



ADAPTATION FUND

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Adaptation Fund Board
Sixteenth Meeting
Durban, December 13-14, 2011

Agenda item 5

REPORT OF THE EIGHTH MEETING OF THE ACCREDITATION PANEL

WORK OF THE PANEL

1. The Accreditation Panel (Panel) continued its work reviewing both new and existing applications. Prior to meeting, the Panel members exchanged information and views on the applications under review. On November 7 and 8, 2011, the Panel held its eighth face-to-face meeting at the secretariat's premises in Washington, D.C. The Panel meeting also allowed for the opportunity to hold teleconferences with applicants, to communicate application status, to ask questions, and to provide direct guidance on additional documentation required. Additionally, the Panel decided to adopt a unique code system for each applicant entity, to be assigned at the time of receiving the application and which is intended to facilitate referencing.

2. The Panel considered seven new NIEs and one new MIE application for accreditation. The Panel also reviewed one other RIE, five other NIE applications and two other MIE applications that were previously reviewed but required additional information for the Panel to make its recommendations. As outlined in the operational policies and guidelines, these applications were initially screened by the secretariat. By the time of the finalization of the present report, the Panel concluded the review of the following applications:

- 1) Ministry of Natural Resources of Rwanda (MINIRENA)
- 2) Ministry of Planning and International Cooperation of Jordan (MOPIC)
- 3) United Nations Educational, Scientific, and Cultural Organization (UNESCO)

3. Twelve further applications, nine for potential NIEs, one for a potential RIE, and two potential MIE, are still under review by the Panel. For purposes of confidentiality, only the assigned unique code has been used to report on the status of each Implementing Entity's application.

- 1) National Implementing NIE017
- 2) National Implementing NIE018
- 3) National Implementing NIE019
- 4) National Implementing NIE022
- 5) National Implementing NIE028
- 6) National Implementing NIE029
- 7) National Implementing NIE030
- 8) National Implementing NIE031
- 9) National Implementing NIE032
- 10) Regional Implementing RIE002
- 11) Multilateral Implementing MIE010
- 12) Multilateral Implementing MIE011

Completed cases

Ministry of Natural Resources of Rwanda (MINIRENA)

4. The application was originally submitted to the secretariat in May, 2010. Following a request for more information, additional documents were submitted in August, 2010. The Panel started consideration of this application in October, 2010.

5. Following conclusions at the fourth AP meeting, the secretariat informed the applicant that further documentation was necessary. A teleconference with one of the expert Panel members and the entity took place in November, 2010. The applicant furnished the requested additional documentation at the end of November, 2010. The new documents had helped to clarify the position on some of the points raised by the Panel. However, several of the points still needed further clarification.

6. Additional documents were again sought from the applicant in December 2010 but were only received on July 29, 2011. Following this, the Panel concluded at the seventh AP meeting that the applicant entity was a reasonable candidate for accreditation. The Panel expressed their opinion that a field visit to the applicant by one of the expert member of the Panel and one person from the secretariat could be useful to determine (i) how the coordination & support from other departments of the government infrastructure works (ii) how effectively the systems & process in place are implemented (iii) how the transition within the organization affects its general working structure.

7. Following the approval by the Board for the AP to undertake up to four field visits in FY12, a field visit was organized and undertaken by one AP expert member and one secretariat staff from Monday 28 November 2011 to Friday 02 December 2011. The field visit concentrated on the issues listed in paragraph 6 above and to this end engaged a significant number of relevant authorities within the applicant entity and other government entities. The on-site inquiry also included discussions with other national and international stake holders who were in capacity to provide impartial evidence and details of the applicant's institutional capacities in relation to the issues raised.

8. Based on the exchange of information and the outcomes of the field visit, the Panel concluded that the applicant entity meets the fiduciary standards of the AF; shows effective capacity to coordinate across government entities, sectors and relevant stake holders; displays sufficiently robust systems and processes in place that are relevant to the fiduciary standards; and that the transition stemming from the structural reorganization of the government did not affect its working structure. In particular, the Panel noted the remarkable progress achieved by the applicant entity in relation to transparency policies and its commitment to zero-tolerance towards corruption.

9. Notwithstanding, taking into account the outcome of the field visit, the Panel recommends that the following annual report is requested upon grant of accreditation:

- i) MINIRENA should submit to the secretariat, on an annual basis, a procurement audit report issued by the Auditor General's Office, or an independent auditor, on the Adaptation Fund project/s under implementation in relation to the effectiveness of its procurement systems and practice. This report should correlate recommendations identified by the internal auditor of MINIRENA and any relevant review by MINECOFIN, taking also into account any issues raised by stake holders.

10. The Panel's report on its conclusions concerning MINIRENA's application for accreditation is contained in Annex I.

Ministry of Planning and International Cooperation of Jordan (MOPIC)

11. The application with supporting documentation was received by the secretariat in December, 2010. Following the necessary screening, the secretariat forwarded the application to the Accreditation Panel in April, 2011. The application was reviewed by the Panel at its sixth meeting and additional documentation was requested. Further documentation was submitted in June, 2011. The secretariat forwarded the documentation to the expert panel member who was assigned as lead reviewer. The expert member of the Panel also held a teleconference with the entity. Some of the documents submitted were in Arabic.

12. At its seventh meeting, the Panel concluded that the applicant may be a reasonable candidate for accreditation. However, pending items remained to be verified given the structure of the organization and its apparent reliance on other entities for support. The Panel expressed their opinion that a field visit to the applicant could be useful to collect the required information, examine in detail various documents, and verify the effectiveness of the organization's coordination with other entities it relies on.

13. Following approval by the Board, the Panel undertook a field visit in order to assess the applicant's institutional structure and interlinkages with other relevant entities. The field visit took place from Sunday 04 December 2011 to Wednesday 07 December 2011 and engaged all necessary actors within the applicant entity as well as related national and multilateral organizations in a position to provide further independent insights.

14. The Panel was satisfied with the conclusions of the field visit and, on that basis, concluded that the applicant entity largely meets the fiduciary standards of the Adaptation Fund, particularly so in institutional capacity to undertake a wide range of projects with international donors as well as with national stake holders. The applicant entity also showed a strong capacity to articulate across different sectors for the coordination and implementation of projects in accordance with the country's developmental priorities. The applicant also displays reasonable systems and mechanisms in place to ensure full accountability of external and national funding. In particular, an effective preventive external control system under the authority of the Audit Bureau is in place across government entities, which seems to be especially effective at the applicant entity.

15. Therefore, the Panel recommends accreditation of MOPIC as NIE and suggests that the Board requests the accredited NIE to submit to the secretariat by the end of June 2012 an update on the implementation of its impacts assessment system. The Panel's report on its conclusions concerning MOPIC's application for accreditation is contained in Annex II.

United Nations Educational, Scientific, and Cultural Organization (UNESCO)

16. The applicant entity submitted its application to the secretariat in April 2011, which was forwarded to the Panel soon thereafter. The Panel reviewed the application and agreed that it was a strong candidate but required additional documentation, including complete audit reports, status of action items on internal reports, execution rate for projects, project budgets, system for auditing project accounts, and system for

monitoring alerts. One of the Expert Panel Members was assigned as lead reviewer and worked closely with the MIE, following up on the status of document preparation.

17. The Panel further discussed the application at its eighth meeting and agreed that all the issues raised during the review process were properly addressed by the applicant. Consequently, the Panel recommends that UNESCO be accredited as MIE. The Panel's report on its conclusions concerning UNESCO's application for accreditation is contained in Annex III.

Cases under review

18. The Panel, with the secretariat's assistance, continued interaction with all applicant entities whose applications have been considered at its eighth meeting in November. Further, the Panel agreed that some of these applications show strong potential for a prompt conclusion of the review once all the required information is made available to the Panel.

19. Consequently, the Panel requests authorization from the Board to submit a recommendation on the accreditation of implementing entities intersessionally, should the Panel conclude that the assessment of the additional documentation reviewed leads to a positive recommendation.

National Implementing NIE017

20. The application was received in August 2010. The Secretariat conducted the screening and completeness check of the application and determined that it was incomplete. After further supporting documents were provided, the Panel first discussed the application at its 4th meeting. Based on the discussions a list of questions was sent to the applicant.

21. A supplementary assessment of the application was completed in February 2011 following a submission by the applicant of additional documents. This assessment was discussed during the 5th meeting of the panel held on 14th & 15th February. During the meeting it was decided that the information/documentation provided by the applicant was still insufficient to take an accreditation decision.

22. Following further interaction between the Panel and the applicant, a conversation was held at the margins of one of the Regional Accreditation Workshops, where the outstanding requirements were discussed. A follow up communication by the Panel was sent in September and the Panel decided to set a deadline for response at its eighth meeting. Following this last communication, the applicant responded by the end of November 2011 providing additional documents and information.

23. Based on the last submission of documents, the Panel believes that many of the gaps in the application were properly addressed and that the entity seems to have several of the requirements in place. In consequence, the Panel has decided to undertake a field visit to gather more evidence relating to the project management cycle and the applicant's plans to improve internal controls in the areas of payments and disbursements, procurement and anti fraud policies.

National Implementing NIE018

24. The application was received in February 2011. The Secretariat conducted the screening and completeness check of the application and determined that it was incomplete. Given the slow response, the secretariat decided to forward the application to the Panel at its eighth meeting for consideration. The Panel instructed the Secretariat to confirm with the applicant the list of documents submitted, which was done soon after the meeting in November. In addition to this, the Panel compiled a list of issues to be addressed and sent it to the applicant.

25. In response to this communication, the applicant confirmed that the list contains the complete set of documents submitted in support of its application and advised that answers to the issues raised by the Panel will be provided soon. The Panel therefore will continue its review of this application as new information becomes available.

National Implementing NIE019

26. The application was first considered by the Panel at its sixth meeting in May 2011. Based on the discussions during the meeting a list of additional information and documentation required by the Panel was sent to the applicant on May 24, along with a request for a teleconference between the assigned lead reviewer and the applicant. After repeated attempts by the Panel and the Secretariat to obtain response to the outstanding issues, the applicant responded with some information in August 2011. The response was reviewed and given the fact that a large number of gaps still remained a list of the remaining outstanding gaps was sent in August itself. Despite repeated follow-ups during the subsequent months the applicant did not provide the requested information. Finally after the eighth meeting of the Panel a communication was sent setting November 25 as the last date for a response. No response has been received until early December 2011.

27. Consequently and in view of the lack of response to the several follow-ups undertaken by the panel and the secretariat, the Panel has decided to close its consideration of this application, in accordance with decision B.12/2.

National Implementing NIE022

28. The application was submitted in June 2011. After requesting additional supporting documents, the Secretariat forwarded the application to the Panel at its eighth meeting in November 2011. The application provided evidence of a project audit report that raised questions as to whether the applicant meets the fiduciary standards related to the project cycle. The Panel concluded that apart from very brief information in the area of project cycle management, virtually no information has been provided for the various requirements of the Fiduciary Standards. Also, from one of the documents submitted, the Panel could not understand if the applicant has the requisite legal personality.

29. The Panel has requested further information and clarifications for the various gaps identified and will continue its consideration of this application.

National Implementing NIE028

30. The application was submitted close to the end of October 2011. The Secretariat observed a comprehensive list of supporting documents related to each section of the fiduciary standards and forwarded the application to the Panel for consideration at its eighth meeting. The Secretariat also learnt that this application was prepared with support from a bilateral cooperation agency.

31. The Panel considered this application at its eighth meeting and noted that some documents supporting the application were in the local language only. However, noting the potential and strengths displayed by the applicant entity, the Panel decided to request translation of key documents and also submitted a number of questions to be responded to by the applicant as well as cross check with other donors.

32. The Panel therefore will continue its consideration of this application as more information from the applicant becomes available.

National Implementing NIE029

33. The application was received in August 2011 in hard copy only. The secretariat requested an electronic version in order to make it available to all Panel members. The applicant furnished an electronic version of the application form and the supporting documents originally sent in hard copy. The Panel was able to discuss this application at its eighth meeting.

34. Noting the potential, institutional profile and relevance of the entity in the country's financial and development context, the Panel decided to pursue clarification from the applicant on certain key aspects of the fiduciary standards that are deemed crucial. Therefore, the Panel will continue its consideration of this application as more information from the applicant becomes available.

National Implementing NIE030

35. The application was received in October 2001. The applicant entity indicated to the Secretariat that the application was prepared with assistance from a multilateral agency. The application pack contained a comprehensive list of supporting documents and was therefore forwarded to the Panel for consideration at its eighth meeting. A list of questions was forwarded to the applicant following the discussion at the Panel's meeting. Additionally, the Panel maintained continuous communication with the applicant and also was able to clarify several issues at one of the Regional Accreditation Workshops.

36. The Panel noted the institutional strength, experience and potential of the applicant vis-à-vis the fiduciary standards of the Adaptation Fund and so far is very positive about the findings. However, some issues remain in relation to institutional capacity given the highly specialized profile of the applicant and concentration on one specific sector. In this connection, the Panel is interested in continuing its consideration of this application once all the relevant information from the supporting documents is available in English.

National Implementing NIE031

37. The application was received in October 2011. The application pack was well organized and contained a comprehensive list of supporting documents. The Secretariat forwarded the application to the Panel for consideration at its eighth meeting.

38. The Panel discussed the application at its eighth meeting but was not able to make much progress due to lack of English translations of key supporting documents. Notwithstanding, the Panel prepared a list of issues on the basis of the information available in English, which was submitted to the applicant entity following the Panel's meeting. In addition to that, the Panel had the opportunity to provide further advice to the applicant on the issues raised at one of the regional workshops.

39. The Panel will continue consideration of this application as more information in English becomes available.

National Implementing NIE032

40. The application was received in October 2011 in time for consideration by the Panel at its eighth meeting. The application was well organized and contained a comprehensive list of supporting documents, although mainly in the local language of the applicant's country. The secretariat forwarded the application to the Panel for consideration at its eighth meeting.

41. The applicant has provided some translations in English. In order to expedite the process, the Panel intends to interact with the applicant in order to address any issues identified through the information provided.

Regional Implementing RIE002

42. The application with supporting documentation was received by the secretariat on April 21, 2011 in hard copy. The Secretariat forwarded the application to the Accreditation Panel on April 28, 2011. After reviewing the documentation before the sixth Accreditation Panel meeting, the secretariat, on behalf of the Panel, requested further documentation on May 18, 2011.

43. Further documentation was submitted in June 2011. The expert member assigned as lead reviewer for this application held teleconferences with the applicant to clarify the requested documentation. After review, the Panel concluded that the applicant showed strong potential of demonstrating compliance with the fiduciary standards.

44. At its eighth meeting the Panel decided to follow up with the applicant on the issues raised and its interest in pursuing the application. The applicant has finally responded and submitted additional documents and information on December 07, 2011. The Panel will continue its consideration of this application on the basis of the information recently provided.

Multilateral Implementing MIE010

45. On July 25, 2011, the applicant responded to the invitation by the Board to potential MIEs. The secretariat forwarded the application to the Panel. The Panel

reviewed the application for the first time at its seventh meeting and agreed that it did not meet many of the fiduciary standards, particularly related to auditing requirements.

46. One of the Panel Members followed up with the applicant on the gaps identified by the Panel. The Expert Panel Member assigned as lead reviewer for this application informed the Panel at its eighth meeting that not all the issues were yet clarified and that further follow up is still required.

47. The Panel therefore will defer recommendation on the application until the next Panel meeting.

Multilateral Implementing MIE011

48. The applicant responded to the invitation by the Board to potential MIEs by submitting its application in September 2011. The secretariat forwarded the application to the Panel for consideration at its eighth meeting.

49. At its eighth meeting, the Panel held a conference call with the applicant and discussed various aspects of the application. Subsequently, the Panel compiled a list of questions to the applicant.

50. The Panel is now expecting a response from the applicant on the issues raised and will be following up once more information is made available.

Regional workshops on accreditation of NIEs mandated by CMP6 – discussion on workshop content, agenda, and program

51. The Panel and the secretariat were able to coordinate extensively with the UNFCCC secretariat for the organization of the second regional accreditation workshop, which took place in Panama City for the Latin American and Caribbean region.

52. The lessons learned from the regional workshop held in Senegal were properly taken into account and facilitated a successful and productive session in Panama between November 10 and 12, 2011. The salient features of the workshop were:

- i) Extended duration (three days) that allowed for one-on-one consultations.
- ii) Active participation by accredited NIEs from the region, which shared their experiences and views on the accreditation process as well as project preparation.
- iii) Improved moderation and timing of the schedule.
- iv) Improved logistical support.

53. All presentations provided during the workshop have been made available at the secretariat's web site in English and Spanish.

54. The secretariat found that the structure of the workshop for the Latin America and Caribbean region was conducive to a constructive interaction between participants and presenters. The three-day program allowed for adequate coverage of the fiduciary standards, the Adaptation Fund's access modalities, the project review cycle, and direct interaction with participants. While the UNFCCC secretariat will provide a more

comprehensive report on the outcome of the workshops based on the evaluation forms, the participants generally had positive feedback on the efficacy of the workshop.

55. The secretariat and Accreditation Panel looks forward to the remaining two workshops in the Asia and Pacific regions.

Other matters

56. The Panel continued discussing ways to enhance the accessibility and user-friendliness of the application process, noting concerns by some countries on the amount of documents and information to be provided in English.

57. In this context, the Panel was briefed, at its eighth meeting, by the secretariat on an initiative to develop and implement a full online workflow to manage the accreditation process in a more efficient and user-friendly manner. In order to expedite the deployment of this system the secretariat is devoting a significant amount of time and resources.

58. Translations into English remain a challenge, and the Panel is making every effort to facilitate the accreditation process when supporting documents are submitted in other languages than English. However, as English is the working language of the Panel, the Panel reaffirmed that all relevant documentation be required in English.

I. RECOMMENDATIONS

Accreditation of the Ministry of Natural Resources (MINIRENA) of Rwanda

59. The Accreditation Panel recommends that MINIRENA be accredited as the NIE for Rwanda, and further recommends that the NIE provides the following:

- a) MINIRENA should submit to the secretariat, on an annual basis, a procurement audit report issued by the Auditor General's Office, or an independent auditor, on the Adaptation Fund project/s under implementation in relation to the effectiveness of its procurement systems and practice, as well as continuous availability of qualified resources in project cycle management. This report should correlate recommendations identified by the internal auditor of MINIRENA and any relevant review by MINECOFIN, taking also into account any issues raised by stake holders.

(Recommendation AFB/AP.8/1)

Accreditation of the Ministry of Planning and International Cooperation (MOPIC) of Jordan

60. The Accreditation Panel recommends that MOPIC be accredited as the NIE for Jordan. The Panel further suggests that the Board requests the accredited NIE to submit to the Secretariat by the end of June 2012 an update on the implementation of its impacts assessment system.

(Recommendation AFB/AP.8/2)

Accreditation of the United Nations Educational, Scientific, and Cultural Organization (UNESCO)

61. The Accreditation Panel recommends that UNESCO be accredited as an MIE.

(Recommendation AFB/AP.8/3)

Accreditation Panel observations of applications under review

62. The Accreditation Panel recommends to the Adaptation Fund Board:

- a) To authorize the Accreditation Panel to make a recommendation for an intersessional decision on the applications of NIE017, NIE028, NIE029, NIE030, NIE031 and NIE032.

(Recommendation AFB/AP.8/4)

Regional accreditation workshops

63. Considering the lessons learned from the first two regional accreditation workshops, the Accreditation Panel recommends that the remaining regional accreditation workshops continue with a duration of three days.

(Recommendation AFB/AP.8/5)

Annex I

Report of the Accreditation Panel on the Accreditation Application of the Ministry of Natural Resources (MINIRENA)

I. Background

At the 12th meeting of the Adaptation Fund Board (Board) the Accreditation Panel (AP) informed the Board that an application for a National Implementing Entity (NIE) had been reviewed. The AP in its 7th meeting expressed their opinion that a field visit to the applicant by one of the expert member of the Panel and one person from the secretariat could be useful to determine (i) how the coordination & support from other departments of the government infrastructure works (ii) how effectively the systems & process in place are implemented (iii) how the transition within the organization affects its general working structure.

The Board in decision B.15.6 decided to authorize the Accreditation Panel to conduct a field mission to the applicant.

MINIRENA: Ministry of Natural Resources (MINIRENA) has produced its second five year strategic plan for the environment and natural resource sector (2009-2013). The focus of this plan is economic development as opposed to fighting poverty which was the focus of the previous plan. MINIRENA has the task of overall policy oversight, monitoring & institutional support and coordination of resource mobilization, allocation & accountability for the plan.

II. The Fiduciary Standards

The application, including the documents that were more recently forwarded, demonstrate and provide evidence that MINIRENA meets the Fiduciary Standards of the Adaptation Fund.

Legal mandate:

MINIRENA is one of the ministries of the Government of Rwanda that has the capacity and authority as a legal entity to obtain grants directly from donors in support of the programs and disburse the same directly to third parties.

Additionally, the ministry in accordance with the chapter 4.7.2, vol. 3 of the manual of Policies and Procedures for Financial Management & Accounting is permitted to retain the cash in its bank account but is required to report all transactions in the prescribed monthly financial statements.

Financial integrity:

The Office of the Auditor General (OAG) undertakes external audit of all government entities including MINIRENA. The audit report for 2010 has been provided. Additionally, MINIRENA has an internal auditor attached to the ministry reporting to the Director General of internal audits at the MINICOFIN (Ministry of Economy and Finance).

The guidelines for the desired internal control framework are given in chapter 2 and 5, vol. 3 of the manual of Policies and Procedures for Financial Management & Accounting and evidence has been made available as to how it complies with the major parameters of internal control framework.

Additionally, chapter 5 of vol. 3 of the manual of Policies and Procedures for Financial Management & Accounting sets out the overall government policy and procedures regarding disbursement of State finances, and the detailed operational procedures for all categories of disbursements including donor funded projects. The process is well defined and documented.

Project management:

The public procurement function is governed by regulations established in a ministerial order. The regulations are comprehensive and provide an adequate framework for competitive and transparent bidding. The regulations also provide for any bidder wishing to lodge a complaint to an Independent Review Panel on payment of a nonrefundable fee.

Detailed procedures to be followed for lodging a complaint and functioning of the Independent Review Panel have been defined. The ministerial order also includes standard bidding documents for various types of tenders.

Detailed processes and formats relating to monitoring of projects and copies of the monitoring reports along with evidence of action taken based on the monitoring along with the procedures for project-at-risk system or similar process/system have been provided.

MINERANA has a documented system which gives details of how problems are identified, solved or escalated for solutions during project implementation along with responsibilities and authority at the various levels.

Anti-Fraud:

There are various national systems such as the Ombudsman, the Auditor General, the National police, the Prosecutor General, the Revenue Authority, the Public Procurement Authority and the Director General of Internal Audit that deal to prevent, initiate and monitor investigations of fraud and corruption within projects implemented through the general budget and/or donor/grant funded.

Additionally the ministry has a zero fraud tolerance at the top and addresses how it deals in preventive and reactionary towards with financial mismanagement and other forms of malpractice on projects.

III. Conclusion

Based on the additional information provided and the positive outcome of its review and field visit, the Accreditation Panel recommends the Adaptation Fund Board:

- a) Accredite MINIRENA as a National Implementing Agency for the Adaptation Fund.
- b) Recommends that the Board requests MINIRENA to submit to the secretariat, on an annual basis, a procurement audit report issued by the Auditor General's Office, or an independent auditor, on Adaptation Fund project/s to be implemented, in relation to the effectiveness of its procurement systems and practice. This report should correlate recommendations identified by the internal auditor of MINIRENA and any relevant review by MINECOFIN, taking also into account any issues raised by stake holders.

Annex II

Report of the Accreditation Panel on the Accreditation Application of the Ministry of Planning and International Cooperation (MOPIC)

I. Background

At the 14th meeting of the Adaptation Fund Board (Board) the Accreditation Panel (AP) informed the Board that an application for a National Implementing Entity (NIE) had been reviewed. The AP in its 7th meeting expressed their opinion that a field visit to the applicant by one of the expert member of the Panel and one person from the secretariat could be useful.

The Board in decision B.15.5 decided to authorize the Accreditation Panel to conduct a field mission to the applicant.

MOPIC

The International Cooperation Department identifies, negotiates and channels financing for the country's development projects, defining conditions for the use of funds in coordination with donor partners. It also coordinates the distribution and allocation of available financing to different projects in line with national plans and priorities, as well as in cooperation with the donor countries and international and multilateral partners.

The International Cooperation Department also improves and builds up relations with a wide range of funding agencies in order to provide technical and financial support for developmental projects in the Kingdom. It also prepares agreements on economic and technical cooperation, following up on all necessary procedures for their execution, implementation and impact assessment.

II. The Fiduciary Standards

The application, including the documents that were more recently forwarded, demonstrate and provide evidence that MOPIC meets the Fiduciary Standards of the Adaptation Fund.

Legal mandate: Based on the Planning Law (68) of 1971, the Ministry of Planning and International Cooperation is the "focal point" between the donor community and the line ministries, as well as public and private institutions. Accordingly, by mandate the Ministry is the only governmental entity authorized to seek foreign assistance (grants, soft loans, and technical assistance).

Financial integrity: MOPIC has established systems that meet the financial integrity and management criteria. In addition, the effectiveness has been demonstrated through independent audit reports. MOPIC has audited financial statements prepared in accordance with recognized accounting standards, issued through the Audit Bureau office.

Additionally, there is an active and independent internal audit function that reports directly to the Senior Management. MOPIC has established a well-coordinated internal control framework with established reporting guidelines.

Project management: MOPIC has provided various documents and several independent audits and evaluations which demonstrate the existence and well-functioning project management function. It has a well-defined procurement system that involves a creation of procurement committees depending on the level of expenses. MOPIC coordinates with the Ministry of Finance on purchases in excess of JOD 20,000. The tender system is made transparent through competitive bidding and, on major procurement cases, officials from the internal audit and the Audit Bureau sit on the procurement committees. The effectiveness has been reviewed in the internal audit reports.

The Programs and Project Department and the Economic and Social Productivity Programs Department of MOPIC handle all projects implemented through donor funded programmes and projects, as well as through the national budget. The two departments handle programmes and projects of about USD 40 million. This department also provides MOPIC with the expertise and resources to prepare, plan, implement, monitor and evaluate projects across different sectors in the country.

Anti-Fraud: MOPIC has anti-fraud measures and systems widely accepted and recognized in good governance and public management principles. It also demonstrated a zero-tolerance policy in regards to corruption, supported by an oversight function that includes the internal audit, audit bureau and the Ministry of Finance. In addition to this, the Ministry has a whole unit dedicated to quality assurance, which provides open lines of communication to all stakeholders to express any complaint about the quality of the services provided by each unit and department of the MOPIC.

III. Conclusion

Based on the additional information provided and the positive outcome of its review and field visit, the Accreditation Panel recommends the Adaptation Fund Board:

- a) Accredite MOPIC as a National Implementing Agency for the Adaptation Fund.
- b) Request the accredited NIE to submit to the Secretariat, by the end of June 2012, an update on the implementation of its impacts assessment system.

Annex III
Report of the Accreditation Panel on the Accreditation Application of the
United Nations Educational, Scientific, and Cultural Organization
(UNESCO)

I. Background

UNESCO is one of the major bodies of the UN. Its mission is to contribute to the building of peace, the eradication of poverty, sustainable development and intercultural dialogue through education, the sciences, culture, communication and information. UNESCO is present in 200 countries (193 member states and 7 associated member states, as at the date of application) and has 52 Field Offices. The headquarters of the organization are located in Paris.

II. The Fiduciary Standards

The application, including the documents that were more recently forwarded, provides evidence that UNESCO meets the Fiduciary Standards of the Adaptation Fund.

Legal mandate: The provisions of Articles 104 and 105 of the Charter of the United Nations Organization concerning the legal status of that Organization, its privileges and immunities, apply to UNESCO, thereby providing it with the legal mandate to be a MIE.

Financial integrity: Audited financial statements for the biennium ended Dec 2009 have been provided, along with the detail report of the external auditors. Beginning January 2010 UNESCO prepares its financial statements in accordance with International Public Sector Accounting Standards (IPSAS). Currently, the External Auditor is the French Auditor General, appointed independently by UNESCO's Governing Bodies. The practice at UNESCO does not include the auditing of individual project statements. UNESCO has an effective internal audit function

UNESCO has an effective Internal Control framework with 5 major components. Beginning 2010 the organization has introduced the practice of an annual Internal Control signed by the Director-General. Rules and procedures for funds management, including disbursing/payment of funds are clearly defined.

It meets, therefore, the requirements for this capability.

Project management: UNESCO has a comprehensive procurement guide and a system for audit of the procurement function. A majority of the recommendations of the procurement audit report of 2009 have been implemented. While no procurement audit for 2010 was undertaken the organization is in the process of reviewing the system of procurement and contracting.

Project documents for different projects have been provided. These are comprehensive documents covering all aspects of the project management cycle including sustainability and exit strategy where applicable.

The Projects Office, in collaboration with the Internal Oversight Service (IOS), is responsible for initiating, organizing and following up on project evaluations in accordance with the approved project document and corresponding budget, and the guidelines for the evaluation of projects. The UNESCO website provides detailed evaluation reports for various internal and external programs/projects. UNESCO has vast experience in handling projects and meets the requirements for this capability.

Anti Fraud: UNESCO has comprehensive policies and a framework to deal with financial mismanagement and other forms of malpractice. It has a system of undertaking oversight of the ethics function and reports data on investigations. It meets the requirements for this capability.

III. Conclusion

Based on the additional information provided and the positive outcome of its review, the Accreditation Panel recommends the Adaptation Fund Board:

- a) Accredite UNESCO as a Multilateral Implementing Agency for the Adaptation Fund.