and support the reporting and monitoring processes. The Facilitating Agents will be responsible for advising the PCU on project progress, making recommendations to the PCU for the disbursement of funds and, in the event of any requests, make recommendation on deviations from the agreed project plan. Particular attention will be given to the monitoring and mitigation of any risks identified through Stages 1–3, and of any unanticipated environmental and social risks that may arise during implementation.

Every six months, project performance reports will be submitted by the Facilitating Agents to the PCU that summarize project progress and risk management related activities. For Risk Category B projects, every six months an Environmental Social Safeguards Plan screening and risk assessment by an Environmental and Social Safeguard Expert will be conducted. Templates for reporting will be developed during the first year of project implementation.

Annual financial and narrative reports will be submitted by the grant recipient with support as needed from the Facilitating Agent/. The PCU will review annual performance reports, provide recommendations, and discuss any corrective action needed. The Facilitating Agents will be responsible for working with grant recipients to ensure that these recommendations are integrated into the relevant project risk management plans, and into future implementation activities. The Facilitating Agents will also be responsible for monitoring of the iterative management actions that arise from the recommendations of the PCU.

Where risks are detected, the PCU may propose the redirection of project funds to risk management activities, or the withholding of the next tranche of payment until satisfactory risk management actions are determined and agreed. In this regard, it is noted that every effort will be made to support grant recipients to positively respond to and manage unanticipated risks. The PCU will undertake the necessary internal procedures to validate and complete the contracted payments.

Throughout the implementation of the EDA Programme, opportunities will be created for grant recipients to meet and share lessons and experiences with each other, and with other local and national stakeholders.

At project closure, all grant recipients will be expected to submit final financial and narrative reports which will need to include a project sustainability plan.

Ex-post verification of sub-project results will be evaluated, successes and failures analyzed and

knowledge products developed and disseminated. These lessons will inform the recapitalisation strategy as well as inform the planning for scaling up and replicating measures in other municipalities.

### **3.3. Eligibility criteria**

Administrative forms and review criteria have been developed (see the various appendices to this operations manual). However, these may be adjusted and finalized during the first months of programme implementation. Input from the Grants Technical Evaluation Sub-Committee will need to be incorporated and the final approval of the entire mechanism including Administrative forms and review criteria will be approved by the EDA Programme Board. Additional adjustments should be considered following the stakeholder engagement and stakeholder capacity building efforts as part of the EDA Programme.

In order to be eligible, sub-projects must comprise one or more of the activities listed in Appendix IV, which identifies techniques and technologies for enhancing adaptation to climate change that are relevant to FSM's context. This list is indicative and may evolve depending on the market developments and local needs identified during the implementation of the project.

All LAs in the FSM are eligible to submit applications for sub-grants to the RCGF, regardless of their level of government (municipal or state). However, prioritization will be made according to the vulnerabilities highlighted by the specific LAs as well as those with constrained capacities that are preventing them from currently being able to implement resilience-building activities. This will be done equitably. All LAs will also be eligible for technical assistance, although priority will be given to municipalities and state agencies showing the highest level of vulnerability while also meeting a minimum threshold of capacity to implement resilience-building activities.

### **3.4 Evaluation and investment criteria for proposal selection**

Along with assessment of the capacity of the applicant to implement the proposed grant, all proposals will also be assessed for their potential to provide adaptation benefits in line with the GCF investment criteria. EDA grants will thus only be awarded where project proposals detail the following key eligibility criteria:

1. The ineligible list (based on SPC rules and regulations) whereby only sub-projects not listed in the ineligible list (Appendix VI) are eligible.
2. The adaptation rationale and incremental/additional cost argument based on a business-as-usual scenario for the targeted project, the projected climate change impacts, the specific adaptation activities to be implemented to reduce the climate change vulnerability compared to the baseline scenario.
3. The prioritisation of the project defining how and why this particular sub-project idea was identified among the many alternatives that could have been addressed with the same funding.
4. Projects must also clearly define their contribution to the GCF investment criteria.

#### **Climate change adaptation impact potential (20%)**

- Number of direct and indirect beneficiaries whose vulnerability is reduced, or resilience is increased (with detailed information on locations & exposure, gender, social conditions etc.)
- Inclusion of most vulnerable populations (e.g. at risk of being displaced, women, those at the extremes of age, those with pre-existing health problems, the poor and socially disadvantaged, outer islands communities, etc.)
- Climate change resilient jobs/livelihoods created
- Dependency on livelihoods vulnerable to climate change reduced
- Increase in generation and use of climate information in local decision-making

#### **Transformational/paradigm shift (20%)**

- Degree to which the proposed project addresses prevailing unsustainable practices/situations towards a resilient development pathway
- Degree to which the project is innovative/business unusual
- Potential for scaling up and replication elsewhere if the project proves successful
- Potential for knowledge and learning
- Sustainability of outcomes and results beyond completion of the intervention (projects will need to include an exit strategy and demonstrate commitments towards long-term sustainability through the use of specific tools such as, for instance, operation & maintenance plans)

#### **Sustainable development (20%)**

- Environmental Co-Benefits (not directly climate-related), such as biodiversity, soil quality, air quality etc.
- Social Co-Benefits such as health and safety, access to education, cultural preservation etc.
- Economic Co-Benefits such as expanded and enhanced job markets, job creation and poverty alleviation, improved sector income-generating capacity, increase in agricultural productivity etc.
- Gender-Sensitive Development: degree to which the project addresses prevailing gender inequalities in general and with regards to climate change vulnerability and risks in particular

#### **Needs from local communities (20%)**

- Degree to which the proposals account for local communities' needs.
- Direct community involvement in the project implementation

□

#### **Alignment with national or sub-national priorities (10%)**

- Degree to which the project clearly aligns with national or subnational priorities (e.g. contributing to objectives of national climate change policies, action plans, implementation of JSAPs or local DRR plans)

#### **Efficiency and effectiveness (10%)**

- Cost-effectiveness and efficiency
- Co-financing
- Financial viability
- Application of best practices

### **Financial eligibility criteria**

<b>Max. grant amount</b>	USD 1,000,000
<b>Eligible investment</b>	100% of total investment cost can be financed
<b>Eligible costs</b>	<ul style="list-style-type: none"> <li>● Equipment and hardware costs</li> <li>● The cost of engineering design</li> <li>● Legal fees</li> <li>● Development cost</li> <li>● Installation services and works</li> <li>● Insurance costs</li> <li>● Monitoring costs</li> <li>● The cost of an initial set of spare parts</li> <li>● Commissioning costs</li> </ul>

<b>Ineligible expenditures</b>	<ul style="list-style-type: none"> <li>● Purchase, rent or leasing of land and existing buildings</li> <li>● Operating costs</li> <li>● Purchase or leasing of passenger motor vehicles</li> <li>● Second-hand equipment, unless the Technical Advisor is satisfied with the technical quality and capacity of the equipment to deliver the climate benefits</li> <li>● Working capital requirements, except to the extent that such working capital costs are an integral part of the investment implementation</li> <li>● Other ineligibles which are not part of eligible technologies</li> </ul>
--------------------------------	--

### 3.5 Capacity assessment methodology and scoring criteria

SPC's capacity assessment process will be used to assess the capacities of the LAs for implementing the grants. After each EOI is cleared to proceed to the next stage of the grant process, the shortlisted LA will be required to complete and submit the SPC capacity assessment questionnaire (Appendix III – RCGF Capacity Assessment Questionnaire). Each LA will be evaluated to determine the level of capacity using SPC's scoring criteria (see Table 2). Potential grantees will be rated on a scale from 1 to 3 based on their overall score in the evaluation. The capacity assessment evaluation will be undertaken by the PCU and their findings and recommendations presented to the SPC Grants Team for review and endorsement. Depending on the outcomes of the capacity assessment taken in conjunction with the assessment of the investment criteria, a decision may be taken to either proceed to the next stage to develop a full proposal, provide technical assistance to address minor organisational, managerial or financial gaps, match the applicant with another LA to collaborate, or provide financial and procurement support directly through the PCU for implementation of the sub-grant (see Section 3.2).

**Table 2. Scoring criteria and risk ratings for LAs applying to the RCGF.**

Risk Level	Score and Rating	Description
Low	3 – Sufficient Capacity	<ul style="list-style-type: none"> <li>● Considerable assurance that objectives will be met.</li> <li>● Well-developed financial management systems</li> <li>● Comprehensive written policies and procedures</li> <li>● Well-developed governance structure and risk management systems</li> <li>● Control frameworks meet good practice</li> </ul>
Moderate	2 – Medium Capacity	<ul style="list-style-type: none"> <li>● Developed financial management systems but requires some improvements.</li> <li>● Written policies and procedures exist and can be improved</li> <li>● Some control weaknesses identified which can be improved to achieve reasonable assurance that objectives will be met.</li> </ul>
High	1 – Low Capacity	<ul style="list-style-type: none"> <li>● Many weaknesses or inefficiencies exist.</li> <li>● Controls do not meet acceptable standards.</li> <li>● No reasonable assurance that objectives will be met.</li> </ul>

## 4. Capacity support to grantees

A key objective of the EDA Programme is to improve the capacity of LAs to be able to plan and implement adaptation interventions through a “learning-by-doing” approach. Consequently, capacity



development and support are built into the EDA Programme in various ways. This capacity development will be provided through a variety of means including training, coaching, mentoring and provision of recommendations for organisational and process reforms to improve efficiencies, as needed. In addition, specific support will be provided on reporting on the implementation of grants so that LAs are able to comply with SPC reporting requirements.

Besides the general support offered under the EDA Programme, specific support will be provided to LAs on a needs basis. This could be provided through a number of channels:

- **Facilitating agents:** NGOs and national consultants will be enrolled in a roster of experts to provide technical assistance, capacity building, and project implementation support to LAs. They will undergo training-of-trainers to ensure that they can support LAs in the development and implementation of projects for the EDA Facility and other climate change funding opportunities. This includes but is not limited to supporting LAs for field visits, community consultations, prioritization of interventions, gender and social inclusion, environmental and social safeguards, project management, monitoring and reporting, etc.
- **LA-to-LA collaboration:** An LA with low capacity for implementation of a grant can be matched with another LA that has the requisite capacity for implementation. This would typically be a collaboration between a State-level agency with a municipality. In this case, the higher capacity LA would act as the lead agency.
- **PCU direct support:** The PCU will be in a position to provide direct support to LAs on various aspects of project management and implementation. This may include procurement of specialized goods and services when it is beyond the capacity of the LAs to do so. In such a case, the PCU may undertake the entire procurement process as well as manage the contract and payments on behalf of the LA, or alternatively only undertake those parts of the process that the LA is unable to perform. In addition, Facilitating Agents will provide necessary support to LAs on financial management and reporting, environmental and social impact assessments, monitoring and evaluation or any other aspects for which they may require such support.

## 5. Disbursement of grants

Grant disbursements will be made according to the work plans of the respective projects. These disbursements will be conditional to the fulfilment or attainment of project milestones as outlined in the grant agreements or contracts entered into between the PCU and the grantees or supporting organisations for the specific projects. Initially, the milestones will be identified in the project work plans until annual or semi-annual work plans have been developed as implementation of the respective grants progress.

Depending on the milestones agreed on in the agreements, initial tranches may be disbursed to grantees on approval of the annual work plan. Subsequent disbursements will be made based on payment requests submitted to the PCU. These requests will be triggered by the attainment of milestones outlined in the work plans for the project, for which supporting documentation or reports should be provided. The PCU will verify the attainment of the milestones and approve the payment request for the disbursement if the grantee has complied with the conditions outlined in the agreement. This may include third party payments on behalf of grantees, if included in the grant agreement. Monitoring of grants will thus be based on the milestones established in the work plans for the projects.

The disbursement of funds to successful grantees will proceed according to SPC's Finance Regulations (2018), Procurement Policy (2022), Grants Policy (2022) and Anti-Money Laundering and Counter-Terrorism Financing (2020). These policies ensure considerable internal controls and due diligence so that funds provided to grantees are properly disbursed and managed.

## 6. Financial and progress reporting

Grantees will be expected to provide to SPC original copies of their financial and narrative reports on activities implemented under the EDA facility for the entities' respective financial years (see Appendix VIII – Grant Reporting Template). Interim progress reports will be provided on a quarterly basis, while additional reporting may also be requested by SPC or the PCU on an *ad hoc* basis e.g. to provide

feedback to the EDA Programme Board. The PCU will provide support to grantees on reporting, either directly or through FAs, as deemed necessary. All reports will be reviewed and formally approved by the PCU, including inception reports, quarterly progress reports and annual financial and narrative reports.

The grantees are also required to keep original supporting documents against the milestones against which disbursements are made to detail the specific expenses incurred in achievement of the specific milestone. Scanned, original electronic copies may be accepted, if approved by SPC. Audits of the grantees may be requested by SPC if required. Supporting documents include (but are not limited to) the following:

- instruments of delegation
- supplier invoices or receipts
- purchase orders or purchase requisitions
- delivery receipts
- supplier statements of account,
- contracts/agreements
- shipping documents
- per diem and acquitted advance forms
- mission reports
- air travel tickets and boarding passes
- procurement tender evaluation dossiers and minutes
- staff contracts
- bank statements
- receipt books

## 7. Procurement procedures

The PCU will follow SPC's procurement process<sup>3</sup> for any procurement activities that it may undertake. This includes but is not limited to the procurement of goods on behalf of LAs for implementation of grants as well as the procurement of services such as FAs, trainers, third party implementers, etc.

Once the need for specific goods or services has been identified, solicitation documents will be prepared and issued containing terms of reference, scopes of work, specifications of goods, bid submission forms and any other guidelines required by the nature of the specific procurement. Once bids have been solicited, they will be evaluated in a fair and transparent manner following SPC processes. This includes assessment of quotes against evaluation criteria that include key competencies or minimum requirements outlined in the solicitation documents. The contract will be awarded when it has been determined that a bidder meets the minimum requirements, provides the best value for money and will best be able to provide the goods or services required.

## 8. Legal and compliance

**Child and vulnerable adult protection:** SPC is committed to the well-being of children and vulnerable adults. All SPC grantees are required to commit to the principles of SPC's Child and Vulnerable Adult Protection Policy ([XI.G Manual of Staff Policies](#)). Breach of this requirement can result in SPC terminating any grant agreement with a grantee. Any allegations of potential misconduct in relation to this grant scheme involving children or vulnerable adults should be sent to [complaints@spc.int](mailto:complaints@spc.int)

---

<sup>3</sup> Available online at [spccpstore1.blob.core.windows.net/digitallibrary-docs/files/7e/7e9c73f7173eb4977a211db14d081.pdf?sv=2015-12-11&sr=b&sig=neykB6T9H3pgL%2FpDwFnPW1uoqAmFZFEt%2FxAAMQG63A%3D&se=2024-08-06T23%3A29%3A27Z&sp=r&rsc=public%2C%20max-age%3D864000%2C%20max-stale%3D86400&rsct=application%2Fpdf&rscd=inline%3B%3Bfilename%3D%22Procurement+Achats+2022.pdf%22](https://spccpstore1.blob.core.windows.net/digitallibrary-docs/files/7e/7e9c73f7173eb4977a211db14d081.pdf?sv=2015-12-11&sr=b&sig=neykB6T9H3pgL%2FpDwFnPW1uoqAmFZFEt%2FxAAMQG63A%3D&se=2024-08-06T23%3A29%3A27Z&sp=r&rsc=public%2C%20max-age%3D864000%2C%20max-stale%3D86400&rsct=application%2Fpdf&rscd=inline%3B%3Bfilename%3D%22Procurement+Achats+2022.pdf%22)

**Confidentiality:** Unless otherwise agreed by SPC in advance or where the contents of the grant application are already in the public domain when shared with the Applicant, Applicants shall at all times treat the contents of any documents related to the grant award process as confidential. Unless clearly indicated otherwise, SPC will treat the information it receives from the Applicants as confidential during the entire award process.

**Conflict of interest:** Applicants must take all necessary measures to prevent any situation of conflict of interest. You must notify SPC in writing as soon as possible of any situation that could constitute a conflict of interest during the application process. If you have any familial connection with SPC staff, this must be declared, and approval will then be sought for you to engage in the application process. Breach of this requirement can result in the exclusion of the Applicant from the grant process or in SPC terminating any grant agreement with a grantee.

**Cost of preparation of submissions:** Under no circumstances will SPC be liable for any application submission costs, expenditure, work or effort that you may incur in relation to your provision of an application (including if the grant application process is terminated or amended by SPC).

**Eligibility:** Applicants are required to disclose to SPC whether they are subject to any sanction or temporary suspension imposed by any international organisation, or whether they are subject to bankruptcy proceedings. You may not be bankrupt or suspended, debarred, or otherwise identified as ineligible by any international organisation. Failure to disclose such information may result in debarment and termination of any agreement issued by SPC.

**Fraud and corruption:** SPC has zero tolerance for fraud and corruption. All Applicants have an obligation to report potential fraud and corruption. Breach of this requirement can result in the exclusion of the Applicant from the CEOI process or in SPC terminating any agreement with a selected grantee. Allegations of potential misconduct by an SPC staff member or Applicant involving fraud or corruption can be sent to [complaints@spc.int](mailto:complaints@spc.int)

**Good faith:** The information in this manual is provided by SPC in good faith. No representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability will be accepted by SPC in relation to the adequacy, accuracy, completeness or reasonableness of this document or any information provided by SPC in relation to this Grant Scheme.

**Modifications:** Any clarifications, corrections or modifications will be published on the SPC website prior to the deadline. In the event an Applicant has submitted a project before the clarification, correction or modification, the Applicant will be informed and may modify its application. The modified submission will still need to be received before the deadline.

**No offer of an award:** This CEOI does not constitute an offer or an invitation from SPC to enter into a grant agreement with you.

**Privacy:** The Applicant is to comply with the requirements of applicable legislation and regulatory requirements in force for the use of personal data that is disclosed for the purposes of this Grant Scheme. SPC will handle any personal information it receives under the scheme in line with its [General Terms and Conditions](#), [Privacy Policy](#), and the [Guidelines for handling personal information of bidders and grantees](#). Applicants understand that their EOI and their personal information will be stored and used by SPC in accordance with these policies and guidelines.

**Right to amend, seek clarity, withdraw, not award:** SPC reserves the right to: (1) amend, add to or withdraw all or any part of this Grant Scheme at any time, or to re-invite Applicants on the same or any alternative basis; (2) seek clarification or documents in respect of any Applicant's EOI or

proposal; (3) choose not to award; (4) make whatever changes it sees fit to the timetable, structure or content of the grant process, depending on approvals processes or for any other reason. Please note that while SPC will not change the evaluation criteria set out in this operations manual without the EOI process being reissued, SPC does reserve the right at the time of award to vary the requirements specified in this manual and to accept or reject any EOI or proposal at any time prior to award without incurring any liability to the affected Applicant or any obligation to inform the affected Applicant(s) of the grounds for SPC's action.

**Right to disqualify:** SPC reserves the right to disqualify: (1) any Applicant that does not submit a EOI or proposal in accordance with the instructions in this manual; (2) any Applicant that misrepresents information to SPC; (3) any Applicant that directly or indirectly canvasses any SPC employee concerning the award under this grant scheme.

**Use of material:** Applicants shall not use the contents of their application or any related material for any purpose other than for the purpose of considering submitting or submitting their EOI or proposal to SPC.

**Warranty, representation, assurance, undertaking:** The Applicant acknowledges and agrees that no person has any authority to give any warranty, representation, assurance or undertaking on behalf of SPC in connection with any agreement which may (or may not) follow on from this grant process.

## 9. Grievance Redress Mechanism

The EDA Facility will have a grievance mechanism that is aligned with SPC's Grievance Redress Mechanism (see <https://www.spc.int/accountability>).

The Grievance Redress Mechanism will:

1. Provide stakeholders with a clear process for providing comment and raising grievances.
2. Allow stakeholders the opportunity to raise comments/concerns anonymously.
3. Structure and manage the handling of comments, responses, and grievances in a timely manner.
4. Ensure that comments, responses, and grievances are handled in a fair and transparent manner and in line with local and national policies.

The grievance mechanism will address complaints from affected stakeholders about the social and/or environmental performance of the project, and to take measures to redress the situation, if necessary.

**Project-Level GRM.** The project-level GRM is the primary and preferred grievance mechanism that can be accessed by the stakeholders of the EDA Programme. Communities can easily and safely raise and/or submit social or environmental grievances, comments or questions related to project activities, and other concerns or complaints. This mechanism is led and maintained by the PCU. Further details and guidance for the Project-Level GRM will be provided to EDA Programme stakeholders and the general public through multiple channels.

**Institutional GRM.** SPC's Grievance Redress Mechanism is operated through a web page on the SPC site that can be used by completion of the online complaint form and emailing to [complaints@spc.int](mailto:complaints@spc.int) or mailing to the SPC Micronesia Regional Office. Concerns will be received by the SPC Legal Team who will reach out internally to the PCU, to be addressed through a conflict resolution process. In addition, the EPB will be informed of the grievance. If this process is not effective in redressing the grievance,

other processes such as a compliance system may be used with the objective of addressing project stakeholders' grievances simply and efficiently. Project stakeholders will be properly informed that the mechanism has been established, and how they can access it to settle their grievance. SPC will acknowledge the grievance and inform the complainant that the grievance will be logged with the SPC GRM. An initial response will be provided to the complainant within a two-month period, with an outline of the appropriate process to address the grievance. This duration should be sufficient to screen the complaint, outline how the grievance will be processed, screen for eligibility as well as assign organizational responsibility for proposing a response. This initial response will propose a methodology to reach an agreement and address the complainant's concerns, including potentially engaging with other project stakeholders to resolve the issue.

The complainant will be informed that he/she has the right to pursue other options to resolve the complaint if unsatisfied after the process, noting that the grievance redress mechanism may issue responses to questions from the complainant but will not act as an advisor or attorney for the complainant. All grievances will be recorded, and these records will be kept at a secure place for up to three years after the life of the EDA Programme.

The EPB will be informed of any grievances as they are lodged. The EPB will also be involved in the conflict resolution process, as relevant to the nature of the complaint in question.

**GCF Independent Redress Mechanism (IRM).** Depending on the nature of the grievance, stakeholders can choose to access the GCF IRM. The IRM is independent of the GCF Secretariat and reports directly to the GCF Board. Any person or a group of persons, or a community that has been or may be affected negatively by a GCF project or programme (including those being actively considered for funding by the GCF) may file a complaint. The affected person(s) can authorise their government or representative to file and pursue the complaint on their behalf. More information is available and can be accessed at <https://irm.greenclimate.fund/>.

**Appendix I – EOI Form**

**1. THE LEAD APPLICANT**

*In this section provide details about who is expressing an interest in this grant.*

**Name of LEAD APPLICANT**  
*(Organization completing this form)*

**Address**

**State**

*Indicate the State where the lead applicant is based or registered*

Chuuk

Kosrae

Pohnpei

Yap

**Local Authority Legal Structure**

*Indicate the legal structure of the lead applicant. Choose one only*

State Agency (Department)

Legally registered Municipality

Not legally registered Municipality

**Contact Details**

Name of contact person

Role in the organisation

Phone number

Email address

**Municipality(ies) Benefiting**

*Please list the municipality(ies) that the project is aiming to benefit. Please attach letters of endorsement from the targeted municipality(ies). Please ensure that endorsed letters are in English.*

*Please provide total estimated number of beneficiaries for this proposed project.*

Do you have experience in implementing projects, or have received a grant over the last five (5) years

- Yes  
 No

## 2. THE PROPOSED PROJECT

*In this section provide details about your project idea and budget. This may change. We will work through this with you during proposal development stage.*

### **Project title:**

*Provide a title for your proposed project. Your name should be short but descriptive*

### **Project Summary:**

*Describe the planned project including overall project objective, while indicating community consultations that have already taken place (500 words max).*

**Expected Duration of Project** *(How long will it take you to complete this project? i.e., number of months).*

### **Project Budget:**

*Which funding category do you expect your project to fall under?*

- USD 75,000 – 250,000  
 USD 250,000 – 500,000  
 USD 500,000 – 1,000,000

<p><b>Project Partners and implementation</b></p> <p><i>Identify any partners or partner organisations that will be assisting with the activities. This should include what type of organisation they are, e.g. civil society, non-governmental organisations, private sector entities, academia, etc.</i></p>	
<p>Is your Project Proposal a duplication of existing project or initiative in your state?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>

<p><b>Select the Adaptation Area/s of focus for the Project. Select all that apply.</b></p>	<p><input type="checkbox"/> <b>Disaster Risk Reduction/Coastal Protection</b></p> <p>(e.g. Retrofitting existing buildings, watershed reforestation for landslide protection and flooding control, small-scale coastal infrastructure, restoration, rehabilitation, or substitution of ecosystems relevant for adaptation (e.g. mangrove restoration, re-vegetation, sea-grass beds), equipping municipalities with necessary tools to respond to climate-induced disaster, including emergency plans, building shelter, medical and other supplies)</p>	<p><input type="checkbox"/> <b>Food Security</b></p> <p>(e.g. Development and use of climate-resilient crop species and varieties, farming and land use techniques facilitating soil and water conservation, small scale aquaculture, fisheries and livestock management, watershed management, coastal resources management, building value chains for crops, fisheries, and livestock, establishment of agroforestry demonstration sites integrated with livestock)</p>	<p><input type="checkbox"/> <b>Water Security</b></p> <p>(e.g. Water infrastructure (e.g. water tanks, solar water pumps), Procurement and distribution of rainwater collection tanks, capturing and storage of rain and groundwater resources, reducing leakage of reticulated systems and water storage facilities, water saving, water quality enhancement and assurance, solar water purifiers)</p>
<p><b>Project Environmental &amp; Social Safeguards (E &amp; S risks)</b></p> <p>here are three descriptions of project risks, please select the one most appropriate to the project.</p>	<p><input type="checkbox"/> Project activities have the potential to cause significant negative environmental and/or social impacts that are wide-spread, irreversible, and cannot be easily addressed through planning and other mitigation efforts <b>(Category A)</b></p>	<p><input type="checkbox"/> Project activities have the potential to cause limited negative environmental and/or social impacts that are site-specific, largely reversible, and can be easily addressed through planning and other mitigation efforts <b>(Category B)</b></p>	<p><input type="checkbox"/> Project activities have minimal or no negative environmental and/or social impacts <b>(Category C)</b></p>



### 3. AUTHORISATION

*In this section have a person authorised to apply for funding sign the Expression of Interest. An authorised person is usually the Director, Mayor, or Chief Executive Officer.*

<b>NAME</b> of authorised person	
<b>ROLE</b> in the organisation	
<b>Telephone Number</b> of authorised person	
<b>Email address</b> of authorised person	
<b>SIGNATURE</b> of authorised person submitting this form	
<b>DATE</b>	



- **How to submit this Expression of Interest**

You may complete the Expression of Interest form and email your expression of interest to [fmeda@spc.int](mailto:fmeda@spc.int) no later than **11.59pm on Monday, 30 September 2024 (Pohnpei day and time)**

If you have any questions, please contact our team at [fmeda@spc.int](mailto:fmeda@spc.int)

**Appendix II – Grant Application Form**

**PART 1: ADMINISTRATIVE FORM**

<i>Lead Applicant Details</i>			
Legal name:	<i>[Insert legal name of the applicant]</i>		
Address:	<i>[Insert physical address of the applicant]</i>		
Phone number:	<i>[Phone number]</i>	Email:	<i>[email address]</i>
Please indicate which of the following Local Authority categories the applicant falls under:			
<input type="checkbox"/>	State Agency	<input type="checkbox"/>	Municipality
<i>Applicant Organisation Profile</i>			
<i>[Please provide a brief overview (maximum 1 page) of your organisation, including its date of establishment, its main activity, a brief description of its governance structure and its financial management system or processes.]</i>			
<i>Representative contact details</i>			
<i>The representative is the person who is authorised by the applicant organisation to sign a Grant agreement</i>			
Name:	<i>[insert name of representative]</i>	Title:	<i>[insert title of representative]</i>
Phone number:	<i>[Phone number]</i>	Email:	<i>[email address]</i>
<i>Applicant Declaration</i>			
I declare that to the best of my knowledge the statements made within this Proposal are true and correct, and I understand that if the applicant organisation is approved for a grant, we will be required to accept the terms and conditions of the grant as outlined in the letter of approval.			
<b>For the Applicant:</b> <i>[insert name of the organisation]</i>			
<b>Signature:</b>			

## Privacy

By completing this proposal, you understand and agree to the way in which SPC and its third-party service providers collect and manage your personal information. Information provided in this form may be used for purposes of research on a de-identified basis. For further information on SPC's *Privacy Policy* and SPC's *Guidelines for handling personal information of bidders and grant applicants* go to <https://www.spc.int/grants>.

## PART 2: PROJECT OVERVIEW

### Project Title

---

### State

Chuuk    Kosrae    Pohnpei    Yap

Which municipality(ies) is the project aiming to benefit? Please attach letters of endorsement from the targeted municipality(ies).

---

### Project Development Options (as applicable)

Option 1 (State Agency Support)    Option 2 (Municipality led with support from SPC)

### Project Contact

Name: \_\_\_\_\_

Position/Role: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email: \_\_\_\_\_

### Adaptation Focus Area

#### Select all that apply:

**Disaster Risk Reduction/Coastal Protection** (e.g. Retrofitting existing buildings, watershed reforestation for landslide protection and flooding control, small-scale coastal infrastructure, restoration, rehabilitation or substitution of ecosystems relevant for adaptation (e.g. mangrove restoration, re-vegetation, sea-grass beds), equipping municipalities with necessary tools to respond to climate-induced disaster, including emergency plans, building shelter, medical and other supplies)

**Food Security** (e.g. Development and use of climate-resilient crop species and varieties, farming and land use techniques facilitating soil and water conservation, small scale aquaculture, fisheries and livestock management, watershed management, coastal resources management, building value chains for crops, fisheries, and livestock, establishment of agroforestry demonstration sites integrated with livestock, access to microfinance for farmers/farmers associations (guarantee mechanism, revolving fund))

- **Water Security** (e.g. Water infrastructure (e.g. water tanks, solar water pumps), Procurement and distribution of rainwater collection tanks, capturing and storage of rain and groundwater resources, reducing leakage of reticulated systems and water storage facilities, water saving, water quality enhancement and assurance, solar water purifiers)

### Requested Grant Amount (USD)

This should match the budget table.

---

### Timeline

Expected Start of Project (Month, Year): \_\_\_\_\_

Expected End of Project (Month, Year): \_\_\_\_\_

### Project Summary

<b>i</b>	<i>Describe the planned project including overall project objective, while indicating community consultations that have taken place (1500 words max).</i>
----------	---

## PART 3: PROJECT DESCRIPTION

### Project Activities and implementation plan

<b>i</b>	<i>List and describe the project activities including detail on scale of the activities (i.e. area impacted (ha), # of households, # of technology deployments) and specific deliverables (i.e. plans, trainings, workshops, etc.). Describe a general timeline for the project and where possible, a timetable for the implementation of the key activities. (1500 words maximum)</i>
----------	--

### Beneficiaries

<b>i</b>	<i>Describe the beneficiaries of project activities including detailed information on locations, vulnerability to climate change, gender, young people, older persons, persons living with disability, socioeconomic conditions, etc. How is the project ensuring that all members of the community are benefiting from the project, particularly the poorest and most at risk members? (500 words maximum)</i>
----------	---

### Project Stakeholders

<b>i</b>	<i>Describe who are the key stakeholders expected in the project and their role in the project. (500 words maximum)</i>
----------	---

### Project Partners and Implementation

<b>i</b>	<i>Describe how the project plans to implement the activities including specifically how funds will be managed and who will be responsible for each activity listed above. This should also include a description of any partners or partner organisations that will be assisting with the activities. The description of the partners should include what type of organisation they are, e.g. civil society, non-governmental organisations, private sector entities, academia, etc. (1500 maximum words)</i>
----------	--

# PART 4: EXPECTED RESULTS

## Potential for Impact

**i** Describe the overall potential for the project to support adaptation and improved resiliency to climate change for local communities in the local authority. This should include a description of what the project activities are expected to achieve and how they address specific local vulnerabilities to climate change. (1500 words maximum)

### Estimated impacts (if not applicable to the project write N/A)

Total number of people with improved resilience to climate change (please breakdown by direct and indirect beneficiaries, number of women and number of men)

---

Expected savings (\$) per household from avoided disaster risk:

---

Number of households with improved food security as a result of project activities:

---

Number of households with improved water security as a result of project activities:

---

Area of land rehabilitated, reforested, conserved, protected, or otherwise improved as a result of project activities (hectares):

---

Number of men and women using new technologies or practices as a result of project activities

---

Number of men and women with improved income and livelihood as a result of project activities

---

Number of men and women trained in new technologies/practices or general awareness related to disaster risk reduction, food security, and water security (include details on the content of training/s)

---

---

## Innovation, Change, and Sustainability

**i** Describe how the project activities change the status quo in the community including the specific ideas, practices or technologies that the project is changing (i.e. new farming practices, deployment of a specific technology). This should also include a description of what the project is expected to learn from implementing the activities (i.e. how people use/respond to new technologies) and how the project plans to share lessons learned and best practices with others. Finally, please describe how the project plans to sustain the results from the activities in the future. This should include an overview of the operations and maintenance plans and associated costs, both during and after the implementation of the project activities. (1500 maximum words)

## Other Benefits

<b>i</b>	Describe how the project is expected to benefit the environment (i.e. conservation, air quality, water quality, etc.); social systems (i.e. education, health and safety); and economic systems (i.e. job creation, improved productivity). (1500 maximum words)
----------	--

## Community Needs and Priorities

<b>i</b>	Describe how the project aligns with community needs and priorities as well as any plans/policies from the State and local levels. This should include a description of community engagement processes and how the needs/priorities were determined (i.e. workshops, community meetings, plans, etc.). This should also describe how the project will continue to keep the community involved throughout project activities. (1500 maximum words)  <b>Note: For all State-agency run projects, letters of support/endorsement from all beneficiary municipalities should be included as an annex and confirmed here. State agencies will also need to provide required proof of consultations and lists of those consulted.</b>
----------	---

## Efficiency and Effectiveness

<b>i</b>	Describe how the project plans to use the grant resources efficiently to accomplish project objectives. Describe how the project plans to leverage best available technologies and approaches. (1000 maximum words)
----------	---

# PART 5: ENVIRONMENTAL AND SOCIAL (E+S) IMPACTS

## E+S Risk

Please select which of the following descriptions best describes the risks associated with the project and provide a short justification for this choice.

- Project activities have the potential to cause significant negative environmental and/or social impacts that are wide-spread, irreversible, and cannot be easily addressed through planning and other mitigation efforts (Category A)
- Project activities have the potential to cause limited negative environmental and/or social impacts that are site-specific, largely reversible, and can be easily addressed through planning and other mitigation efforts (Category B)
- Project activities have minimal or no negative environmental and/or social impacts (Category C)

<b>i</b>	Describe briefly the environmental and/or social risks for the project and the justification for the risk screening category selected. (1000 maximum words)
----------	---

Does the project include any of the activities included in Addendum 1? [Y/N] \_\_\_\_\_

## Gender

<b>i</b>	Describe how women and men are expected to benefit from project activities. What specifically will the project do to ensure that women and men have equal opportunity to benefit from the project activities? Based on initial community engagement, how are the priorities/needs of men and women different with regards to project activities? How is the project addressing the gender considerations for the priority sectors provided in Addendum 2? (1500 maximum words)
----------	--

## PART 6: PROJECT BUDGET

The amount of the activities in the budget must be presented in **US Dollars**

Title of the action:	<i>[mention the title of the action]</i>		
Item of expenditure	(A)	(B)	(A+B)
	SPC Funding Request	Applicant contribution	Total Costs
<b>Activity 1 - [name of Activity 1]</b>			
<i>[Describe precisely the expenses required to implement Activity 1: purchase of equipment, use of a consultant, working time of a scientist, hire of a room, rent of a car, lunch, travel, etc.]</i>			
<i>[Describe the expenses required to implement Activity 1]</i>			
<i>[Describe the expenses required to implement Activity 1]</i>			
<i>[Provide details on every expense]</i>			
<b>Sub-Total Activity 1 Project costs</b>			
<b>Activity 2 – [name of Activity 2]</b>			
<i>[Describe the expenses required to implement Activity 2]</i>			
<i>[Describe the expenses required to implement Activity 2]</i>			
<i>[Describe the expenses required to implement Activity 2]</i>			
<i>[Provide details on every expense]</i>			
<b>Sub-Total Activity 2 Project costs</b>			
<b>Activity 3 – [name of Activity 3]</b>			
<i>[Describe the expenses required to implement Activity 3]</i>			

<i>[Describe the expenses required to implement Activity 3]</i>			
<i>[Provide details on every expense]</i>			
<b>Sub-Total Activity 3 Project costs</b>			
<b>Grand total of the Action (Activity 1+ 2+3)</b>			

## PART 7: PROJECT RISKS, CHALLENGES, AND SUPPORT

### Challenges

<b>i</b>	Describe any challenges the project may face and how the project plans to manage and overcome the challenges. (1000 maximum words)
----------	--

### Project Support

<b>i</b>	All projects and Local Authorities can access support from project development and management contractors in a variety of aspects of project design and management including, but not limited to finance, risk management, budgeting, environmental and social, stakeholder engagement, activity design, etc. What support would be most valuable to this project? (1000 maximum words)
----------	---

## PROJECT RISK IDENTIFICATION

<i>Project Risks</i>			
Describe and rank the four most significant risks that could negatively impact the project. Risks are potential future events that have the potential to negatively impact your ability to achieve the project results and could include financial, environmental or social risks.			
Risk	What is the <b>likelihood</b> (high, medium or low) that the risk will occur?	If the risk occurs, what would the <b>impact</b> (high, medium or low) on the project be?	Mitigation strategy – how will you manage the risk?
<i>[Risk 1 identified]</i>	<i>[Choose between high, medium and low]</i>	<i>[Choose between high, medium and low]</i>	<i>[Describe your mitigation strategy to reduce the likelihood of the risk occurring.]</i>
<i>[Risk 2 identified]</i>	<i>[Choose between high, medium and low]</i>	<i>[Choose between high, medium and low]</i>	<i>[Describe your mitigation strategy to reduce the likelihood of the risk occurring.]</i>
<i>[Risk 3 identified]</i>	<i>[Choose between high, medium and low]</i>	<i>[Choose between high, medium and low]</i>	<i>[Describe your mitigation strategy to reduce the likelihood of the risk occurring.]</i>



<i>[Risk 4 identified]</i>	<i>[Choose between high, medium and low]</i>	<i>[Choose between high, medium and low]</i>	<i>[Describe your mitigation strategy to reduce the likelihood of the risk occurring.]</i>
----------------------------	--	--	--

## PART 8: CONFLICT OF INTEREST DECLARATION

### a. INSTRUCTIONS TO APPLICANTS

#### What is a conflict of interest?

A conflict of interest may arise from economic or commercial interests, political, trade union or national affinities, family, cultural or sentimental ties, or **any other type of relationship or common interest between the applicant and any person connected with SPC** (SPC staff member, consultant or any other expert or collaborator mandated by SPC).

#### Always declare a conflict

The existence of a potential or apparent conflict of interest does not necessarily prevent the applicant from taking part in a grant process. **However, the declaration of the existence of such a conflict by the persons involved is essential and allows SPC to take appropriate measures to mitigate it and prevent the associated risks.**

Applicants are therefore invited to declare any situation, fact or link which, to their knowledge, could generate a real, potential or apparent conflict of interest.

#### Declaration at any time

Conflicts of interest may arise at any time during the grant award process or the implementation of a project (e.g. new partner in the project) or as a result of a change in personal life (e.g. marriage, inheritance, financial transaction, creation of a company). If such a relationship is found and could be perceived by a reasonable person as likely to influence a decision, a declaration of the situation is necessary. In case of doubt, a conflict situation must be declared.

#### Declaration for any person involved

A declaration must be completed for each person involved in the application process (principal representative of the applicant, possible partners, etc.).

#### Failure

Failure to declare a potential conflict of interest may result in the exclusion of the applicant from the process or the non-award of a grant.

**b. DECLARATION**

I, the undersigned, *[name of the representative of the applicant]*, acting in the name and on behalf of the organisation *[name of the entity]*, declare that:

<input type="checkbox"/>	To my knowledge, I am not in a conflict-of-interest situation
<input type="checkbox"/>	There is a potential conflict of interest with regard to my <i>[Choose an item]</i> . relationship with <i>[name of the person concerned]</i> in his or her capacity as <i>[mention position/role/personal or family link with the person concerned]</i> , although, to the best of my knowledge, this person is not directly or indirectly involved in any stage of the grant award process
<input type="checkbox"/>	I may be in a conflict of interest with regard to my <i>[Choose an item]</i> relationship with <i>[name of the person concerned]</i> in his or her capacity as <i>position/role/personal or family link with the person concerned]</i> , as this person is, to the best of my knowledge, directly or indirectly linked to the grant award process
<input type="checkbox"/>	To my knowledge, there is another situation that could potentially constitute a conflict of interest: <i>[Describe the situation that may constitute a conflict of interest]</i>

In addition, I undertake to:

- declare, without delay, to SPC any situation that constitutes a potential conflict of interest or is likely to lead to a conflict-of-interest;
- not to grant, seek, obtain or accept any advantage, whether financial or in kind, to or from any person where such advantage constitutes an unfair practice or an attempt at fraud or corruption, directly or indirectly, or constitutes a gratuity or reward related to the award of the contract;
- to provide accurate, truthful and complete information to SPC in connection with this procurement process.

I acknowledge that I and/or my organisation and/or partners who are jointly and severally applying for a grant, may be subject to sanctions, if it is established that false statements have been made or false information has been provided.

<b>For the Applicant:</b> <i>[insert name of the organisation]</i>
Signature:
Name of the applicant's representative: <i>[insert name of the representative]</i>
Title: <i>[insert Title of the representative]</i>
Date: <i>[Click or tap to enter a date]</i>

*Thank you for completing and lodging your Proposal and supporting documents.*

### **Addendum 1: Special Risk Activities**

Grant funds will not be able to directly or indirectly fund activities that cause any of the following impacts:<sup>4</sup>

- Conflict with adopted plans and established uses of the target community
- Substantially affect a rare or endangered species of animal or plant or the habitat of such species.
- Interfere substantially with the movement of any resident or migratory fish or wildlife species.
- Substantially diminish habitat for fish, wildlife, or plants.
- Breach standards relating to solid waste or litter control.
- Substantially degrade water quality.
- Contaminate a public water supply.
- Substantially degrade or deplete groundwater resources.
- Interfere substantially with ground water recharge.
- Extend a sewer line with capacity to serve new development.
- Encourage activities which result in the use of large amounts of fuel, water, or energy.
- Use fuel, water, or energy in a wasteful manner.
- Disrupt or adversely affect an archaeological site or a property of historic or cultural significance.
- Induce substantial growth or concentration of population.
- Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system.
- Displace a large number of people.
- Increase substantially the ambient noise levels for adjoining areas.
- Cause substantial flooding, erosion or siltation.
- Expose people or structures to major geological hazards.
- Create a potential public health hazard or involve the use, production or disposal of materials which pose a hazard to people or animal or plant populations in the areas affected.
- Violate any ambient air quality standard, contribute substantially to an existing or projected air quality violation, or expose sensitive receptors to substantial pollutant concentrations.
- Convert prime agricultural land to non-agricultural use or impair the agricultural productivity of prime agricultural land.
- Interfere with emergency response plans.
- Activities relating to the extraction or depletion of non-renewable natural resources (including inter alia forests, trees, beach sand, ghut sand and oil/gas);
- The involuntary resettlement of people or the removal or alteration of any physical cultural property under any circumstances.

---

<sup>4</sup>

FSM Environmental Impact Assessment Regulations; Available at: <http://www.fsmlaw.org/fsm/regulations/envimp.htm>

## Addendum 2: Key Considerations for Gender Equality

The table below provides an overview of risks for gender inequality related to the different priority adaptation sectors. Projects need to carefully manage key gender considerations for their activities in order to ensure equality.

Sub-grant Sector	Context Description	Key Gender Considerations
<b>Disaster Risk and Recovery</b>	<p>In FSM, climate change is likely to lead to an increase in the intensity of disasters such as cyclones, floods, droughts and severe storms.</p> <p>Both men and women play a critical role in the preparation and recovery process but women may not have the same capacity to influence decision-making. Men, particularly those with greater levels of power and authority, are usually the ones informed and consulted by response agencies, including governments, and they directly participate in the decision-making and management processes for disaster risk management. This could mean that women's needs and priorities are not properly addressed in early warning systems, preparedness, and during the recovery process. Further, women and girls also experience a number of secondary impacts, including violence and trauma, loss or reduction in economic opportunities, and an increased workload. However, viewing women as victims exacerbates their vulnerability; they have unique knowledge and practical skills that are critical for climate change and disaster adaptation. Women and girls represent half the population and their equal participation and skills will lead to a more effective overall response to climate change</p>	<ul style="list-style-type: none"> <li>☐ Disasters happen when a hazard -- such as flood, cyclone or sea level rise – occurs in a place where people are vulnerable</li> <li>☐ Men and women have different vulnerabilities and exposure to disasters, due to traditional roles and the specific situation or context, which we must analyze case by case</li> <li>☐ Men and women also have a range of different capacities for anticipating and reducing the likelihood of disasters occurring</li> <li>☐ Women's vulnerability is partly due to lack of mobility, as they are often expected to stay close to home to undertake household work and attend to family members</li> <li>☐ Men tend to have greater access to resources, such as income and vehicles, and due to social roles generally have more mobility which makes them less vulnerable to disasters</li> <li>☐ To effectively reduce disaster risk programmes and sub-grants must identify and acknowledge the various capacities and skills that both women and men can contribute to risk reduction, such as traditional knowledge and practices</li> <li>☐ Initiatives for disaster risk reduction must also build the capacities of both men and women equitably, by training both in the use of new technologies, such as early warning systems</li> <li>☐ To be successful, investments in disaster risk reduction, such as local infrastructure sub-grants or community activities and plans, must consult both men and women extensively, to learn about their ideas and preferences</li> <li>☐ Leadership by both men and women at the community and national level is essential for effective disaster risk reduction</li> </ul>
<b>Food Security</b>	<p>Climate change is expected to have a drastic impact on food security and agriculture in FSM including by decreasing the availability of local food through a reduction in agricultural yields, reducing availability of arable land and fresh water, creating food shortages due to extreme events, and straining existing systems due to population displacement. In FSM, women play a critical role in food production both through subsistence farming to feed their families as well as growing cash crops for income. Despite this, women often face barriers to accessing agricultural land, training, credit and services. The agricultural production that women and girls perform also tends to</p>	<ul style="list-style-type: none"> <li>☐ Women and men are both involved in food security, but have different roles and responsibilities, and therefore also different needs and priorities for managing climate and disaster risks.</li> <li>☐ Women's contribution to subsistence food production and income generation is critical for food security, and is as important as men's contribution. Women and men have different and complementary skills and knowledge about food production and food security that can be used to adapt to climate change.</li> <li>☐ Women are often responsible for food preparation and have traditional knowledge that can contribute to identifying successful adaptation strategies.</li> <li>☐ Gender inequality – reflected in participation in decision making, control over financial resources, land ownership, distribution of tasks within the household, and access to technology and</li> </ul>

	<p>be considered part of “women’s household responsibilities”. Alongside these challenges, climate change will make it more difficult to make a living from agriculture and women may also struggle more than men to find alternative livelihoods, enter the formal employment sector, or migrate due to cultural barriers and lack of opportunities and education. Further, there is evidence of increased violence against women during disaster recovery such as flooding from climate change and extreme events.</p>	<p>information – poses a critical obstacle to food security and climate change adaptation.</p> <ul style="list-style-type: none"> <li>② Women are the traditional landowners and are responsible for agriculture, however men make decisions about land use</li> <li>② Programs that are aimed at strengthening food security and building resilience to climate change must allocate resources that are equitably accessible for women and men, and should be customised to address their respective needs.</li> </ul>
<p><b>Water Security</b></p>	<p>Water availability, access, and security in FSM is expected to be impacted by changing climate particularly with alterations to rainfall patterns and salinisation of groundwater from storm surge and sea level rise. The causes of water scarcity and reduced water quality are not solely climate-related and also include unsustainable use of water, lack of maintenance of equipment, and pollution of underground water because of activities like livestock production and poor sanitation and waste management. There is often a clear division of labour between men and women in water resources management. These different roles and responsibilities vary, but in general women are tasked with water collection and preparation for both household and cooking use as well as for agricultural activities. Understanding the needs and responsibilities of men and women within their specific context is very important in identifying and addressing climate change impacts on all community members. Women have critical skills and knowledge, which, if used effectively, can contribute to the development of more effective water management plans, policies and programmes. Their contributions to developing effective solutions can help governments and other stakeholders improve the social benefits and economic returns from their investments.</p>	<ul style="list-style-type: none"> <li>② Women and men are both involved in managing and using water resources, but they may have different needs and priorities for managing and using these resources. For example, men are more likely to use and manage water for agriculture and livestock production, while women are often responsible for household water usage and its management.</li> <li>② Water-borne diseases affect everyone, but when a community has an outbreak of diseases, women are usually tasked as caretakers. Therefore, it is vital that women have easy access to information about the timing of water shortages and supply disruptions, and forecasts of drought. To effectively reduce vulnerability to climate change through the improved management of water resources in Pacific island countries programmes should be designed and implemented to meet the needs of all members of the community, including women, men, and people living with disabilities.</li> <li>② Sanitation programmes tend to target women because of their roles in care and household water management. It is important that men are also engaged, so that they understand and actively contribute to ensuring household sanitation practices and appropriate management</li> <li>② Water management policies, plans and actions should consider how the proposed interventions provide benefits to different members of society, and the ways in which the different members can contribute to reducing vulnerability.</li> <li>② Information, technology, training and investment in water resources management must be equally accessible for women and men, and customised to address their respective needs and abilities.</li> <li>② Gender inequality is likely to be reflected in the distribution of tasks within the household; in participation in decision-making; in control over financial resources; in land and resource ownership; and in access to technology, training, knowledge, and information. All of these factors are important for water resources management, and should be taken into account when designing policies, plans and programmes.</li> </ul>

**Appendix III : RCGF Capacity Assessment Questionnaire**

**Resilient Communities Grant Facility (RCGF)  
Capacity Assessment Questionnaire for Local Authorities in FSM**

**What is the purpose of this document?**

The purpose of this capacity assessment questionnaire is to assess the operational capacity of Local Authorities (LAs) that will be eligible to implement grants under the FSM EDA Resilient Communities Grant Facility (RCGF). SPC will use the contents of this questionnaire to conduct an assessment of the LA's capacity to effectively manage and comply with SPC's requirements to undertake actions under this grant facility.

**How to complete this questionnaire?**

This questionnaire should be completed by the entity that is eligible as a local Authority (LA) to apply for a grant under the FSM EDA Resilient Communities Grant Facility (RCGF). You must complete the Entity Declaration section below and respond to all 5 sections of this questionnaire (A,B,C,D,E). Please be concise and attach any additional information that will support your responses.

**How to get support in completing and submitting this document?**

If you are not sure how to complete this questionnaire or require support, please send an email to the EDA Programme Coordination Unit at [fsmeda@spc.int](mailto:fsmeda@spc.int)

• **Entity Declaration**

It is compulsory for the entity to respond to all the assessment questions, and confirm that all the responses are true and correct and is endorsed by the authorised representative of the entity:

<b>Entity Name</b>	
<b>Type of Local Authority</b>	<input type="checkbox"/> State Agency <input type="checkbox"/> Municipality
<b>State</b>	<input type="checkbox"/> Chuuk <input type="checkbox"/> Kosrae <input type="checkbox"/> Pohnpei <input type="checkbox"/> Yap
<b>Authorized Representative</b>	
<b>Position title</b>	
<b>Email address:</b>	
<b>Phone contact</b>	
<b>Signature:</b>	

Date: *[Click or tap to enter a date]*

Section A. Governance									
No.	Question	Entity Response				Capacity Assessment Rating (SPC use only)			
		Yes	No	n/a	Comments	Sufficient	Medium	Low	PCU review comments
1	Is the entity legally registered and in compliance with National/ state registration requirements? <i>(if yes, provide copy of registration)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2	Does the entity have a governing body/ committee/management board or similar that meets regularly and performs sufficient oversight functions? <i>(if yes, provide names of board members including titles)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3	Does the entity have written constitution or bylaws which are used and followed by all its representatives? <i>(if yes, provide copy)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4	Does the entity have an organisation structure that identifies the key functional reporting lines and accountability within the organisation? <i>(if yes, provide organisational chart)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section B. Financial Management and Record Keeping									
No.	Question	Entity Response				Capacity Assessment Rating (SPC use only)			
		Yes	No	n/a	Comments	Sufficient	Medium	Low	PCU review comments
1	Does the entity have a financial manual that clearly sets out the key financial and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



	internal control policies and procedures to be followed? <i>(if yes, provide copy)</i>								
2	Does the entity carry out annual independent audits, and if yes, are the audit results from the last 3 years unqualified (clean)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3	Does the entity make use of a computerised accounting system that records sufficient details of each transaction to allow it to be linked to the corresponding documentation and allocated to the relevant funding source?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4	Is access to the accounting system granted for different user levels and protected through the use of usernames and passwords?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5	Is the accounting system backed up to a secure location on a sufficiently regular basis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6	Does the organisation perform bank and other financial reconciliations on a regular basis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7	Are payments subject to a clear approval process with adequate segregation of duties?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8	Are there sufficient security arrangements and safeguards in place for handling of cash by the entity staff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9	Do all cheque and online payments require dual signatories?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10	Does the entity perform a three-way match between the invoice received from the supplier, the contract/ purchase order raised, and the goods received?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

11	For payments that are not made on the basis of an invoice, such as for daily travel/subsistence allowances, are appropriate procedures in place to ensure the amounts are in line with a stated policy, there is adequate review and approval, and that relevant supporting documents are maintained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
12	Are supporting documents stamped as "Paid", or does the accounting system otherwise have inbuilt controls to ensure payments cannot be made more than once or claimed against more than one funding source?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
13	Does the entity have a records management policy and/or maintains all its records in an orderly and consistent way, that enables the ready identification of relevant documentation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
14	Does the organisation maintain a comprehensive and up to date fixed asset register, that records all relevant details for each asset held?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
15	Are there sufficient measures and procedures in place, including insurance, to protect assets from theft, damage, or misuse?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section C. Procurement									
No.	Question	Entity Response				Capacity Assessment Rating (SPC use only)			
		Yes	No	n/a	Comments	Sufficient	Medium	Low	PCU review comments
1	Does the entity have written procurement policies and procedures, which facilitate competition, transparency and obtaining value for money? <i>(if yes, provide copy)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2	Do the procurement policies specify appropriate thresholds for applying different procurement procedures?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3	Does the entity have adequate procedures and experience in carrying out a tender process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4	Are all procurements authorised through documented approval from an appropriate member of staff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5	Is there adequate segregation of duties in the procurement process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6	Does the entity have a policy that sets out how any exceptions to the stated procurement procedures are to be implemented and managed, along with appropriate approval requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7	Does the entity have adequate policies and procedures in place to assist in identifying, monitoring and dealing with potential conflicts of interest with potential suppliers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8	Does the entity carry out Anti Money Laundering (AML) and Counter Terrorism Financing (CTF) checks on its suppliers prior to award of procurement contracts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section D. Human Resources									
No.	Question	Entity Response				Capacity Assessment Rating (SPC use only)			
		Yes	No	n/a	Comments	Sufficient	Medium	Low	PCU review comments
1	Does the entity have a HR manual that covers key areas such as recruitment, employment, and code of conduct, and which is provided to all staff? (if yes, provide copy)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2	Are vacant positions widely advertised, and are the selected candidates appointed to roles in a competitive and transparent way, that is documented and filed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3	Does the entity maintain a sufficient number of suitably experienced staff, who are competent to perform the key functions required of them, and with sufficient segregation of duties?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4	Does the entity use a computerised payroll system for processing payroll and staff benefits?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5	Does the entity have an anti-fraud and anti-corruption policy that is readily accessible to all staff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section E. Project Management									
No.	Question	Entity Response				Capacity Assessment Rating (SPC use only)			
		Yes	No	n/a	Comments	Sufficient	Medium	Low	PCU review comments
1	Does the entity have previous experience in successfully managing projects funded by donors and/or development partners? <i>(if yes, please provide details of previous projects completed)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2	Does the entity have experience in preparing financial, and sufficiently detailed narrative reports to clearly communicate project progress?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3	Does the entity carry out regular monitoring and evaluation activities such as review meetings and on-site project visits, to assess implementation against the project work plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4	Does the entity have risk management procedures and maintains a risk register for managing project related risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

□ **Appendix IV – Indicative list of eligible activities**

Theme 1: Climate-induced Disaster Risk Reduction and Coastal Protection	
<p><b>DRR sub-grants:</b> community-led, that can safeguard lives, livelihoods and infrastructure. Depending on the climate change projections for the area, such projects could prepare for extremes ranging from flash floods to typhons.</p> <p><b>Coastal protection sub-grants:</b> ecological infrastructure can in some cases play a role in buffering extremes, and as such be incorporated as part of climate-proof small infrastructure projects. Such interventions will need to be linked to projected climate change related impacts on communities being reduced or prevented as a result of healthy and functioning ecosystems.</p>	<p><b>Indicative interventions:</b></p> <ul style="list-style-type: none"> <li>② Retrofitting existing buildings to climate-proof against increased storm incidents (e.g. cyclone proofing, solar panels, rainwater tanks)</li> <li>② Watershed reforestation for landslide protection and flooding control</li> <li>② Small-scale coastal infrastructure constructed that will reduce the risk of losses and damages caused by climate-induced disaster events (as appropriate, use of endemic species planting, wave breakers, man-made channels)</li> <li>② Restoration, rehabilitation or substitution of ecosystems relevant for adaptation (e.g. mangrove restoration, re-vegetation, sea-grass beds)</li> <li>② Equipping municipalities with necessary tools to respond to climate-induced disaster, including emergency plans, building shelter, medical and other supplies</li> </ul> <p>The above DRR indicative interventions align with the following GCF adaptation performance measurement indicators:</p> <p><b>Adaptation Indicator 1.1</b> Change in expected losses of lives and economic assets due to the impact of extreme climate-related disasters in the geographic area of the GCF intervention.</p> <p><b>Adaptation Indicator 3.1</b> Number and value of physical assets made more resilient to climate variability and change, considering human benefits.</p> <p><b>Adaptation Indicator 4.1</b> Coverage/scale of ecosystems protected and strengthened in response to climate variability and change.</p> <p><b>Adaptation Indicator 5.1</b> Institutional and regulatory systems that improve incentives for climate resilience and their effective implementation.</p> <p><b>Adaptation Indicator 5.2</b> Number and level of effective coordination mechanisms.</p> <p><b>Adaptation Indicator 6.2</b> Use of climate information products/services in decision-making in climate-sensitive sectors.</p> <p><b>Adaptation Indicator 7.1</b> Use by vulnerable households, communities, businesses and public-sector services of Fund supported tools, instruments, strategies and activities to respond to climate change and variability.</p>

	<b>Adaptation Indicator 8.1</b> Number of males and females made aware of climate threats and related appropriate responses.
--	--

**Theme 2: Food Security**

<p><b>Food security sub-grants:</b> interventions that address climate change–induced extreme weather events and sea-level as well as the projected impacts of warmer atmospheric and open water temperatures, erratic rainfall intensity and distribution, more frequent and more intense tropical cyclones etc and their effect on land, soil and water resources, agricultural production systems (including those of livestock and fisheries), infrastructure, and social (community) systems.</p>	<p><b>Indicative interventions:</b></p> <ul style="list-style-type: none"> <li>? Development and use of climate-resilient crop species and varieties (resilient to drought, waterlogging, saltwater, pests), including techniques for their consistent supply (germplasm collections, nurseries)</li> <li>? Farming and land use techniques facilitating soil and water conservation (e.g. mulching, organic farming, mixed cropping, drainage)</li> <li>? Small scale aquaculture</li> <li>? Fisheries and coastal resources management</li> <li>? Livestock management</li> <li>? Watershed management</li> <li>? Establishment of agroforestry demonstration sites integrated with livestock</li> <li>? Building value chains for crops, fisheries, and livestock</li> </ul> <p>The above food security indicative interventions align with the following GCF adaptation performance measurement indicators:</p> <p><b>Adaptation Indicator 1.2</b> Number of males and females benefiting from the adoption of diversified, climate resilient livelihood options.</p> <p><b>Adaptation Indicator 1.3</b> Number of Fund-funded projects/programmes that supports effective adaptation to fish stock migration and depletion due to climate change.</p> <p><b>Adaptation Indicator 2.2</b> Number of food secure households.</p> <p><b>Adaptation Indicator 5.1</b> Institutional and regulatory systems that improve incentives for climate resilience and their effective implementation.</p> <p><b>Adaptation Indicator 5.2</b> Number and level of effective coordination mechanisms.</p> <p><b>Adaptation Indicator 6.2</b> Use of climate information products/services in decision-making in climate-sensitive sectors.</p> <p><b>Adaptation Indicator 7.1</b> Use by vulnerable households, communities, businesses and public-sector services of Fund supported tools, instruments, strategies and activities to respond to climate change and variability.</p>
--	---

	<b>Adaptation Indicator 8.1</b> Number of males and females made aware of climate threats and related appropriate responses.
--	--

<b>Theme 3: Water Security</b>
--------------------------------

<p><b>Water security sub-grants:</b> interventions that address increased impacts of droughts in Yap and Chuuk; shortages in freshwater supplies, especially in the outer-islands; increased incidence of lowland flooding and seawater inundation, especially in the steep topographies of Chuuk, Pohnpei and Kosrae.</p>	<p><b>Indicative interventions:</b></p> <ul style="list-style-type: none"> <li>② Water infrastructure (e.g. water tanks, solar water pumps)</li> <li>② Procurement and distribution of rain water collection tanks</li> <li>② Capturing and storage of rain and groundwater resources (individual household and community storage capacities)</li> <li>② Reducing leakage of reticulated systems and water storage facilities</li> <li>② Water saving (e.g. introducing compost toilets, demand management through awareness raising)</li> <li>② Water quality enhancement and assurance</li> <li>② Solar water purifiers</li> </ul> <p>The above water security indicative interventions align with the following GCF adaptation performance measurement indicators:</p> <p><b>Adaptation Indicator 2.3</b> Number of males and females with year-round access to reliable and safe water supply despite climate shocks and stresses.</p> <p><b>Adaptation Indicator 5.1</b> Institutional and regulatory systems that improve incentives for climate resilience and their effective implementation.</p> <p><b>Adaptation Indicator 5.2</b> Number and level of effective coordination mechanisms.</p> <p><b>Adaptation Indicator 6.2</b> Use of climate information products/services in decision-making in climate-sensitive sectors.</p> <p><b>Adaptation Indicator 7.1</b> Use by vulnerable households, communities, businesses and public-sector services of Fund supported tools, instruments, strategies and activities to respond to climate change and variability.</p> <p><b>Adaptation Indicator 8.1</b> Number of males and females made aware of climate threats and related appropriate responses.</p>
--	--



□ **Appendix V – Indicative breakdown of O&M costs for potential sub-projects**

Thematic area	Sub-project example	Nature of costs	Indicative costs (USD)
DRR and Coastal protection	Rock revetment	Biannual inspections	1,200 USD
		Repacking / replacement of armour	
	Offshore structures		
	EbA – Mangrove planting	Replacement of mangrove seedlings	
		Labour (replanting)	
Biannual inspections		1,200 USD	
Food security	Alternative Farming Systems (agroforestry gardens)	Replacement of seedlings	
		Labour (replanting)	
		Biannual inspections	
		Labour (pruning of trees)	
	Irrigation systems	Biannual inspections	1,200 USD
		Replacement of consumables	
	Climate resilient crops – salt and drought tolerant varieties	Labour (weeding, tilling)	
Water security	Rainwater harvesters (rooftop)	Biannual inspections	1,200 USD
		Replacement of consumables	
	Solar water pumping	Biannual inspections	1,200 USD

		Pump replacement (every 5 years)	450 USD <sup>5</sup>
--	--	-------------------------------------	----------------------

---

<sup>5</sup> A. Raturi (2011) Feasibility Study of a Solar Water Pumping System in Fiji. Available [here](#).

## □ **Appendix VI – Indicative list of ineligible activities**

Grant funds will not be used to directly or indirectly fund persons or entities that:

- Do not cooperate with SPC's due diligence measures.
- Engage in activities prohibited under SPC's "Anti-money laundering and counter-terrorism financing" policy.
- Engage in activities prohibited under Part XI.H if SPC's Fraud and Corruption of the Manual of Staff Policies.
- Are listed on the UN Security Council Sanctions List.
- Have been blacklisted by SPC or any other intergovernmental organisations

Grant funds will not be used to directly or indirectly fund activities that cause any of the following impacts:

- Have potential environmental and social risks that are equivalent to category A.
- Conflict with adopted plans and established uses of the target community
- Substantially affect a rare or endangered species of animal or plant or the habitat of such species.
- Interfere substantially with the movement of any resident or migratory fish or wildlife species.
- Substantially diminish habitat for fish, wildlife, or plants.
- Breach standards relating to solid waste or litter control.
- Substantially degrade water quality.
- Contaminate a public water supply.
- Substantially degrade or deplete groundwater resources.
- Interfere substantially with ground water recharge.
- Extend a sewer line with capacity to serve new development.
- Encourage or result in the use of large amounts of fuel, water, or energy in a wasteful manner.
- Use fuel, water, or energy in a wasteful manner.
- Disrupt or adversely affect an archaeological site or a property of historic or cultural significance.
- Induce substantial growth or concentration of population.
- Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system.
- Displace a large number of people over the long term.
- Increase substantially the ambient noise levels for adjoining areas over the long term.
- Cause substantial flooding, erosion or siltation.
- Expose people or structures to major geological hazards.
- Create a potential public health hazard or involve the use, production or disposal of materials which pose a hazard to people or animal or plant populations in the areas affected.
- Violate any ambient air quality standard, contribute substantially to an existing or projected air quality violation, or expose sensitive receptors to substantial pollutant concentrations.
- Convert prime agricultural land to non-agricultural use or impair the agricultural productivity of prime agricultural land.
- Interfere with emergency response plans.
- Activities relating to the extraction or depletion of non-renewable natural resources (including inter alia forests, trees, beach sand, ghut sand and oil/gas).
- Cause involuntary resettlement of people or the removal or alteration of any physical cultural property under any circumstances.
- Cause economic resettlement through economic or occupational displacement including loss of access to assets or resources that leads to loss of income or means of livelihood.

## □ Appendix VII – Sub-Grant Review

Based on the information provided in the grant application form, the Grants Technical Evaluation sub-committee will review projects according to the Sub-Grant Review Checklist (provided in this appendix) to assess the extent to which they fulfil the objectives of the EDA project and align with GCF criteria. In addition, this checklist will identify the extent to which LAs will require technical assistance from FAs. Reviewers will review the grant application forms and recommend any necessary changes or actions based on the checklist review. The Grants Technical Evaluation sub-committee will provide feedback and allocate technical assistance to support revisions to the project proposal as needed.

### **Sub-Grant Review Checklist**

Question	Response	Actions to Take	Major/Minor Revision Needed
<b>Project Overview</b>			
1. What is the title of the project?		N/A	N/A
2. What State and Municipality is the project in?		Identify what capacity building the LA participated in under Component 1 as well as their capacity assessment score.	N/A
3. What is the Grantee's Capacity Assessment score for the Local Authority?		N/A	N/A
4. Did the Local Authority participate in capacity building under Component 1? If so, which ones and has there been one-on-one follow-up on this?		If the LA has participated in capacity building, it should have good project documentation, especially if there has been one-on-one follow-up. This should be factored into decisions on what support from FAs is suggested.	N/A
5. Who is the project contact and how are they related to the Local Authority? Have they participated in capacity building under Component 1?		If the project contact isn't in a position/role to effectively coordinate or support the project, clarification needs to be sought to ensure the right people are involved in the project.	Major
6. What Adaptation Focus Area/s were selected?		If the proposal does not align with the RFP it is targeting it should be disqualified and guided towards a different opportunity.	Minor
7. What is the duration of the proposed project?		Projects are envisioned to be up to 4 years. If the project expects a larger duration, a major revision needs to be discussed.	Major
8. For State Agency implemented projects, is there an endorsement letter		Must be included for State Agency implemented projects.	Major

Question	Response	Actions to Take	Major/Minor Revision Needed
from the municipality(ies) targeted as beneficiary(ies)?			
9. A) Does the project contain a clear statement of objectives or intended results? B) Do these align with the overall goal of the EDA programme to improve climate resilience of local communities in FSM?		If the project objective doesn't support the goal to improve climate resilience in local communities, a major revision needs to be discussed.	Major
<b>Project Description</b>			
10. Do project activities include detail on targets and deliverables for activities, e.g. area (ha), # of households, # and type of technology deployed, plans, training, workshops, etc.?		If activities and targets aren't quantified, the project needs to be revised to provide specific targets for its planned activities.	Minor
11. Who are the project beneficiaries and how will the project equitably include vulnerable populations as beneficiaries of project activities? How is the project ensuring this?		If activities aren't working to support vulnerable community groups a major review is needed	Major
12. A) Are the implementing arrangements and partners logical, appropriate, and sufficient? B) Does the project include adequate consideration of potential partnerships with civil society, non-governmental organisations, private sector entities or academia, where feasible?		If the implementing arrangements and partners are not logical, appropriate, and sufficient a major change is needed.  Projects should be encouraged to include partnerships with civil society, non-governmental organisations, private sector entities or academia, where feasible. However, this is not a requirement for projects and will not determine whether a project is funded.	Major
<b>Expected Results</b>			
13. Does the project have clear potential to support adaptation, build resilience and address pressing local vulnerabilities to climate change in the target community?		If the project doesn't identify and address specific vulnerabilities, it needs to be revised to connect specific activities to vulnerabilities to climate change impacts like sea level rise, rainfall variability, etc.	Minor
<b>GCF Investment Criteria: Impact Potential</b>			

Question	Response	Actions to Take	Major/Minor Revision Needed
<p>14. Does the project include results contributing to at least one of the GCF impact indicators in the “Potential for Impact” section of the grant application form?</p> <p><b>GCF Investment Criteria: Impact Potential</b></p>		If the project doesn’t include alignment to at least one of the GCF indicators, major revision is needed	Major
<p>15. Does the project clearly describe the change from the status quo? Has the project included information on the learning potential from the project and the sustainability of outcomes?</p> <p><b>GCF Investment Criteria: Paradigm Shift</b></p>		If the status quo change isn’t described, the project needs to detail the baseline situation further and show how the new activities are changing it.	Minor
<p>16. Does the project clearly demonstrate how it will deliver environmental, economic, and/or social co-benefits?</p> <p><b>GCF Investment Criteria: Sustainable Development</b></p>		If the project does not include co-benefits, project proponents need to work to detail them, particularly for job/income creation.	Minor
<p>17. Has the project aligned its activities to address needs and priorities of the most vulnerable local communities in relation to climate change?</p> <p><b>GCF Investment Criteria: Needs of Recipients</b></p>		If the project hasn’t conducted and described the stakeholder engagement and particularly confirmed that project activities are addressing specific local needs and priorities related to climate change impacts, major revision is needed	Major
<p>18. How has the project engaged stakeholders and how does it plan to continue that engagement?</p> <p><b>GCF Investment Criteria: Needs of Recipients</b></p>		Stakeholder engagement planning is likely to be simple, but it should be clearly detailed.	Minor
<p>19. Does the project align with relevant local and State plans/policies?</p> <p><b>GCF Investment Criteria: Country Ownership</b></p>		If the project hasn’t included information on alignment with plans/policies at the local/State level, project proponents need to add as available.	Minor
<p>20. How does the project plan to use grant resources efficiently? Are best</p>		Given the capacity constraints these descriptions are likely to be simple, but they should be clearly detailed.	Minor

Question	Response	Actions to Take	Major/Minor Revision Needed
<p>available technologies/ practices being utilised?</p> <p><b>GCF Investment Criteria: Efficiency and Effectiveness</b></p>			
<b>Environmental and Social (E+S) Impacts</b>			
<p>21. Has an E+S risk screening for the project been undertaken? What risk category was selected (Category A, B or C)? Does the risk level from the E+S screening align with the description as well as with project activities?</p>		<p>If there is not enough information in the project proposal to assess the E+S risk, the project proponent will need to provide greater detail on the risk level of the project activities.</p> <p>If the information provided on the E+S risk screening and project activities indicates a different risk category to the one identified, the project should be revised to reflect the correct category.</p> <p>If the project is classified as Category A, the project needs to be revised to remove such risks as the EDA programme doesn't fund Category A projects.</p>	Major
<p>22. If the project is classified as Category B, has an EIA been prepared?</p>		<p>In the first review of the project, the EIA likely won't have been prepared. If the proposal has been reviewed as Category B previously, but doesn't include an EIA, the project cannot move forward until it has been prepared.</p>	Major
<p>23. Does the project include any ineligible activities? Is there any risk that the project will lead to maladaptation?</p>		<p>If any ineligible activities are included in the project, major changes need to be undertaken to remove them. Any planned activities that pose a risk of maladaptation will need to be removed or adequate risk mitigation measures provided.</p>	Major
<p>24. Based on initial stakeholder engagement, what are the needs and priorities related to the envisioned project activities? Are men's and women's different needs/priorities detailed?</p>		<p>If men and women's priorities aren't specifically detailed and differentiated, then further revision is needed.</p>	Minor
<p>25. How are marginalised groups – including women and men, the youth and the elderly, and those living with disability – expected to be</p>		<p>If the project doesn't specifically describe how marginalised groups will benefit from the project, more detail is needed</p>	Minor

Question	Response	Actions to Take	Major/Minor Revision Needed
involved in and benefit from project activities?			
26. What will the project do to ensure that women and men have equal opportunity to benefit from the project activities?		The project needs to detail how it expects men and women to benefit from project activities. If the project isn't gender responsive in design, further revision is needed.	Minor
27. How is the project addressing the key gender considerations for the priority sectors?		The project needs to include specific provisions for addressing gender considerations for the priority adaptation areas. If it doesn't, further review is needed.	Minor
<b>Budget</b>			
28. Does the requested grant amount match the budget table? Does the budget table provide detail on the specific costs included in the activities?		If budget doesn't match, revise. If details for specific project expenses aren't included, minor revision is required.	Minor
29. Do the costs seem reasonable for the planned activities?		If the costs do not align with the scope or scale of activities (either too little or too much) major revision is needed.	Major
30. Does the requested budget align with the capacity of the Local Authorities based on their Grantees Capacity Assessment score?		If the requested budget is too large for the LA's level of capacity, major revision and/or a justification of how capacity building has resulted in the LA being able to implement a project of this size is needed.	Major
<b>Project Challenges and Support</b>			
31. Does the project effectively describe challenges and are there key challenges that the project isn't anticipating?		If there are any evident key challenges the project doesn't address, minor revision is needed. Specific challenges can be identified and responses requested.	Minor
32. What support did the project request?		These responses should be used to determine additional FA support needs.	N/A
<b>Other Considerations</b>			
33. Is the project effectively aligned with other initiatives and projects in the intended location? Does the project ensure synergies without duplicating or overlapping		If the project is duplicating activities done under other projects – including other grants under this EDA as well as initiatives under other projects or programmes – project activities	Minor



Question	Response	Actions to Take	Major/Minor Revision Needed
activities with other initiatives and projects?		should be revised to avoid duplication and overlap.	
34. Does the project outline the operations and maintenance plans for the activities, both during and after the sub-grant implementation period?		If the operations and maintenance plans are not clear, the project design should be revised to detail them.	Minor

The sub-grant review checklist serves to assess GCF Investment Criteria using simplified language that is understandable for LAs. Consequently, the questions under the Expected Results section of the sub-grant review checklist correspond with the Expected Results section of the grant application form, both of which also align with the formal GCF investment criteria, as described below.

### ***Alignment Matrix with GCF Investment Criteria***

GCF Investment Criteria	Description	Intake Form	Review Sheet Questions
Impact Potential	Overall adaptation potential; Results based on GCF Impact Indicators	“Potential for Impact” section addresses overall climate adaptation potential and impact across selected GCF adaptation metrics	Questions 13, 14
Paradigm Shift	Potential for transformative change from the status quo including the specific innovations leveraged, learning potential, sustainability and replicability of results	“Innovation, Change, and Sustainability” section addresses shift from status quo, innovation, learning potential, and project sustainability	Question 15
Sustainable Development	Environmental, Social, Economic, and Gender-Sensitive development co-benefits	“Other Benefits” section includes expected benefits for the environment, social systems, and economic systems. The “Gender” section assesses gender-sensitive development impact.	Questions 16, 25, 26, 27
Needs of Recipients	Alignment with the specific community/beneficiary needs and priorities	“Community Needs and Priorities” section assesses community needs/priorities and the specific community engagement processes that have been utilized	Questions 17, 18, 24
Country Ownership	Alignment with relevant FSM, State, and local policies and plans	“Community Needs and Priorities” section includes question on alignment with specific plans/policies	Question 19
Efficiency and Effectiveness	Financial and operational efficiency and effectiveness of grant resources	“Efficiency” section assesses the sub-grant’s approach to using grant resources effectively and utilizing best available technologies.	Question 20

**Appendix VIII – Grant Reporting Template**

**PROJECT OVERVIEW**

**Project Title**

---

**State**

- Chuuk    Kosrae    Pohnpei    Yap

**Local Authority**

**1. State Agency**

Name: \_\_\_\_\_

Which municipality(ies) is the project benefiting? Please attach letters targeted municipality(ies) endorsing the contents of this report.

---

**2. Municipality**

Name: \_\_\_\_\_

**Project Contact**

Name: \_\_\_\_\_

Position/Role: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email: \_\_\_\_\_

**Adaptation Focus Area**

Select all that apply:

- Disaster Risk Reduction/Coastal Protection**
- Food Security**
- Water Security**

**Approved Grant Amount (USD)**

---

**Timeline**

Start of Project (Month, Year): \_\_\_\_\_

Expected End of Project (Month, Year): \_\_\_\_\_

## PROJECT PROGRESS REPORT

### Reporting Period

From (Day, Month, Year): \_\_\_\_\_ to (Day, Month, Year): \_\_\_\_\_

### Project Progress Summary

<b>i</b>	<i>Describe the overall project progress towards achieving the project objective . (1000 maximum words)</i>
----------	---

## PROJECT RESULTS

### Project Activities

<b>i</b>	<i>Describe the progress towards achievement of the project activities including detail on the scale of the progress against each activity (i.e. area impacted (ha), # of households, # of technology deployments) and specific deliverables (i.e. plans, trainings, workshops, etc.). (1500 maximum words)</i>
----------	---

### Beneficiaries

<b>i</b>	<i>Describe the benefits realised and delivered to the intended beneficiaries of the project including detailed information on locations, gender, young people, older persons, persons living with disability, socioeconomic conditions, etc. How has the project ensured that all members of the community are benefiting from the project, particularly the poorest and most at risk members?</i>  <b>Note: For all State-agency run projects, letters from all beneficiary municipalities should be included that endorse this results report and affirm the benefits provided to beneficiaries. (1000 maximum words)</b>
----------	--

### Impact

<b>i</b>	<i>Describe how the project has supported adaptation and improved resilience to climate change for local communities. This should include a description of what the project activities have achieved and how they have addressed specific local vulnerabilities to climate change. (1000 maximum words)</i>
----------	---

### Realised impacts (if not applicable to the project write N/A)

Total number of people with improved resilience to climate change (please breakdown by direct and indirect beneficiaries, number of women and number of men)

\_\_\_\_\_

Achieved savings (\$) per household from avoided disaster risk:

\_\_\_\_\_

Number of households with improved food security as a result of project activities:

\_\_\_\_\_

Number of households with improved water security as a result of project activities:

---

Area of land rehabilitated, reforested, conserved, protected, or otherwise improved as a result of project activities (hectares):

---

Number of men and women using new technologies or practices as a result of project activities

---

Number of men and women with improved income and livelihood as a result of project activities

---

Number of men and women trained in new technologies/practices or general awareness related to disaster risk reduction, food security, and water security (include details on the content of training/s)

---

---

## Innovation, Change, and Sustainability

<b>i</b>	<i>Describe how the project activities have changed the status quo in the community including the specific ideas, practices or technologies that the project has supported (i.e. new farming practices, deployment of a specific technology). This should also include a description of what has been learned from implementing the activities (i.e. how people use/respond to new technologies) and how the project has shared lessons learned and best practices. (1000 maximum words)</i>
----------	--

## Other Benefits

<b>i</b>	<i>Describe how the project has benefited the environment (i.e. conservation, air quality, water quality, etc.); social systems (i.e. education, health and safety); and economic systems (i.e. job creation, improved productivity). (1000 maximum words)</i>
----------	--

## ENVIRONMENTAL AND SOCIAL (E+S) IMPACTS

### E+S Risk

Please select the original classification of the approved grant application.

- Project activities have the potential to cause significant negative environmental and/or social impacts that are wide-spread, irreversible, and cannot be easily addressed through planning and other mitigation efforts (Category A)
- Project activities have the potential to cause limited negative environmental and/or social impacts that are site-specific, largely reversible, and can be easily addressed through planning and other mitigation efforts (Category B)
- Project activities have minimal or no negative environmental and/or social impacts (Category C)

<b>i</b>	<i>Describe briefly whether any environmental and/or social risks have been observed and how they were addressed. (1000 maximum words)</i>
----------	--

**Gender**

<b>i</b>	<i>Describe how women and men have benefitted from project activities. What specifically has the project done to ensure that women and men benefited equally from project activities? How have the different priorities/needs of men and women been addressed by project activities? How has the project addressed the gender considerations for the priority sectors in Addendum 2? (1000 maximum words)</i>
----------	---

**Challenges**

<b>i</b>	<i>Describe any challenges the project has faced and how the project overcame the challenges. (1500 maximum words)</i>
----------	--

**Project Support**

<b>i</b>	<i>Explain whether and to what extent support from facilitating agents has been accessed to support project management including, but not limited to finance, risk management, budgeting, environmental and social, stakeholder engagement, activity design, etc. What support has been most valuable to this project? (1000 maximum words)</i>
----------	---

# PROJECT FINANCIAL REPORT

**i** Describe any challenges related to project expenditure and management of the project budget.

Please double-click on the table below to open and edit it in Excel. Please only fill in white cells, the shaded cells will update automatically based on the values provided. Please be sure to save the Excel spreadsheet before submitting the report.

Activity (as per approved grant application)	List and describe what has been incurred in the activity cost including individual costs for travel, equipment, installation, testing, trainings, printing, communications/outreach, etc.)	Original budget (USD)	Total spent to date (USD)	Remaining budget (USD)	Expenditure rate (%)
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
<b>Total</b>		0.00	0.00	0.00	#DIV/0!

## □ **Appendix IX – Draft Terms of Reference for FSM EDA Programme Facilitating Agents**

These draft Terms of Reference (TORs) provide information on the role and responsibilities of the FSM EDA Programme Facilitating Agents as key implementing partners. The TORs are indicative and will be amended on an as-needs basis during programme implementation to include specific detail on the requirements for the Facilitating Agents in each of the three thematic areas, in accordance with the specific requirements of the Programme activities.

### **Roles**

Facilitating Agents (hereafter FAs) will be selected through competitive procurement by the PCU as the Programme's Executing Entity. NGOs and national consultants from all four FSM States will be invited to participate in the competitive process. Once selected, FAs will receive training and capacity building in the form of "train-the-trainers" modules to ensure that they are adequately equipped to support Local Authorities (LAs) in the development of sub-grant applications and the management of such grants.

### **Scope of responsibilities**

FAs will be technical support agents as part of a roster combining expertise on the three thematic areas (food security, water security, DRR). FAs will be matched to an LA based on the needs of the LA and the thematic area of the sub-grant application. FAs will be deployed to LAs to provide technical support, capacity building and grant application drafting support. Specifically, FAs will support LAs in the identification and definition of climate change issues to be addressed by the sub-project to be financed by the EDA Facility by conducting site visits to identified project sites and consulting with local communities (Activity 1.1.4). Using the Adaptation Measure Prioritisation Framework, FAs will support LAs in the prioritisation of climate change risks and potential adaptation measures, providing technical support for the submission of Expressions of Interest to the EDA Facility (Activity 2.2.1) and for the preparation of the full grant applications (Activity 2.2.5). Support can be provided to develop the sub-grant climate rationale and logical framework, conduct stakeholder engagement processes with target communities, undertake gender analyses, conduct E&S screenings, and overall support to draft the sub-grant application.

After the approval of the sub-grant projects for funding, FAs will be assigned to sub-projects to support LAs in implementation in accordance with the administrative, financing, and technical provisions of the application. FAs will be responsible for advising the PCU on project progress, making recommendations to the PCU for the disbursement of funds and in the event of any requests for deviations from the agreed project plan. Particular attention will be given to the monitoring and mitigation of any risks identified through Stages 1–3, and of any unanticipated environmental and social risks that may arise during implementation. Monitoring will include: i) overall project progress towards the sub-project objective; ii) detailed progress of sub-project activities; iii) benefits realised and delivered to intended beneficiaries<sup>6</sup>; iv) realised impact achieved in supporting adaptation and resilience to climate change; v) achievements in innovation, change, sustainability and other co-benefits; vi) management of environmental and social risks; vii) how the sub-grant has integrated gender issues; viii) how arising challenges have been addressed; ix) how support from FAs has been accessed; and x) budget.

Lastly, FAs may be requested to do final evaluations of sub-projects, and will be involved in the compiling of data, project information and lessons learned to be made available on the FSM climate change portal, the INFORM portal, the FSM DECEM Geoportal, the Pacific Data Hub and other relevant information dissemination platforms.

---

<sup>6</sup> Including information on locations, gender, young people, older persons, persons living with disability, socioeconomic conditions, etc.

### **Minimum length of engagement**

FAs will be competitively selected in the first year of the EDA programme implementation and will support LAs in the implementation of sub-projects to the end of the programme.

### **Experience requirements**

The Roster of FAs will be constituted to include all relevant experience and expertise in the three thematic areas to be supported by the EDA Facility (food security, water security, DRR). All FAs will receive training on mainstreaming gender considerations and compliance with environmental and social safeguards in the preparation of sub-grant applications. Indicative experience requirements relevant to each thematic area can be found below.

#### **Food security**

- 5-year track record developing and / or implementing climate change adaptation, food security, resilient agriculture, agricultural value chains or related projects in FSM and/or the Pacific Region
- Relevant degree or professional experience in the field
- Fluency in English
- Demonstrated experience and knowledge of gender and social inclusion as well as environmental and social safeguards
- Availability to travel in FSM for the whole duration of the EDA Programme

#### **Water Security**

- 5-year track record developing and / or implementation climate change adaptation, water security or related projects in FSM and/or the Pacific Region
- Relevant degree or professional experience in the field
- Fluency in English
- Demonstrated experience and knowledge of gender and social inclusion as well as environmental and social safeguards
- Availability to travel in FSM for the whole duration of the EDA Programme

#### **Disaster Risk Reduction and Coastal Protection**

- 5-year track record developing and / or implementing climate change adaptation, DRR, coastal protection and infrastructure projects in FSM and/or the Pacific Region
- Relevant degree or professional experience in the field
- Fluency in English
- Demonstrated experience and knowledge of gender and social inclusion as well as environmental and social safeguards
- Availability to travel in FSM for the whole duration of the EDA Programme