



ADAPTATION FUND

AFB/PPRC.19/35
23 September 2016

Adaptation Fund Board

**CANCELLATION OF THE READINESS PROJECT AND GRANT TO
SUPPORT NATIONAL IMPLEMENTING ENTITY ACCREDITATION AS
REQUESTED BY THE GOVERNMENT OF BURUNDI THROUGH THE
MINISTRY OF NATURAL RESOURCES OF RWANDA**

Background

1. Under the Adaptation Fund's Readiness Programme, eligible NIEs wishing to support other countries that are seeking accreditation with the AF Board can apply for South-South (S-S) cooperation grants to enable them to provide such support. The Adaptation Fund Board (the Board) at its twenty-second meeting approved Phase I of the Readiness Programme with a budget of US\$ 970,000, which included funding of US\$ 503,000 to be set aside for small grants to National Implementing Entities (NIEs) from resources of the Adaptation Fund trust fund for subsequent commitment and transfer at the instruction of the Board (decision B.22/24). The small grants included South-South cooperation grants in order to increase peer to peer support among accredited NIEs and those seeking accreditation, and grants for technical assistance to help accredited NIEs strengthen their capacity to comply with the Fund's environmental and social policy (ESP).

2. The aims of the S-S cooperation grants under the Readiness Programme are to strengthen the capacity of countries seeking accreditation with the Fund to undertake activities, and to prepare and submit relevant documents that lead to accreditation with the Fund. Under the South-South cooperation grant, countries seeking accreditation with the Adaptation Fund can submit through an eligible accredited NIE, a proposal for peer support to prepare and submit an application for accreditation with the Fund.

Following decision B.22/24 by the Board in October 2013, the secretariat launched a call for proposals intersessionally between the twenty-third and twenty-fourth meetings of the Board and received a S-S cooperation grant proposal from the Ministry of Natural Resources (MINIRENA) of Rwanda on behalf of the government of Burundi to support NIE accreditation for Burundi.

3. The Board during the intersessional period between its twenty-fourth and twenty-fifth meetings decided to:

- a) *Approve the Application for a Grant to support NIE accreditation as requested by the government of Burundi through the Ministry of Natural Resources of Rwanda (MINIRENA);*
- b) *Approve the funding of US\$ 49,957 for the implementation of the support, as requested by MINIRENA; and*
- c) *Request the secretariat to draft an agreement with MINIRENA as the National Implementing Entity for the accreditation support.*

(Decision B. 24-25/7)

4. As mandated by decision B.24-25/7 an agreement was prepared for signature between the Board and MINIRENA. The agreement was signed on 18 March 2015 and subsequently on 20 July 2015 the Board gave instruction to the trustee to transfer the related funds to MINIRENA. However the readiness project was not implemented and could not take off due to implementation challenges beyond the control of the technical staff for both MINIRENA and the applicant of the readiness grant.

5. On 17 August 2016 the designated Authority (DA) for Burundi requested the secretariat to cancel the South-South grant approved by the Board to MINIRENA on behalf of the government of Burundi and also requested that the grant be transferred to the *Centre de Suivi Ecologique*

(CSE) of Senegal, explaining that he had approached CSE and the Agency for Agricultural Development (ADA) of Morocco prior to submitting the letter, to discuss the possibility of either one of them providing peer support for the accreditation of Burundi's NIE.

6. As per the reporting requirements stated in paragraph 7.01 of the signed agreement between the Board and MINIRENA, the secretariat had not received a completion report or other feedback from MINIRENA at the time of compiling this document.

7. Separately, at the time of compiling this document, CSE had submitted an application for US\$ 50,000 for a South-South cooperation grant to provide peer support for accreditation of Burundi's NIE, requested on behalf of the government of Burundi and endorsed by the DA of Burundi.

Proposed course of action

8. Paragraph 13 of the grant agreement signed by the Board and MINIRENA states the following:

- 13.02. *This Agreement shall automatically be terminated, in the event of:*
 - a) *cancellation of the Implementing Entity's accreditation by the Board; or*
 - b) *receipt of a communication from a Designated Authority that it no longer endorses the Implementing Entity, or a Project managed by the Implementing Entity.*
- 13.03. *If the Board suspends any Project under this Agreement, such suspension shall have no effect on any other Project governed by the terms of this Agreement.*
- 13.04. *Upon termination of this Agreement, the Board and the Implementing Entity shall consider the most practical way of completing any ongoing activities, including meeting any outstanding commitments incurred prior to the termination. The Implementing Entity shall promptly refund to the AF Trust Fund, through the Trustee, any unused portion of the Grant, including any net investment income earned therefrom. No Grant funds shall be disbursed after termination.*

9. It should be noted that following amendment of the terms of reference of the Project and Programme Review Committee (PPRC) approved through decision B.26/42, the PPRC advises the Board in tasks related to project/ programme review, including reporting and making recommendations to the Board on project and programme approval, cancellation, termination, suspension and on any other matter under its consideration, and for providing recommendations and advice to the Board thereon.

10. Based on the letter from the DA of Burundi and confirmation from MINIRENA, paragraph 13.02 applies to this grant. Further, as required by paragraph 71 of the Fund's Operational Policies and Guidelines, both MINIRENA and the DA for Burundi have presented their views.

Recommendation

11. In accordance with the signed agreement between the BOARD and MINIRENA paragraph 13.02, the PPRC may recommend to the Board to consider to:

- (a) Cancel the grant to support National Implementing Entity Accreditation in Burundi originally approved for implementation by the Board through decision B. 24-25/7;
- (b) Request the secretariat to notify MINIRENA and the Government of Burundi of the cancellation of the readiness grant.
- (c) Request the secretariat to notify MINIRENA that the grant, including any net investment income earned therefrom, is to be returned to the Adaptation Fund Trust Fund, through the trustee. MINIRENA should first notify the secretariat of the amount to be returned, with copy to the trustee.

ANNEX 1: REQUEST BY THE GOVERNMENT OF BURUNDI TO CANCEL READINESS GRANT

REPUBLIC OF BURUNDI

August 17th, 2016



MINISTRY OF WATER, ENVIRONMENT, LANDS
AND URBAN PLANNING.

Ref.N°: Bu A.F./D.A./02/2016

To: The Adaptation Fund Board
C/O: Adaptation Fund Board Secretariat
E mail: Secretariat@Adaptation-Fund.org
Fax: 2025223240/5

Subject: Request Partner Country for Burundi Accreditation Process.

In my capacity as Designated Authority for Adaptation Fund in the Republic of Burundi I request the Secretariat of Adaptation Fund a partner country for Burundi Accreditation process initiated since a long time. Follow up discussions made in the clinic session with Secretariat Staff of Adaptation Fund during the Regional Climate Finance Readiness Workshop for African Francophone countries from 3 to 5 May 2016 in Casablanca Morocco; I would like to come back on suggestions related south south cooperation in way to help Burundi for accreditation process.

The Secretariat of Adaptation Fund has provided to Rwanda via MINIRENA (Ministry of Natural Resources) the NIE accredited a budget of USD \$ 50,000 in June 2015 for facilitation join work team Burundi and Rwanda. The Designated Authority of Burundi and the Director of planning in MINIRENA / Rwanda did their best to implement roadmap formulated by all stakeholders and submitted to the concern. Unfortunately tentative program was been postponed many times according some misunderstanding between countries. Follow up this delay time I would like to call upon the Secretariat of Adaptation Fund to cancel the budget support (USD \$ 50,000) sent to Rwanda and resent to another available country who can help Burundi for this process. See response on point 3 in workshop clinic session follow up accreditation, sent recently.

I talked with representatives of Senegal Centre de Suivi Ecologique (CSE) Mr Déthié Soumaré NDIAYE and Ms Meryem ANDALOUSSI the Projects Manager of Environment and Climate Change Service Agricultural Development Agency (ADA) in Morocco who promise us to make the accreditation process easier for Burundi.

Accordingly, I am pleased to send this request to the Adaptation Fund Board for partner country who will help Burundi for accreditation process. If approved, Burundi dream is to raise this challenge and the team is available to work up to be accredited and submit projects proposals for implementation.

Sincerely,

Mr. Anicet NKURIKIYE

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