



28 December 2009

Dear Mr. Cedergren and Mr. Khan,

**Subject: UNDP Application to serve the Adaptation Fund Board (AFB) as a Multilateral Implementing Entity (MIE)**

I am delighted to enclose UNDP's application for accreditation as a Multilateral Implementing Entity under the Adaptation Fund.

UNDP is strongly committed to serving the AFB to help eligible developing countries in adaptation to climate change. As described in our application, UNDP has distinct comparative advantages in this field, combined with extensive experience in undertaking and executing concrete adaptation projects in developing countries.

We are excited by the opportunity to further contribute, and I hope our application meets your requirements.

Please do not hesitate to contact John Hough ([john.hough@undp.org](mailto:john.hough@undp.org) and +1-212-906-5560) or Ketii Chachibaia ([ketii.chachibaia@undp.org](mailto:ketii.chachibaia@undp.org) and +42-190-874-1168) if you have any questions regarding our application.

Yours sincerely,

A handwritten signature in black ink, which appears to read 'Veerle Vandeweerd', is written over a horizontal line.

Veerle Vandeweerd  
Director  
Environment and Energy Group  
Bureau for Development Policy

Mr. Jan Cedergren  
Chair, Adaptation Fund Board

Mr. Farrukh I. Khan  
Vice-Chair, Adaptation Fund Board

## **UNDP's Application to Serve the Adaptation Fund Board (AFB) as a Multilateral Implementing Entity (MIE)**

### **A. Introduction:**

1. UNDP is the UN's global development network. It is on the ground in 166 countries, working with them on their own solutions to global and national development challenges. UNDP firmly believes that climate change and poverty reduction are the two key, and interlinked, challenges of the twenty-first century. In this regard, climate change is fundamentally a development issue. It reaches into all aspects of human development, and it is impossible to address poverty reduction without addressing climate change. It is also impossible to address climate change without significant investment in poverty reduction. Unless developing countries have the necessary institutional capacity to address climate change, and their people have basic access to water, sanitation, food and energy, then they will not be able to address a changing climate. UNDP's goal is to align human development and climate change management efforts by promoting mitigation and adaptation activities that do not slow down but rather accelerate socio-economic progress. With full awareness of climate change risks to the hard-won development gains made by the developing countries, UNDP is putting climate change in the centre of its poverty reduction efforts.
2. With specific respect to adaptation, UNDP's overarching goal is pro-poor and pro-growth adaptation that supports sustainable economic development and livelihoods. UNDP has a proven track-record in this field; as of November 2009 UNDP had leveraged over US\$800 million (including more than \$300 million in grants) to support 75 developing countries with adaptation initiatives. UNDP is firmly committed to further serving developing countries with their adaptation initiatives. This application to serve the AFB as an MIE outlines UNDP's strong experience and comparative advantage in supporting adaptation to climate change. The table at Annex 1 outlines how UNDP meets the required fiduciary standards set by the AFB at its seventh meeting in Bonn in September, 2009. Links to supporting documentation are provided directly in the table.

### **B. Experience and Comparative Advantage in Climate Change Adaptation:**

#### **1. UNDP's climate change strategy:**

3. In pursuit of these goals, UNDP's support to practically address the challenge of climate change is structured around four pillars of its climate change strategy: (i) Strengthen capacity of developing countries to design integrated climate action plans; (ii) Promote early adaptation actions and enhance long-term adaptive capacity of developing countries; (iii) Attract and drive direct private and public investment towards lower carbon technologies and sustainable land use practices; and (iv) Integrate climate change into UN and UNDP development assistance at the global, regional and national levels, to effectively and efficiently service countries in addressing climate change.
4. UNDP, as a development partner of countries around the world, offers to bring its institutional knowledge, a long record of experience and expertise in the areas of poverty reduction, capacity development, governance and sustainable environmental management to the benefit of the countries that seek for financial support from the Adaptation Fund. UNDP, through its current adaptation work seeks to ensure that the capacity of developing countries is adequate to a) deal with the impacts of climate change that is already happening and can no longer be avoided, and b) adapt their societies to advance

in human development in spite of it. Recognizing that climate change can significantly weaken national efforts to reduce poverty levels, governments should be assisted to identify ways to anticipate this threat and design preventive adaptation measures. To achieve this vision, UNDP promotes, supports and monitors the implementation of a climate change regime that is pro-sustainable development and pro-poor.

## 2. UNDP's approach to climate change adaptation:

5. UNDP estimates that at least US\$86 billion will be required annually for adaptation to climate change by 2015, with greater amounts needed post 2015. This financial need cannot be addressed by ODA only. Transformational change is required to drive existing public and private resources towards climate resilient development. Therefore, as part of its climate change strategy and overall vision, UNDP aims at putting in place capacities and incentive structures to promote priority adaptation action. To promote early action, governments will need to provide: (i) reliable information on future climate change that is capable of driving efficient markets supporting pro-active adaptation responses; (ii) set performance standards and establish codes that encourage direct investments in building long-lived capital and infrastructure to take account of climate change; (iii) incorporate adaptation concerns into national development policies and public investment plans; and (iv) design and implement long-term policies to protect climate sensitive ecosystem services and public goods (water supply, coastal protection, local and rural development, etc).
6. UNDP's strategic priority in adaptation is to help developing countries address these challenges and embed adaptation concerns into development policies and practices to lower the impacts of climate change that can no longer be avoided, as well as to capitalize on new opportunities for funding local action and supporting policy change.

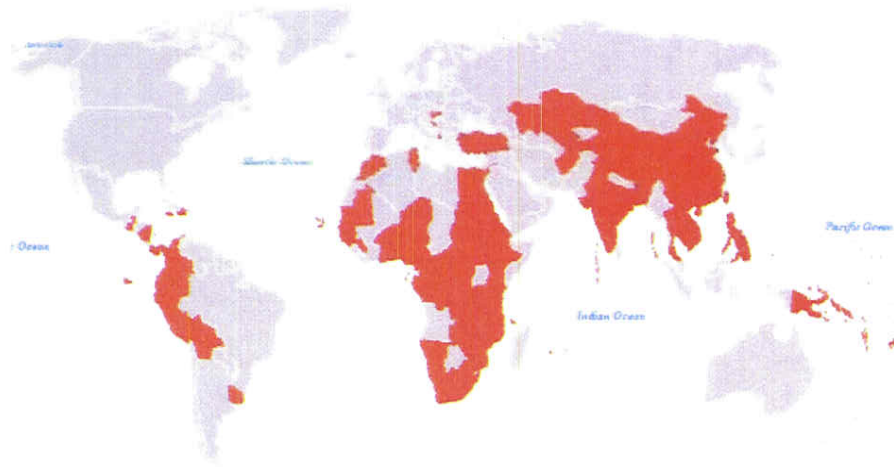
## 3. UNDP's comparative advantage in climate change adaptation:

7. UNDP's proposal to the Adaptation Fund Board builds on the achievements and accumulated experiences of our work in adaptation over the past decade, and capitalizes on UNDP's decentralized presence with climate-change-relevant expertise located in more than 130 countries throughout the world.
8. UNDP priorities derive principally from the demand from programme countries. This demand differs by region and individual countries. UNDP has strong comparative advantage and experience in cross-cutting work that ties together the sectoral efforts of development actors and **supports national government policy design, institution building and local action**. The adaptation work of UNDP strategically focuses on *developing adaptive capacities* of institutions and local communities. This is achieved through UNDP support to integrate adaptation measures into poverty reduction plans and programmes as well as to develop and implement social, market, and fiscal instruments to mobilise and direct financial resources towards climate resilient development.
9. As part of its poverty reduction work, UNDP brings extensive experience and expertise in area-based development and decentralization processes; offering these as programmatic foundations for adaptation support to sub-national authorities, local institutions and community groups. UNDP has substantial experience in working not only with the **national institutions and decision-makers** but also with **poor communities** to increase their resilience to weather-related impacts.

## 4. UNDP's adaptation portfolio:

10. As of November 2009, UNDP had leveraged over US\$800 million (including more than \$300 million in grants) to support 75 developing countries with adaptation initiatives. Multiple sources of finance have been employed, including from UNDP's core resources, GEF managed funds, and bilateral donor funding. Nearly 30 countries have commenced implementation activities with the support of UNDP country offices. An additional 40 countries are expected to commence full scale implementation by the end of the first quarter of 2010. In addition to a wide geographic spread, the thematic coverage of the current portfolio ranges from the sectoral and cross-sectoral areas of water resource management, agriculture and rural development, coastal area management, ecosystem-based adaptation and disaster risk reduction. In these thematic areas UNDP's key focus has been on building the capacity of developing countries, at all levels, to embed climate resilience into domestic policies, investment decision-making processes and nature conservation practices.

*Figure 1 Countries supported by UNDP in adaptation*



11. Responding to demand, UNDP has been increasingly active in identifying and supporting innovative adaptation projects across a range of sectors and countries. As one of the three GEF Implementing Agencies, UNDP has also been providing assistance to 100 countries in preparing national climate change vulnerability assessments and national communications to the UNFCCC. Based on their National Adaptation Plans of Action (NAPAs), UNDP supported participatory processes in 26 LDCs, resulting in the identification of consensus-based priorities and agreement on urgent needs. It also helped these countries access resources from various available sources, including the UNFCCC Least Developed Countries Fund (LDCF) managed by GEF.

##### **5. UNDP's methods, tools and knowledge products:**

12. UNDP has been actively involved in developing a number of methodologies, tools and knowledge products to assist developing countries in planning for adaptation to climate change and transitioning to a path of low-carbon and climate-resilient development. Tools directly relevant for the formulation and implementation of adaptation strategies and projects include guidebooks and methodologies on: (a) Integrated Climate Change Planning: Foundation & Implementation of a Co-development Process; (b) Climate Change Impact Scenarios (outlines a range of possible future emissions scenarios and

maps vulnerability to potential impacts); (c) Conducting Technology Needs Assessment for Climate Change (both adaptation and mitigation); (d) Formulating Adaptation Projects; and (e) Assessing Investment & Financial Flows; and (f) Assessing Public Policies and Financial Instruments Options to Implement Priority Climate Change Action .

13. Links to these tools are provided in “UNDP’s Portal on Low-Carbon and Climate Resilient Development” (<http://www.lowcarbonportal.org/lowcarbon/>). Further information and summaries of the tools as applied to the sub-national level can be found in the “Primer on Integrated Climate Change Planning for Regional Governments” ([http://www.un.org/esa/dsd/dsd\\_aofw\\_cc/cc\\_pdfs/cc\\_sideevent1109/Charting\\_carbon\\_route\\_web\\_final\\_UNDP.pdf](http://www.un.org/esa/dsd/dsd_aofw_cc/cc_pdfs/cc_sideevent1109/Charting_carbon_route_web_final_UNDP.pdf)).

14. In addition, UNDP also provides:

- (a) **UNDP’s Adaptation Policy Framework:** The Adaptation Policy Framework (“APF”) is a package of comprehensive guidance material intended to provide the rapidly evolving process of adaptation policy-making with a road map (<http://www.undp.org/climatechange/adapt/apf.html#s5>). The APF can be used by countries to both evaluate and complement existing planning processes to address climate change adaptation. As an assessment, planning and implementation framework, it lays out an approach to climate change adaptation that supports sustainable development, rather than the other way around. UNDP is using this tool for project formulation as well as in vulnerability and adaptation assessments for national communications. It includes five key components: (a) Scoping and Designing an Adaptation Project; (b) Assessing Current Vulnerability of Development Objectives to Climate; (c) Assessing Future Climate Change Risks to the Development Objective; (d) Formulating an Adaptation Strategy; and (e) Continuing the Adaptation Process through Monitoring and Evaluation; and
- (b) **Adaptation Learning Mechanism (“ALM”):** a knowledge management system for capturing, codifying and disseminating knowledge from adaptation experience and lessons learned (<http://www.adaptationlearning.net>). The ALM has been developed in partnership with other organisations that are willing to share some of these emerging lessons, systematically. The ALM is structured with technical working groups, regional partner institutions, and other stakeholders shaping the learning outputs. It includes an interactive tool of country climate change profiles, providing up-to-date information on key risks and adaptation priorities derived from various studies and assessment reports.

6. **UNDP’s operational system to deliver climate change adaptation projects and programmes:**

*Programme and Operations Policies and Procedures:*

15. UNDP takes a results-oriented approach that is deeply embedded in the culture of the organization, and fully supported by institutional mechanisms for accountability. For the period 2008-2011, the **UNDP Strategic Plan** introduces objectives for the organization, and has established specific performance indicators and targets.
16. Accountability in UNDP is premised on its responsibility to stakeholders, programme countries and donors, and on its contribution to the achievement of national development

priorities. This is operationalized at the country level through its development activities and at the corporate level through its accountability to the Executive Board. The UNDP accountability framework is based on a hierarchy of three tiers of accountability with clearly defined responsibilities and supporting mechanisms at organizational, programmatic and staff levels.

*Implementation/Execution modalities<sup>1</sup>:*

17. UNDP employs a number of programme / project implementation modalities determined based on country demand, the specificities of an intervention, and a country context. The **flexibility in execution modalities**, described below, that can be tailored to country-specific contexts, offer the most appropriate, effective and efficient arrangements for varied conditions:
18. National Implementation is used when there is adequate capacity in the national authorities to undertake the functions and activities of the programme or project. The execution of the projects requires that the national institution acting as Implementing Partner has the technical and administrative capacity to assume the responsibility for mobilizing and applying effectively the required inputs in order to reach the expected outputs. On the other hand, the use of the National Implementation modality substantially contributes to build national capacities. National Implementation is the most applied modality of implementation and rather unique to UNDP, compared to many other organizations that implement projects directly.
19. UNDP also offers NGO Implementation as an option when a national or international NGO holds a strong specialized comparative advantage in a given thematic area and is a preferred arrangement for greater outreach and community participation. Agency Implementation enables UNDP to partner with one or number of specialized UN agencies and is employed when an agency holds strong specialized knowledge and technical capacity in a given thematic area. UNDP may take on the role of executing agent, through the Direct Implementation modality. This modality is generally only applied in the crisis or post crisis situation countries and is not widely spread in UNDP's portfolio.

**C. UNDP Adherence to Fiduciary Standards of the AFB:**

20. Please refer to Annex 1 for information on how UNDP meets the fiduciary standards adopted by the Adaptation Fund Board at its 7th meeting.

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<sup>1</sup> For UNDP "Implementation" and "Execution" have the same meaning, the former being used under "harmonized principles" the latter where not. Both refer to the "management and delivery of project activities to produce specified outputs and efficient use of resources". UNDP Programme and Operations Policies and Procedures [[UNDP Hyperlink Removed](#)]

**ANNEX 1**

**UNDP ADHERENCE TO FIDUCIARY STANDARDS OF THE ADAPTATION FUND**

Capability required	Illustrative means of verification	UNDP response	UNDP document reference	Item
<b>I. Financial Management and Integrity</b>				
<p>Accurately and regularly record transactions and balances in a manner that adheres to broadly accepted good practices, and are audited periodically by an independent firm or organization</p>	<p>Production of reliable financial statements prepared in accordance with internationally recognized accounting standards.</p>	<p>All UNDP financial statements are prepared in accordance with the United Nations System Accounting Standards, as adopted by the Administrative Committee on Coordination. These standards are based to a large extent on relevant international accounting standards issued by the International Accounting Standards Committee. Where differences from the International Accounting Standards exist, it is mainly because of the essentially non-commercial nature of UNDP activities.</p> <p>Nevertheless, UNDP, along with the rest of the UN system, will soon start preparing financial statements in accordance with IPSAS (International Public Sector Accounting Standards). UNDP plans to adopt IPSAS standards by January 2012.</p>	<p>“United Nations Development Programme Financial report and audited financial statements for the biennium ended 31 December 2007 and Report of the Board of Auditors” available at:  <a href="#">[UNDP Hyperlink Removed]</a></p> <p>UNDP’s IPSAS Adoption Strategy dated 4 September 2009 available here:  <a href="#">[UNDP Hyperlink Removed]</a></p>	<p align="center"><b>1</b></p>

Capability required	Illustrative means of verification	UNDP response	UNDP document reference	Item
	Annual external audited accounts that are consistent with recognized international auditing standards.	By Resolution 74 (I) of 7 December 1946, the General Assembly established the United Nations Board of Auditors to audit of the accounts of the United Nations organization and its funds and programmes. The mandate of the Board of Auditors is to express an opinion on the Financial Statements of UNDP for the biennium (i.e., every 2 years). The latest was 31 December 2007.	“United Nations Development Programme Financial report and audited financial statements for the biennium ended 31 December 2007 and Report of the Board of Auditors” available here: <a href="#">[UNDP Hyperlink Removed]</a>	2
	Production of detailed departmental accounts	UNDP uses “Atlas”, an enterprise resource planning system devised through collaboration with the UN Population Fund and the UN Office for Project Services. Atlas categorises all expenditures using chartfields of accounts. Because each expenditure item has a chartfield, we have access to expenditure information from across all of UNDP.	Background document on Atlas available here: <a href="#">[UNDP Hyperlink Removed]</a>	3



Capability required	Illustrative means of verification	UNDP response	UNDP document reference	Item
	Use of accounting packages that are recognised and familiar to accounting procedure in developing countries	As described in item 3 above, UNDP uses “Atlas”.	Background document on Atlas available here: <a href="#">[UNDP Hyperlink Removed]</a>	4
	Demonstrate capability for functionally independent internal auditing in accordance with internationally recognized standards.	UNDP’s Office of Audit & Investigation (OAI) carries out internal audits in accordance with internationally recognized standards as prescribed by the Institute of Internal Auditors (IIA). The mandate of the OAI covers all activities undertaken by UNDP country offices, regional centres as well as units at Headquarters in New York and other locations. The two main functions of OAI, internal audit and investigations, are managed by a Directorate with a quality assurance function. OAI’s overall operational framework has been formalised in a Charter that was approved by the Administrator on 8 February 2008.	“Charter of the Office of Audit and Investigations” available here: <a href="#">[UNDP Hyperlink Removed]</a>	5

Capability required	Illustrative means of verification	UNDP response	UNDP document reference	Item
Managing and disbursing funds efficiently and with safeguards to recipients on a timely basis	A control framework that is documented with clearly defined roles for management, internal auditors, the governing body, and other personnel.	<p>UNDP has an Internal Control Framework (“ICF”) which covers key control factors such as planning, monitoring, communication, policies, procedures, segregation of duties, individual authorities and accountabilities. The ICF:</p> <ul style="list-style-type: none"> <li>• Safeguards assets from inappropriate use and loss from fraud and error,</li> <li>• Helps ensure the quality of internal and external reporting, through the maintenance of proper records and information flows; and</li> <li>• Facilitates compliance with applicable laws, regulations and internal policies.</li> </ul>	<p>UNDP’s “Internal Control Framework” available here:  <a href="#">[UNDP Hyperlink Removed]</a></p>	6
	Financial projections demonstrating financial solvency	<p>At the corporate level, UNDP’s Strategic Plan for the 2008-2013 period sets the overall strategic vision and programme objectives of UNDP for this period and provides direction for support to programme countries to achieve development objectives. The current strategic plan is aligned with the four-year programme budget (referred to as the ‘programming arrangements’) and the two-year support budget (referred to as the ‘biennial support budget’). This means that the Executive Board and other stakeholders will be able to see a clear link between the strategic priorities outlined and the resources required to achieve them. The plan includes regular and other resources.</p>	<p>UNDP’s Strategic Plan  <a href="#">[UNDP Hyperlink Removed]</a></p>	7

Capability required	Illustrative means of verification	UNDP response	UNDP document reference	Item
	Demonstration of proven payment / disbursement systems	UNDP's payment/disbursement systems are governed by UNDP's Internal Control Framework.	UNDP's "Internal Control Framework" available here: [UNDP Hyperlink Removed]	8
Produce forward-looking financial plans and budgets	Evidence of preparation of corporate , project or departmental / ministry budgets	UNDP has policies in place for the preparation of forward-looking budgets at multiple levels.	Please advise if you require specific information or documents from UNDP on this item.	9
	Demonstration of ability to spend against budgets	UNDP has demonstrated ability to spend against budgets. For example, UNDP is one of the founding Implementing Agencies of the GEF and has successfully been providing implementation services for GEF projects since 1991.	See supporting documentation on the GEF website: <a href="http://www.gefweb.org">www.gefweb.org</a>	10
Legal status to contract with the Adaptation Fund and third parties	Demonstration of necessary legal personality in case it is not government department/institution.	UNDP is a subsidiary organ of the UN General Assembly, established by GA Resolution 2029. There are no direct prohibitions on it in contracting with the Adaptation Fund and third parties.	General Assembly Resolution 2029 available here: <a href="http://www.gefweb.org/uploadedFiles/Documents/Council_Documents_(PDF_DOC)/GEF_35/C.35.5_Fiduciary_Standards.pdf">http://www.gefweb.org/uploadedFiles/Documents/Council_Documents_(PDF_DOC)/GEF_35/C.35.5_Fiduciary_Standards.pdf</a>	11

Capability required	Illustrative means of verification	UNDP response	UNDP document reference	Item
	Demonstrated legal capacity/authority and the ability to directly receive funds	UNDP has the legal capacity and ability to directly receive funds.	General Assembly Resolution 2029 available here: <a href="#">[UNDP Hyperlink Removed]</a>	12
<b>II. Requisite Institutional Capacity</b>				
Procurement procedures which provide for transparent practices, including competition	Evidence of procurement policies and procedures at national levels consistent with recognized international practice (including dispute resolution procedures)	<p>UNDP' has comprehensive procurement policies and guidelines as outlined in the "Contracts, Assets and Procurement" section of the UNDP POPP. These address each phase of the procurement process:</p> <ul style="list-style-type: none"> <li>• Procurement Planning</li> <li>• Requisitions</li> <li>• Sourcing of Suppliers</li> <li>• Procurement Methods</li> <li>• Solicitation and Evaluation of Offers</li> <li>• Contract Review Committees</li> <li>• Award of Contract</li> <li>• Contract Management</li> <li>• Asset Management</li> </ul> <p>These apply to all UNDP offices and we note that contract management procedures include dispute resolution procedures.</p>	UNDP POPP – "Contract, Asset & Procurement Management" available at: <a href="#">[UNDP Hyperlink Removed]</a>	13
Capacity to undertake monitoring and evaluation	Demonstration of existing capacities for monitoring and independent evaluation consistent with the requirements of the Adaptation Fund	<p>UNDP's monitoring policies are described in the "Programme and Project Management" section of the UNDP POPP.</p> <p>UNDP's Evaluation Office is the custodian of UNDP's Evaluation function (<a href="http://www.undp.org/ee">www.undp.org/ee</a>). It prepares,</p>	UNDP POPP: "Programme and Project Management" available at: <a href="#">[UNDP Hyperlink Removed]</a>	14

Capability required	Illustrative means of verification	UNDP response	UNDP document reference	Item
		<p>reviews and updates UNDP's Evaluation policy, which is based on the evaluation norms and standards established by the UN Evaluation Group (UNEG).</p> <p>UNDP's monitoring and evaluation policies are also described in UNDP's 2009 "Handbook on Planning, Monitoring and Evaluating for Development Results".</p> <p>Also note that a new UNDP Accountability System was approved by the Executive Board in September 2008 to support increased transparency, clarity and alignment of all organizational activities. It has two major components: The Accountability Framework and the Oversight Policy. It includes mechanisms for monitoring and evaluation.</p>	<p>"The Evaluation Policy of UNDP" dated May 2006 available here:  <a href="#">[UNDP Hyperlink Removed]</a></p> <p>UNDP "Handbook on Planning, Monitoring and Evaluating for Development Results" available at:  <a href="#">[UNDP Hyperlink Removed]</a></p> <p>"The UNDP Accountability System" available here:  <a href="#">[UNDP Hyperlink Removed]</a></p>	
	<p>Evidence that a process or system, such as project-at-risk system, is in place to flag when a project has developed problems that may interfere with the achievement of its objectives, and to respond accordingly to redress the problems</p>	<p>UNDP has a Project Risk Management System that is embedded in UNDP's enterprise resource planning system, Atlas. Risk management procedures are also set out in "Programme and Project Management" section of the UNDP POPP.</p>	<p>Background document on Atlas available here:  <a href="#">[UNDP Hyperlink Removed]</a></p> <p>UNDP POPP: "Programme and Project Management" available at:  <a href="#">[UNDP Hyperlink Removed]</a></p>	<p><b>15</b></p>
<p>Ability to identify, develop and appraise project</p>	<p>Availability of/ Access to resources and track records of conducting appraisal</p>	<p>All projects funded by UNDP must be appraised before approval. Appraisal is based on the considerations for quality programming that applies to all phases of the</p>	<p>UNDP POPP: "Project Management" in "Programme and Project Management" available at:</p>	<p><b>16</b></p>

Capability required	Illustrative means of verification	UNDP response	UNDP document reference	Item
	activities	programming process (this is designed as a Checklist for Quality Programming available through the UNDP POPP). The appraisal is conducted through the formal meeting of the Project Appraisal Committee (PAC).	<a href="#">[UNDP Hyperlink Removed]</a>	
	Evidence of institutional system for balanced review of projects, particularly for quality-at-entry during design phase.	The UNDP POPP on Project Management requires the PAC meeting to specifically appraise the project in terms of the clarity in project objective and the clarity in definition of measurable and achievable results, among others.	UNDP POPP: "Defining a Project" in "Programme and Project Management" available at: <a href="#">[UNDP Hyperlink Removed]</a>	17
	Risk assessment procedures are in place.	At the programme level the Bureau Program Advisory Committee is required to assess whether environmental and social risks have been considered. This applies to all UNDP programmes. At the project level the Project Appraisal Committee is required to assess whether environmental, social, institutional and fiduciary risks have been assessed and whether the project appropriately considers these. The corporate ERP project management system requires project risks to be recorded at project start up and subsequently re-assessed at quarterly intervals by the responsible programme manager.	UNDP POPP: "Project Management" in "Programme and Project Management" available at: <a href="#">[UNDP Hyperlink Removed]</a>	18
Competency to manage or oversee the execution of the project/programme including ability to	Understanding of and capacity to oversee the technical, financial, economic, social, environmental and legal	See UNDP response to items 15, 16, 17, and 18.  We also note that UNDP is an Implementing Agency under the Global Environmental Facility ("GEF") and it has consistently met the GEF's minimum fiduciary	GEF Council paper GEF/C.35/5 of May 27, 2009, "Status of the GEF Agencies with respect to minimum fiduciary standards" available at <a href="#">[UNDP Hyperlink Removed]</a>	19

Capability required	Illustrative means of verification	UNDP response	UNDP document reference	Item
manage sub-recipients and to support project /programme delivery and implementation	aspects of the project and their implications	standards.		
	Demonstrated competence to execute or oversee execution of projects / programmes of the same nature as intended project or programme	UNDP is one of the largest brokers of environmental grants in the developing world, having disbursed US\$1.58 billion directly and leveraged over US\$ 3 billion in co-financing from public and private sources to support sustainable development during 2004-2007. UNDP's current adaptation portfolio amounts to \$ 150 million that consists of UNDP's core resources, GEF managed funds, and bilateral donor funding delivered to over 100 countries in five continents.	UNDP Annual Report 2009 <a href="#">[UNDP Hyperlink Removed]</a>	<b>20</b>
<b>III. Transparency, self - investigative powers, and anti-corruption measures</b>				

Capability required	Illustrative means of verification	UNDP response	UNDP document reference	Item
Competence to deal with financial mismanagement and other forms of malpractice	Demonstration of capacity and procedures to deal with financial mismanagement and other forms of malpractice.	The “UNDP Legal Framework Addressing the Non-compliance with Ethical and Professional Standards” is a comprehensive document establishing the standards of conduct expected from staff members, procedures for investigations, disciplinary processes, methods of reporting allegations of wrongdoing and the protection against retaliation.	Annex - “UNDP Legal Framework Addressing the Non-compliance with Ethical and Professional Standards”, May 2008.  <a href="#">[UNDP Hyperlink Removed]</a>	<b>21</b>
	Evidence of an objective investigation function for allegations of fraud and corruption.	Please see response to item 21 above.		<b>22</b>