



**Interoffice Memorandum**

To: Ms. Nileema K. Noble  
UN Resident Coordinator  
The Philippines  
Date: 02 July 2008

From:   
Assistant Administrator and Director  
Partnerships Bureau-UNDP  
Extension: 6005

Subject: Strengthening the Philippines' Capacity to Adapt to Climate Change  
File: MDGF 1656

**I. Approval Status**

On behalf of the MDG-F Steering Committee I am pleased to inform you that your Joint Programme 'Strengthening the Philippines' Capacity to Adapt to Climate Change' is approved with an allocation of USD\$8 million over three years. This figure includes 7% for indirect costs incurred by UN Participating Organizations. Please note the 1% AA fee will be reimbursed directly to the MDTF Office and need not be included in your allocation.

**II. JP design comments**

We appreciate the efforts made in revising the document that no substantive changes are required **to the design** of your Joint Programme and you may proceed with signature of the Joint Programme document. In addition to the Government, the UN Resident Coordinator and Participating UN Organizations should each sign the Joint Programme document. We would encourage you to ensure some visibility for this event and for the launch of activities. For our records we would highly appreciate receiving a copy of the signed minutes of the National Steering Committee meetings.

We note the Joint Programme aims to enhance the country's coping or adaptation capacity, especially those of critical stakeholders who stand directly to be affected by the climate change phenomenon, as well as those who can provide the necessary information and wherewithal to enable anticipatory adaptation to take place. The Joint programme will support national level interventions and the implementation of five demonstration projects in five different geographical areas selected on the basis of sites identified in the UN Disaster Risk Reduction Initiative, willingness and political will of concerned local authorities ; and an appropriate representation of the three major island groups.

Our original concerns regarding the issue of insufficient information of the targeting criteria and the five demonstration projects have been adequately addressed.

While the proposed Monitoring framework is clear, additional effort should be undertaken to develop indicators to capture progress at the level of MDGs, UN reform and Paris Declaration. In addition, the Secretariat plans to work with all approved programmes during 2008 to address their M&E frameworks and to develop a small number of common indicators relating to the MDGs, thematic windows, UN reform and the Paris Declaration.

A cautionary note is given with regards to the NEDA having both a lead coordination role in the implementation of the programme as well as being a member of the National Steering Committee. While



we understand the reasoning for the NEDA coordinating the programme, it could make it more difficult to be objective during joint programme assessments by the National Steering Committee.

### **III. JP re-design requirements and/or recommendations**

While the Steering Committee does not require changes as such, we would recommend that during the inception workshop, some time be given to discussion on how the beneficiaries will be included in (1) the decision-making processes with regards to the programme activities and (2) how they will be involved in the monitoring and evaluation of the joint programme. You may also consider adding a paragraph to better clarify how the joint programme will be managed on a day to day basis both centrally and at the programme sites.

### **IV. Management arrangements and delegation of authority**

On receipt of a copy of the signed document, the Fund Secretariat will transfer the full three-year allocation to the custody of the Multi Donor Trust Fund (MDTF) Office pending further instructions from you.

Please note the MDTF Office will pass-through funds to Participating Organizations on instruction from you as Resident Coordinator and Co-Chair of the National MDG-F Steering Committee.

As reflected in the Fund's Framework Document (Section 9 'Formulation Process & Release of Funds) and the global MoU with Participating Organizations (Article I, 2-c) the MDTF Office will release resources on an annual, advance basis. For the first advance, these funds will be transferred on the basis of receipt of the first year Annual Workplan and the signed Joint Programme document. Subsequent annual advances will be released on instructions from you and on the basis of a) receipt of the next annual work-plan approved by the National Steering Committee; b) evidence that a formal review of the programme's progress has been undertaken not more than three months earlier, either in the form of an annual progress report (if the timing coincides) or through the minutes of a National Steering Committee where this has been discussed; and c) only when combined commitments against the existing advance have exceeded 70%. Please review the initial year budget requests carefully with participating organizations in order to ensure realistic delivery targets in this regard. The annual agency apportionment projected in the final budget attached to the signed Joint Programme document should also be reviewed and can be revised up to the time of your first funds-advance request. This is important for the reasons outlined below.

In order to allow the implementation team some flexibility to adapt the strategy to unexpected challenges and opportunities (most particularly delivery issues), and to empower Resident Coordinators in their oversight responsibilities, this memorandum also provides you with the authority over the three year duration of the programme in consultation with Participating Organizations and with the agreement of your National Steering Committee to (a) transfer up to \$1,000,000 or 20% of the total value of the project budget – whichever is lowest – *between Participating Organizations* identified in the original Joint Programme budget and (b) re-phase up to \$1,000,000 or 20% of the total value of the project budget – whichever is lowest – *between years*. The base-line against which these ceilings will be measured is the annual budget projection (by year and by participating organization) confirmed at the time of your first funds-advance request. The MDTF Office must be informed of any revisions of this kind, decided locally



and is responsible for tracking these delegation ceilings for each programme. Any changes that fall outside these parameters will have to be referred back to the (Global) MDG-F Steering Committee for approval.

As you will appreciate, one of the MDG-F's express goals is to strengthen the role of Resident Coordinators as leaders of Country Teams. The success of the MDG-F activities will depend on your ongoing leadership and engagement. We count on you to exercise this leadership and to ensure this Joint Programme remains an ongoing, integrated effort by the UN system in support of national priorities. Please also use the National Steering Committee mechanism to help ensure national ownership by the Government in particular and involve it in important financial and programmatic oversight decisions.

The signed Joint Programme document and the completed Fund Release Form should be sent to the MDG-F Secretariat and MDTF Office within 30 days of the receipt of this memorandum. If this deadline is not possible, please inform the secretariat accordingly.

The Executive Coordinator of the MDTF Office, Bisrat Aklilu, will be in contact with any specific documentation requirements to ensure the programme meets compliance requirements for the Fund's pass-through arrangements.

With best wishes,

cc.

Mr. Bisrat Aklilu, Executive Coordinator, Multi-Donor Trust Fund Office  
Mr. Ajay Chhibber, Assistant Administrator and Director Bureau for Asia and Pacific, UNDP New York  
H.E. Mr. D. Juan Antonio Yáñez-Barnuevo, Permanent Representative of Spain to the United Nations  
H.E. Mr. Wang Guangya, Permanent Representative of the People's Republic of China to the United Nations  
Mr. Gabriel Ferrero y De Loma-Osorio, Deputy Director of Development Policy Planning and Evaluation, MFA Madrid  
Ms. Sally Fegan-Wyles, Director, Development Group Office  
MDG-F Secretariat