



ADAPTATION FUND

1 September 2017

Adaptation Fund Board

Accreditation Panel recommendation on re-accreditation of the United Nations Educational, Scientific and Cultural Organization (UNESCO) as Multilateral Implementing Entity

Having reviewed the re-accreditation application of the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Accreditation Panel recommended that the UNESCO be re-accredited as a Multilateral Implementing Entity (MIE) of the Adaptation Fund.

A summary of the review can be found in Annex I.

Re-accreditation Decision:

Having considered the recommendation of the Accreditation Panel, the Adaptation Fund Board decides to re-accredit the UNESCO as a Multilateral Implementing Entity (MIE) of the Adaptation Fund for five years, as per paragraph 38 of the operational policies and guidelines for Parties to access resources from the Adaptation Fund. The re-accreditation expiration date is 31 August 2022.

Decision B.29-30/12

ANNEX I : REPORT OF THE ACCREDITATION PANEL ON AN ASSESSMENT OF THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION (UNESCO) FOR RE-ACCREDITATION AS A MULTILATERAL IMPLEMENTING ENTITY (MIE) OF THE ADAPTATION FUND.

Background

The United Nations Educational, Scientific and Cultural Organization (UNESCO) was first accredited in 2011 as a Multilateral Implementing Entity (MIE) of the Adaptation Fund. At that time, there was no regional project funding window until 2015 when the Executive Board decided to implement a pilot programme for regional projects programme. When the window was replenished, UNESCO submitted pre-concepts for regional projects in South East Asia (Cambodia, Lao People's Democratic Republic, Myanmar, Thailand, and Viet Nam for US\$ 4,542,250) and Central Asia (Kyrgyzstan, Tajikistan, Uzbekistan for US\$ 5,000,000) which were approved by the Executive Board at its 27th Session. UNESCO then submitted a fully developed project document for the Central Asia at the 28th Session of the Board which was returned for further improvement. UNESCO indicated that they are currently working to enhance the various technical details to fully develop these regional project proposals and are optimistic that once re-accredited, these proposals will be approved and contribute to the realization of the objectives of the AF. Thus, up to this time, the Adaptation Fund has not funded any UNESCO projects.

UNESCO indicated that they are also in close and constructive discussion with the Green Climate Fund Secretariat following the adoption of their Updated UNESCO Strategy for Action on Climate Change which was approved at the 201st Session of their Executive Board in March 2017.¹

Assessment

UNESCO has applied for re-accreditation which was reviewed by the Panel on the basis of the following parameters:

1. Assessment of whether UNESCO continues to meet the Adaptation Fund's Fiduciary Standards.

UNESCO indicated, that for the most part, its institutional capabilities have remained the same since accreditation. Regarding solvency, UNESCO indicated that after accreditation with the Adaptation Fund in 2011, two member states (one is a major donor) suspended payments of their assessed contributions to the regular budget resulting in a funding gap that caused financial and staffing difficulties. The funding gap was partly addressed by raising voluntary contributions (\$75M

¹ 200 EX/5 Part I (C) Annex, Proposal for an Updated UNESCO Strategy for Action on Climate Change, page 10. This was approved at the 201st Executive Board Session and will be presented to the 39th General Conference in October of this year.

raised under an Emergency Fund to finance some of the regular programmes and the reform initiatives); re-prioritization of programme implementation; reduction in administrative costs; and organizational restructuring including voluntary and compulsory staff separation schemes. UNESCO endeavored to implement reforms and other initiatives to address recommendations arising from various external assessments such as an independent external evaluation of the Organization, by the European Commission (EC), and by the Joint Inspection Unit (JIU) of the United Nations. These were undertaken within the limits of the funded regular budget and from extra budgetary funds generated from a proactive resource mobilization. Notwithstanding that the suspension of the assessed contributions remains to this date, UNESCO demonstrated its capacity to remain solvent and continue to achieve its objectives. An assessment of the information and documents provided to the Panel support this assertion by UNESCO.

The assessment by the EC had “positive results for all assessed pillars and based on these results, the Commission indicated that they can entrust budget implementation tasks to UNESCO under Indirect Management.”² The Panel’s read of the reports of the JIU on their reviews on oversight functions in the United Nations System indicates that UNESCO has made significant improvements in internal audit, evaluation and investigation functions and in a better position compared to some UN organizations in the System.

Except for its legal status, where no changes were made, many enhancements were made since UNESCO’s initial accreditation in the formulation of policies and procedures and in the adoption of good practices relating to financial management, internal control framework, risk management, internal audit, audit committee and its oversight functions, external audit, payments and disbursement systems, procurement and project cycle management.

The Panel review therefore concludes that, based on all the information provided, UNESCO continues to meet the Adaptation Fund’s Fiduciary Standards.

2. Assessment of whether UNESCO meets the Adaptation Fund’s Environmental and Social Policy.

UNESCO provided information to demonstrate its commitment to Environmental and Social policies of the Fund and the capability to implement these policies as well as assess and manage the relevant risks. In October 2016, UNESCO issued a Statement on UNESCO’s Environmental and Social Policies, “UNESCO is firmly committed to abide by the internationally set environmental and social policies and standards, in line with the World Bank Group, regional development banks and members of the United Nations system, as well as the Adaptation Fund, the Green Climate Fund and the Global Environment Facility.”³

² Letter from the Director, Research and Centre of Gravity of Human Resources in Delegations, Directorate General for International Cooperation and Development, Brussels, 3 June 2015.

³ http://en.unesco.org/sites/default/files/statement_on_unesco.pdf

The Panel review therefore concludes that, based on all the information provided, UNESCO meets the Adaptation Fund's environmental and social policies.

3. Assessment of whether UNESCO meets the Adaptation Fund's Gender Policy

UNESCO provided information to demonstrate its long-standing commitment to gender policies since gender equality has been one of their global priorities in their previous medium-term strategy and is being implemented through the Priority Gender Equality Action Plan I and II (GEAP).

Based on the documents reviewed, UNESCO has demonstrated that environmental and social and gender policies and implementation plans thereof are woven across UNESCO's five major programmes of education, natural sciences, social and human sciences, culture, and communication and information. The remaining challenge is resources.

The Panel review therefore concludes that, based on all the information provided, UNESCO meets the Adaptation Fund's gender policies.

4. Assessment of whether UNESCO meets the Adaptation Fund's requirements on transparency, self-investigative powers, anti-corruption measures, fraud awareness and prevention, and mechanisms to address complaints about environmental, social or gender harms caused by projects.

UNESCO provided information and documentation on improvements made since its initial accreditation in 2011 on transparency, self-investigative powers, anti-corruption measures, fraud awareness and prevention, and assessments of complaints on any harms caused by projects. In 2015, UNESCO issued a policy for zero tolerance for fraud, financial mismanagement and other forms of malpractices by staff and other parties. A Statement was also published on their website UNESCO's Environmental and Social Policies regarding environmental and social harms that may be unintended consequences of the Organization's projects, programmes and functions.

The Panel review therefore concludes that UNESCO meets the Adaptation Fund's requirements on transparency, self-investigative powers, anti-corruption measures, fraud awareness and prevention, and mechanisms to address complaints about environmental or social harms caused by projects. In addition, the Panel concludes that UNESCO meets the AF requirements regarding gender-related complaints.