Adaptation Fund Readiness Program Workshop World Bank, Washington DC (July 28-30, 2015) Presentation from the MCT Experience

Willy Kostka

What have been the most significant challenges that MCT encountered during the accreditation process?

- MCT's decision not to provide re-grants in amounts over \$100,000 so that we were unable to
 provide documentation of projects implemented above these amounts. We had the procedures in
 place in our manual to handle re-grants above \$100,000 but had no experience in actually
 implementing projects of that size.
- This challenge was compounded by the fact that we could not realistically project making and then managing/monitoring grants of that size in the foreseeable future given the limited (NGO, CSO, local government) absorption capacity to properly design and manage programs/projects at higher scales.
- MCT small staff size, which does not allow us to put in place the types of financial management segregations required by the AF.
- MCT does not have an internal auditing function, which raised a flag with the assessors.

What have been the benefits of going through this process?

- We examined our organizational documents and processes closely and made several
 improvements (with the understanding with the Board that we would make changes that would
 result in improvement/benefit for MCT regardless of the outcome of the accreditation process –
 and not just for the sake of meeting AF requirements).
- Increased Board engagement and understanding of their Board management roles and fiduciary responsibilities.
- Increased donor trust that MCT can design, manage and monitor grants at a higher and more professional level.
- Allowed for preparation for accreditation process with other donor organizations such as the GCF and other funding sources.

How did the accreditation process strengthen the capacities of MCT, and if applicable partner organization(s)?

- Examination of and focus on policies and procedures resulted in improved processes and increased attention to performance.
- Improvement of performance and expectations also passed on to partner organizations (both in improved service by MCT and through increased expectations and requirements on the part of the partner organizations).
- Improvements in MCT's monitoring and evaluations program improved grants management tool

As the first entity that have been accredited through it, what is your opinion of the fit-for-purpose approach implemented though the streamlined accreditation process

- The recognition of limited local community absorption capacity and the need to accredit smaller, locally based and registered organizations will make the resources of the AF more readily and efficiently available to the communities that are most in need. The irony before was that the organizations with the capacity to get accredited were from less vulnerable areas or were dealing with less vulnerable communities/organizations. Now, those most in need of the resources of the AF can access them (not just MCT as this opens the door for other organizations in other areas of the world and hopefully for future funding mechanisms as well GCF)
- There is also now recognition of the capacity of smaller organizations to handle funds responsibly and on a scale appropriate to local conditions.