



GREEN
CLIMATE
FUND

FEDERATED STATES OF MICRONESIA

COUNTRY PROGRAM

PROGRAMMING CYCLE 2024 - 2027



FEDERATED
STATES OF
MICRONESIA



POHNPEI
STATE



CHUUK
STATE



KOSRAE
STATE



YAP
STATE

COUNTRY PROGRAM UPDATE LOG		
February 2018	Initial development of the CP, led by Mr Kensley Ikosia, GCF NDA Office Team Leader/Climate Finance Advisor, FSM Department of Finance and Administration.	
LAST UPDATE	LEAD REVIEWER	MAIN UPDATES
First Update, June 2022	Ms Belinda Suzuki-Hadley, GCF NDA Office Team Leader, FSM Department of Finance and Administration.	Strategic Framework Vision Target Date CP Pipeline GCF Readiness Requests



Prepared by Leah Briones-Johnson, Country Program Consultant. The Pacific Community as delivery partner under the GCF Readiness Program Phase II with the FSM Department of Finance and Administration, NDA to the Green Climate Fund.

Cover photograph by © Nick Hall.
The largest remaining stand of Ka Forest in the world, UNESCO Utwe Biosphere Reserve, Kosrae State, FSM.

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ACRONYMS AND ABBREVIATIONS

ADB	Asian Development Bank	IOM	International Organization for Migration
AE	Accredited Entity	JSAP	Joint State Action Plan for Disaster Risk Management and Climate Change
AF	Adaptation Fund	M&E	Monitoring and Evaluation
CCDRM	Climate Change Disaster Risk Management	MCT	Micronesia Conservation Trust
CCPA	IMF-WB FSM Climate Change Policy Assessment	NAP	National Adaptation Plan
CN	GCF Concept Note	NDA	FSM National Designated Authority to the GCF
CP	FSM-GCF Country Program	NDC	Nationally Determined Contribution
CPDAE	Community of Practice for Direct Access Entities	NGO	Non-governmental Organisation
DAE	Direct Access Entity	ODA	Overseas Development Assistance
DECEM	FSM Department of Environment, Climate Change and Emergency Management	PACCSAP	Pacific-Australia Climate Change Science and Adaptation Planning Program
DFA	FSM Department of Foreign Affairs	PIF	Pacific Islands Forum
DoFA	FSM Department of Finance & Administration (NDA to the GCF)	R&D	FSM Department of Resources and Development
EDA	GCF Enhanced Direct Access Modality	R1, R2, R3	FSM-GCF Readiness Programs 1, 2, 3
EEZ	Exclusive Economic Zone	SAP	GCF Simplified Approval Process
ENSO	El Niño-Southern Oscillation	SD Council	FSM Presidential Council on Sustainable Development (formerly the CC&SD Council)
ESS	GCF Environmental and Social Safeguards	SDG	UN Global Sustainable Development Goals 2030
EU	European Union	SIDS	Small Island Developing States
FP	GCF Full Proposal Modality	SPC	Pacific Community (formerly the South Pacific Commission)
FSM	Federated States of Micronesia	SPREP	Secretariat of the Pacific Regional Environment Programme
FSMDB	FSM Development Bank	SWOC	Strengths, Weaknesses, Opportunities and Challenges analysis
GCF	Green Climate Fund	TC&I	FSM Department of Transportation, Communication & Infrastructure
GDP	Gross Domestic Product	UNFCCC	UN Framework Convention on Climate Change
GEF	Global Environment Facility	USAID	United States Agency for International Development
GEDSI	Gender Equality, Disability & Social Inclusion	Vital	The Vital Group (formerly FSM Petrocorp)
HDI	Human Development Index	WB	World Bank
IDP	FSM Infrastructure Development Plan		
IMF	International Monetary Fund		

FOREWORD

Climate change is a clear and present danger to the Federated States of Micronesia. This is now well known. As are the solutions.

Our partnership with the Green Climate Fund gives great hope for our people. Thanks to its continued Readiness support, we have a country program with a pipeline of projects, two of which is beginning implementation. We are also working towards a National Adaption Plan that will help strengthen our capacities as we transform into a nation of highly adaptive communities, prospering in a low carbon economy. Our country program is a socially inclusive, stakeholder-driven initiative, empowering us to work towards this new paradigm that will see the FSM not only survive, but thrive, in the face of climate change.

As we do so, we must begin to properly value our role as custodians of vast natural resources that significantly impact the well-being of our island communities as well as the greater global community.

We are a Large Ocean State in the Blue Pacific Continent. We are the stewards of land-based natural resources, such as the largest remaining Ka Forest in the world as well as mangrove forests that surround our islands and extend across millions of kilometres of blue ocean. This makes our people custodians of one of the world's most significant carbon sinks, critical to reducing greenhouse gases and limiting global warming.

I call on the GCF and other development partners to understand 'high impact' in the FSM beyond our small population. The FSM is one of the few places on earth uniquely positioned to protect, restore and expand natural carbon-reducing ecosystems. Veritably, this is business *unusual*, and I believe that the FSM has the potential to become, not net zero, but net *negative*, and a source of inspiration to the world.

I applaud the dedicated work involved in this first update of the country program. It has kept our climate change ambitions current, active and synergised with the Sustainable Development Goals 2030.

In solidarity with the Presidential Sustainable Development Council, the States leadership of Yap, Pohnpei, Kosrae and Chuuk, my fellow citizens, I stand and work with you towards our green, and indeed - 'blue' prosperity.

Sincerely,



H.E. David W. Panuelo

President of the Federated States of Micronesia



EXECUTIVE SUMMARY

This first update of the GCF Country Program (CP) was prepared by the National Designated Authority (NDA) for the GCF at the FSM Department of Finance and Administration, in consultation with the four States of Yap, Chuuk, Pohnpei and Kosrae. As with the original CP, consultations for this update were undertaken with a whole-of-society approach, including stakeholders from government, non-governmental, intergovernmental organisations, and the private sector.

This CP update follows six years of FSM-GCF partnership (2016 to 2022), which has secured USD 27.6 million in institutional strengthening and approved projects. It presents the latest strategic and operational framework for engagement with the GCF. Its purpose is to ensure that project and program proposals submitted to the GCF are 'already-endorsed' and integrate national priorities with the Fund's investment criteria. It further serves to demonstrate the interlinkage between climate change and sustainable development in the FSM.

Three main updates have been made in this CP. First, the CP Strategic Framework's vision goal date has been amended from 2025 to 2030 to align with those of the latest NDCs and SDGs. Second, the pipeline of priorities are now limited to five projects for submission within the GCF's four year programming cycle. Third, the identification of Readiness needs for continued institutional strengthening and adaptation planning, has undergone a systematic assessment involving a SWOC analysis and M&E exercise of the last CP's implementation. The resulting financing requests cover the needs to develop a paradigm-shifting pipeline that advances the FSM's contributions towards the 2050 Paris Agreement objectives.

The overall cost of the pipeline priorities for consideration under the GCF programming cycle 2024 to 2027 is approximately USD 131 million.

The identification of priorities are a continuation of the processes established in the last CP. This involves the consolidation of endorsed priority projects under the Joint State Action Plans for climate change (JSAPs), the FSM Infrastructure Development Plan (IDP) and the latest FSM Overseas Development Assistance (ODA) Priorities List for the period 2020. With the exception of the *Health Resilience* project, all priorities in this CP are at Ideas Phase, requiring further scoping, sector-wide analysis and stakeholder consultations.

The implementation of this CP depends on the commitment to strengthen institutional structures in order to absorb and effectively manage this ambitious, yet necessary, adaptation pipeline over the longer term. Through the continued strengthening of the pillars of 'leadership, coordination and capacity', this CP can greatly contribute to meeting the FSM's climate and sustainable development goals.



LEADERSHIP

The Presidential Sustainable Development Council ensures the effective and sustainable implementation of the Country Program.



FSM CLIMATE GOALS

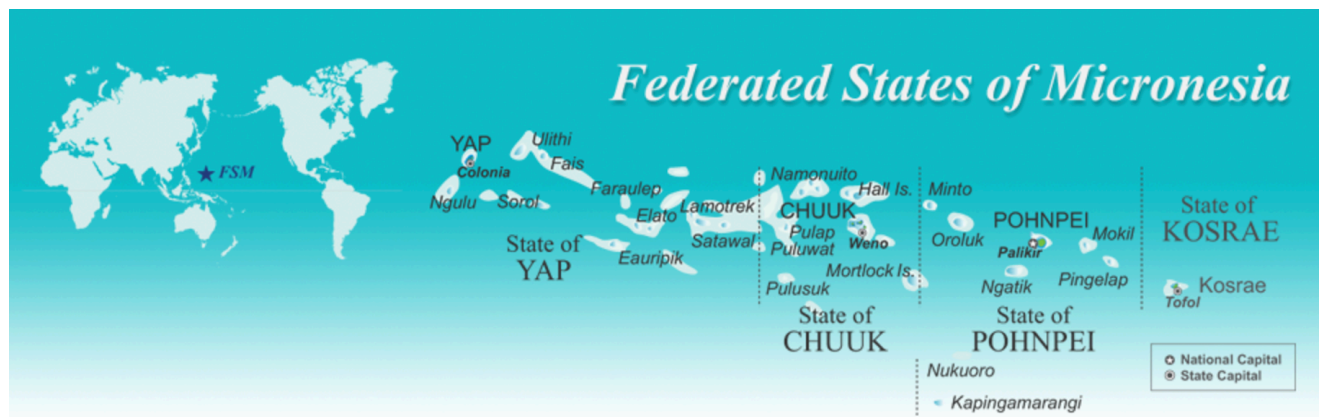
Net zero GHG emissions by 2050.
Reduce methane emissions by 30% by 2030.
Other supporting NDCs.



FSM GCF PIPELINE

USD 131 million (2024 to 2027)

1. COUNTRY CONTEXT



1.1 COUNTRY PROFILE

Governance Structure	The FSM is a federation of four semi-autonomous island states: Yap, Chuuk, Pohnpei and Kosrae.
Population projections for 2022 Source: www.fsmstatistics.fm, 2022	FSM total: 105,015 (51% males, 49% females, with assumed annual growth rate of 0.17%). Yap State: 11,617 Chuuk State: 49,681 Pohnpei State: 36,960 Kosrae State: 6,756.
Land and Ocean area Source: www.fsmstatistics.fm, 2022	Land area of 702km ² with a vast EEZ covering over 2.5 million km ² . Land area Yap State:120km ² Chuuk State:127km ² Pohnpei State: 342km ² Kosrae State:109 km ²
Location Source: www.fsmstatistics.fm, 2022	The FSM is a grouping of 604 small islands in the Western Pacific; 74 are inhabited.
Climate variability Source: PACCSAP, 2015 & 'NextGen', 2021	Long term warming trend is projected for the FSM. Year to year variability due to the ENSO affects the weather systems from East to West differently e.g. the West Pacific Monsoon affects the western states of Chuuk and Yap more than the eastern states of Pohnpei and Kosrae.
Climate risks Source: FSM Joint State Action Plans, 2016	Location on the southern edge of the typhoon belt result in occasional severe damage, particularly in the western islands of Yap. FSM's islands are affected by extreme rainfall events, drought, high sea levels, strong winds, and extreme high air temperature.
Vulnerable groups Source: FSM National Climate Change and Health Action Plan, 2012.	The young, elderly and disabled. Women and girls. The socially disadvantaged. Those with existing health conditions. Outdoor workers. Residents of hillsides, riverbanks and coastal areas. Rural and outer-island communities. Displaced and migrant communities.
Vulnerable sectors Source: FSM Joint State Action Plans 2016	Water Resources, Agriculture, Human Health, Transport and Infrastructure, Fisheries, Coastal Ecosystem and Biodiversity, and the Private Sector.
GHG emissions profile Source: Foruw and Konno-Anisin, 2010*	0.003% of global CO ₂ emissions (based on the second greenhouse emissions inventory for the FSM using 1994 baseline data and 2000 data).
Key emitter sectors Source: Foruw and Konno-Anisin, 2010*	The Energy sector (electricity generation and road transport) is the primary source of GHG emissions (79%), followed by Forestry and Other Land use (12%), Waste (8%), Industrial Processes (0.4%) and Agriculture (0.3%).
Development Indicators GDP source: www.fsmstatistics.fm, 2022 HDI source: hdr.undp.org, 2019	GDP (FY 2018): USD 251.1 million. HDI (2019): 0.620 Medium Human Development. Ranked 136/189 countries.

*Latest available data for the FSM, also see p10.

1.2 CLIMATE CHANGE PROFILE: THE FSM IS HIGHLY VULNERABLE

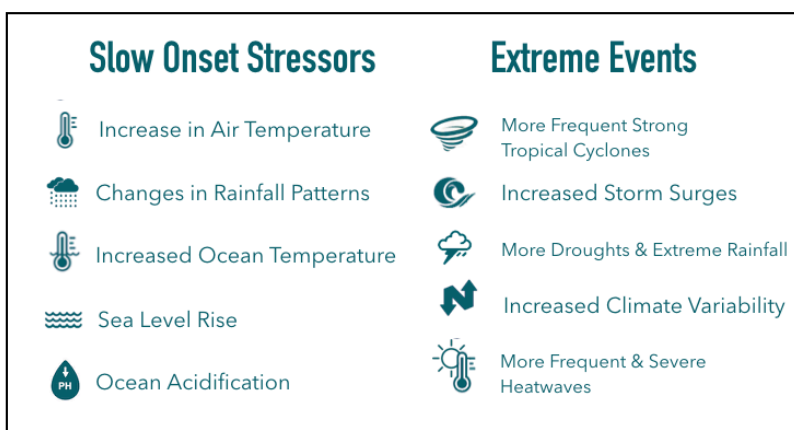
Adaptation Profile

Pacific nations are amongst the most vulnerable and exposed to climate change impacts. The FSM is considered the third most at risk country in the Pacific region. It ranks in the top 3 percent of countries in terms of risk of fatalities per 100 thousand inhabitants due to long term climate change.¹

The latest Intergovernmental Panel on Climate Change (IPCC) data on stressors and extreme events in Pacific countries, reinforces the FSM's experience of climate change, and supporting compiled data, to date² (see figure 1).³

Climate change impacts continue to negatively affect communities and productivity across the country. With islands located in the 'Typhoon Belt' of the northwestern Pacific ocean, tropical storms are a continuous threat. Along with sea level rise, they are causing severe damages in both main and outer islands. Damage includes irreversible coastal erosion, infrastructure destruction, and endangered food and water security through salt water inundation.

Figure 1: Climate Stressors and Extreme Events in the FSM



In 2015, Typhoon Maysak wiped out up to 90% of key agricultural products in Chuuk and Yap. In 2019, Typhoon Wutip caused damage to infrastructure and agricultural production of thirty islands and left over 11,000 people food-insecure.⁴ In early 2022, Chuuk received disaster emergency aid and has been assessing infrastructure damage as a result of significant salt water intrusion, brought about by a combination of king tides, elevated sea levels and strong northerly winds.⁵

Increase in air temperature makes the FSM vulnerable to droughts, which impact natural vegetation and result in shortages in freshwater supply, especially in the outer-islands. Drought conditions also depress sea levels,

¹ As per the long-term Global Climate Risk Index for 1998-2017. See *IMF-WB Climate Change Policy Assessment (CCPA) for the Federated States of Micronesia*, 2019, p10.

² For details on the FSM's climate change data, as compiled from the JSAPs of 2016 (yet to be updated), see original *FSM-GCF Country Program 2018*, pp 9-10.

³ Figure 1 is reproduced from the *Overview Factsheet of the IPCC Sixth Assessment (AR6) Report on Impacts, Adaptation and Vulnerability*, Australian National University in partnership with the Pacific Climate Centre, 2022. Note that for the Western Pacific, projections regarding cyclones suggest a decrease in number but an increase in intensity and impact; see CSIRO and SPREP (2021) 'NextGen' *Projections for the Western Tropical Pacific: Current and Future Climate for the Federated States of Micronesia*, Technical Report to the Australia-Pacific Climate Partnership for the Next Generation Climate Projections for the Western Tropical Pacific project.

⁴ International Organisation for Migration (IOM), 'Typhoon Wutip Destruction', *IOM Micronesia Newsletter*, July 2018 to April 2019.

⁵ IOM, 'Humanitarian Partners Support Emergency Response to King Tide Damage,' *Kaselehlle Press*, January 18, 2022.

exposing coral reefs, and together with warming sea surface temperatures and ocean acidification, contribute to significant coral bleaching events.

Mitigation Profile

While the FSM is a low emitter of greenhouse gas (GHG) emissions, it recognises the importance of every country taking action to reduce emissions as part of the global effort to limit average temperature rise below 1.5°C.

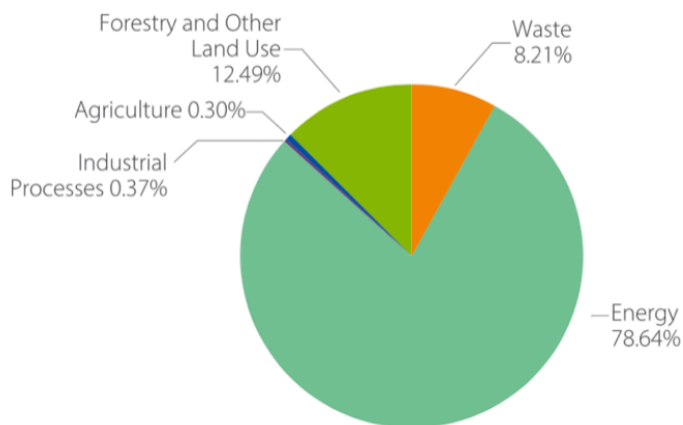
In its Updated Nationally Determined Contributions through to 2030, the FSM has raised its target to net zero GHG emissions by 2050.⁶ It has further committed to the Global Climate Methane Pledge to reduce global methane emissions by 30% from 2020 levels by 2030.⁷

The FSM also recognises that while it remains highly dependent on imported petroleum fuels for electricity generation and transportation, clean energy underpins sustainable development. This is especially so, considering that energy is the principal source of greenhouse gas emissions in the country (figure 2).⁸ In the last decade, the country has benefitted from substantial interventions in the renewable energy sector by multiple donor partners. Mitigation now accounts for over half (56.5%) of climate change and disaster risk management funding in the FSM.⁹

The expansion of renewables has helped to reduce GHG emissions from electricity generation; industry penetration increased from 4.3 percent in 2009 to 19 percent in 2019. Solar farms, a hydro facility in Pohnpei and a wind farm in Yap account for the large majority of renewables. Transportation is now the main source of emissions, mainly from the use of gasoline in passenger vehicles.¹⁰

Figure 2: Sectoral Breakdown of FSM GHG emissions in 2000

Source: Foruw and Konno-Anisin, 2010.



THE FSM TARGETS NET ZERO GHG EMISSIONS BY 2050

⁶ From the previous unconditional target of 28 per cent reduction in greenhouse gas emissions and conditional target of 35 per cent by the year 2025.

⁷ Federated States of Micronesia, *Updated National Contributions of the Federated States of Micronesia for the period through 2030*, Final Draft, January 2022.

⁸ This data source was used in the *FSM Second National Communication to the UNFCCC*, 2015. It is now over a decade old, with the actual data now being over 20 years old. As noted in the *Rapid Report SWOC* analysis that accompanied the update process for this CP, up-to-date data is a challenge in the FSM. However, the data on the Energy sector seems to have remained true according to the *The Updated NDC Report for the period through 2030 (Final Draft, p12)*: "...petroleum fuels for electricity generation and transportation...are responsible for almost 80% of the FSM's carbon dioxide emissions." The Rapid Report can be accessed [here](#).

⁹ Pacific Community and Pacific Islands Forum Secretariat, *Federated States of Micronesia Climate Change and Disaster Risk Finance Assessment*, 2019, p36.

¹⁰ Op.cit. *IMF-WB CCPA* 2019, p17.

Forests in the FSM are significant buffers to risks and provide both adaptation and mitigation functions for communities. Together with the extensive mangrove systems across its islands, and its great expanse of ocean estate, the FSM constitutes a vital ecosystem that acts as a carbon sink for the global community. Notably, forestry and other land use has been identified as a key emitter sector, accounting for around 10% of emissions (figure 2). However, reduced emissions in this sector is expected as efforts in forest protection and rehabilitation become increasingly linked with climate change.¹¹

1.3 CLIMATE RISKS: THE FSM IS HIGHLY EXPOSED

The FSM's experience of key risks¹² also correlates with those identified for Pacific countries by the latest IPCC data (figure 3).¹³

Communities in the FSM who are most at risk include the young and the elderly; the disabled and those with other health and mobility problems;¹⁴ the socially disadvantaged; those that lack access to public information



Figure 3: Key Climate Risks in the FSM



broadcasts and communications; those that work outdoors such as fishers and farmers; and those who have already been, or are likely to be displaced, such as residents of riverbanks and hillsides, low-lying atolls and those living close to the coasts.

Those living in rural areas and outer-islands are particularly vulnerable, given the long distances, at times unfavourable weather, logistics and high-cost challenges in inter-island transportation that make it particularly difficult to deliver assistance. The social group of women and young girls, especially if pregnant, rearing young children, caring for the elderly, and/or those affected by sexual violence, are also especially at risk.¹⁵

A further consideration are converging threats, such as a pandemic with climate change. The COVID-19 pandemic has strained emergency preparedness and food security efforts across the FSM's dispersed and

¹¹ See for example, US Forest Service, Department of Agriculture, *State and Forestry Fact Sheet Federated States of Micronesia*, 2022.

¹² As documented in the *FSM Climate Change Policy 2013* and across the *FSM JSAPs 2016*.

¹³ Figure 3 is reproduced from the *Overview Fact Sheet of the IPCC Sixth Assessment (AR6) Report on Impacts, Adaptation and Vulnerability*, Australian National University in partnership with the Pacific Climate Centre, 2022.

¹⁴ The FSM ratified the Convention on the Rights of Persons with Disabilities in 2016.

¹⁵ *The FSM National Climate Change and Health Action Plan* (2012), highlights that 'it is also important to recognise the risk of violence, including sexual violence, that often occurs in the aftermath of natural disasters, and which disproportionately affects women and children.'

isolated population. This portends climate change impacts that could cause similar disruptions to supply chains in the near future. Concurrently, the pandemic has strained the economy to respond to climate change impacts, with real GDP declining by around 1.8 percent in fiscal year 2020.¹⁶ Recent modelling of natural disaster impacts to the FSM economy show that a repeated disaster to the same degree as Typhoon Maysak, can cause GDP to fall by up to 5 percentage points and fiscal and trade balances by 3.4 percentage points and 13.4 percentage points, respectively. Alarming, modelling also suggest that a cyclone causing damages of around 50 percent of GDP is to be expected once every 100 years in the FSM.¹⁷

1.4 SUSTAINABLE DEVELOPMENT AGENDA

Climate change is inherently interlinked with sustainable development in the FSM. Due to the small size and dispersed geography of its islands, any large-scale economic activity or infrastructure development will necessarily have a significant impact on natural ecosystems and the environment. Conversely, extreme climate events can heavily impact on infrastructure (section 1.2).

As made explicit in the FSM Climate Change Policy of 2013 and accompanying Act of 2014, all development activities in the FSM are to take into account projected climatic changes in their design and implementation, and to integrate climate change into other policies, strategies and action plans. The Presidential Council on Sustainable Development (hereafter, the SD Council) is the body responsible for implementing the Act, and by course of action, this CP (see section 6). It has been established under an Executive Order to address and coordinate all climate change and sustainable development matters for the country.



“ Provide leadership and strengthen institutional arrangements, partnerships, and implementation on mainstreaming climate change and disaster risk reduction...and the UN Sustainable Development Goals into policies and actions across all sectors, initiatives and plans.”

- Section 5, Duties and Responsibilities of the Executive Order to Establish The Presidential Council on Sustainable Development.

The original CP is the FSM's first national document to articulate why the classical model of development as economic (or sustained) growth is no longer possible under intensifying climate change.¹⁸ With the additional challenges of the pandemic steering the global investment landscape towards a green-growth recovery, the FSM's only sustainable option is to pursue a climate-responsive and low carbon development pathway.¹⁹ To see this ambitious 'paradigm shift' through to actionable investments, multi-stakeholder consultations were held to validate a whole-of-society sustainable development strategic framework that is underpinned by a CP implementation roadmap (figure 4).²⁰

¹⁶ IMF Executive Board, *Article IV Consultation with the Federated States of Micronesia*, Nov 2021.

¹⁷ Op.cit. *IMF-WB CCPA 2019*, p11.

¹⁸ Op.Cit. *Country Program 2018*, pp 22-24.

¹⁹ Op.Cit. *Rapid Report 2022*, p9-12.

²⁰ The framework represents the FSM's stakeholder-validated climate change and sustainable development agenda as based on the *FSM Strategic Development Plan 2014 to 2023*, the *FSM Climate Change Policy 2013*, *FSM Climate Change Act 2014* and the *Rapid Vulnerability Assessment Report 2016*, undertaken for the development of the original CP. For the full description of this framework, see Op.Cit., *Country Program 2018*, pp22-29. The target date for the framework was updated from 2025 (as previously aligned with the IDPs) to 2030 to align with the Updated NDCs and SDGs. The original CP strategic framework is in Annex 1.

Figure 4: FSM Sustainable Development Strategic Framework



Under this framework, the original CP also became the first official document to coordinate and consolidate the nation's endorsed development priority projects and programs into a climate change pipeline (see section 3).

Through this consolidated and inclusive approach, the CP significantly contributes towards meeting the FSM's NDC goals. To date, two GCF-funded projects are already enabling the implementation of some of the Contributions. The *Climate Resilient Food Security for Farming Households in the FSM Project SAP020* is contributing to the implementation of the first three unconditional contributions on food security.²¹ The *Climate Change Adaptation Solutions for Local Authorities in the FSM Project FP169* is also contributing to food security as well as to the other target sectors of water security, public health, ecosystems management, and emergency management and response. Going forward, this Updated CP presents further opportunities to meeting the NDC goals through the CP pipeline and Readiness Requests (see sections 3 and 4, respectively). In particular, the development of a National Adaptation Plan (NAP),

“

We now have a consolidated framework to develop large scale, cross- sectoral priority projects and programs which can transform our fossil-fuel reliant economy into a 'green economy' that can make our island communities thrive in the face of climate change.

This Country Program presents a strategic framework that integrates top-down 'green' infrastructure development with bottom-up social and environmental safeguards from 'green' communities...taking us from a paradigm of 'sustained growth' to 'sustainable growth.'

Former FSM President Peter M. Christian, FSM-GCF Country Program, 2018

21 Op. Cit. *FSM Updated NDCs* (Final Draft), 2022, p19.

expected under GCF support, will help catalyse efforts in meeting the contribution goals across all the sectoral target areas. Annex 2 provides a full account of the GCF's present and potential assistance in meeting the NDC goals.

In line with the FSM NDCs, the CP implementation roadmap is informed by the latest IPCC findings on the co-benefits between mitigation actions, adaptation and sustainable development. The development of projects in the CP Pipeline will ensure alignment with the SDGs as a guide for choosing appropriate mitigation and adaptation actions (figure 5).²²

Figure 5: Mitigation and adaptation options for sustainable development



The CP therefore plays a key role in charting the course for the FSM to meet the SDG Goal on Climate Action along with other complementing goals on zero hunger, health and well-being, gender equality, clean water and sanitation, affordable and clean energy, decent work and economic growth, industry, innovation and infrastructure, reduced inequalities, sustainable cities and communities, responsible consumption and production, life under water and on land, peace justice and strong institutions, and continued strengthened partnerships to meet these goals.

Figure 6: FSM-GCF Country Program and the SDGs 2030



²² Figure 5 is reproduced from the *Factsheet of the IPCC Sixth Assessment (AR6) Report on Climate Change Mitigation and Development Pathways*, Australian National University in partnership with the Pacific Climate Centre, 2022.

2. CLIMATE FINANCE STRATEGY AND PRIORITIES

Since 2016, GCF support has greatly progressed the FSM's capacity towards developing a climate finance strategy. Under the GCF Readiness Program phases 1 and 2, the Fund has so far supported institutional strengthening, including capacity building of the NDA, the facilitation of leadership actions on climate finance coordination, and the prioritisation of gender equality, disability and social inclusion in the FSM national policy arena. In the immediate future, the FSM is seeking GCF support for the development of a national adaption plan (NAP).

2.1 FSM CLIMATE FINANCE STRATEGY AND THE GCF

The FSM's partnership with the GCF in the last six years has been instrumental in assisting the country to develop an adequate investment strategy for adaptation. In coordinating and consolidating already-endorsed climate priorities under the Joint JSAPs, IDP and ODA Priorities, the original CP is the first, official document to provide a clear indication of adaptation spending needs for the FSM.²³

Currently, the FSM NAP proposal to the GCF is being designed to produce an overarching adaptation plan that includes the GCF and other climate finance and development partners. One of the main outcomes of the NAP will be the development of a national climate finance strategy.

In the meantime, the SD Council coordinates the climate finance strategy landscape for the country (table 1). It is supported by a Technical Committee that ensures coherence and complementarity with other climate funds in the development of project/program priorities in the CP pipeline, including the scaling up of projects initiated with other funds.

In 2017, GCF Readiness Phase 1 played a key role in catalysing the establishment of the SD Council to support the implementation of the original CP (which was then being developed). GCF Readiness

Phase 2 continued support for the institutionalisation of the SD Council. Due to a change in administration in 2019 and the onset of the pandemic in 2020, efforts in this area have been constrained. They have nonetheless been reignited with a new Executive Order, signed in late 2021. The update of the GCF CP in early 2022 has helped to re-start SD Council operations, with its second meeting already held in the first quarter of 2022.²⁴

The development of the FSM National Gender Policy is another achievement through which GCF support has been instrumental. The year-long stakeholder consultations for the development of the original CP helped to highlight the importance of gender equality, disability and social inclusion as a priority in adaptation efforts, and as one of the GCF investment criteria that the country must meet to access funds.

Table 1: FSM Climate Finance Focal Points

Department of Finance & Administration (DoFA)	The Secretary is the NDA and the Focal Point for the Green Climate Fund (GCF). Focal Point for World Bank Climate Change Funds.
Department of Environment, Climate Change & Emergency Management (DECEM)	Focal Point for the Global Environment Facility (GEF).
Department of Foreign Affairs (DFA)	Focal Point for the Adaptation Fund (AF).
Overseas Development Assistance (ODA) Office	The Administrator is the National Authorizing Officer for EU Funding.

²³ Op. Cit. IMF-WB CCPA 2019, p28.

²⁴ The first SD council meeting under the new Executive Order was held on 30 March 2021. The second, on 21 February 2022.

The recent stakeholder consultations held for the update of the CP resulted in nation-wide support for increased capacity in gender and climate change. This was identified as one of the most immediate needs to progress adaptation strategies and actions in the country (see section 4).

Significantly, the SPC-PIFs Assessment in 2019²⁵ identified that the FSM's climate finance institutions are emerging as a direct result of the FSM's partnership with the GCF. These include the establishment of the NDA Readiness Office and the accreditation of the Micronesia Conservation Trust (MCT) as the country's first Direct Access Entity (DAE) to the GCF. It further acknowledged the

potential to expand the FSM's direct access to climate finance across the private sector with the eventual accreditation of the Vital Group and the FSM Development Bank.

The Assessment further acknowledged the NDA Office Readiness team as 'an important institutional structure' that can play an increasingly strategic role in post-2023 finance planning, and highlighted their significant efforts in raising the profile of climate financing in the FSM. Figures 7, 8 and 9 show the current GCF investment portfolio within the country and region, which the team has helped to generate, and continue to manage.



Figure 7: FSM-GCF Readiness Program Initiatives

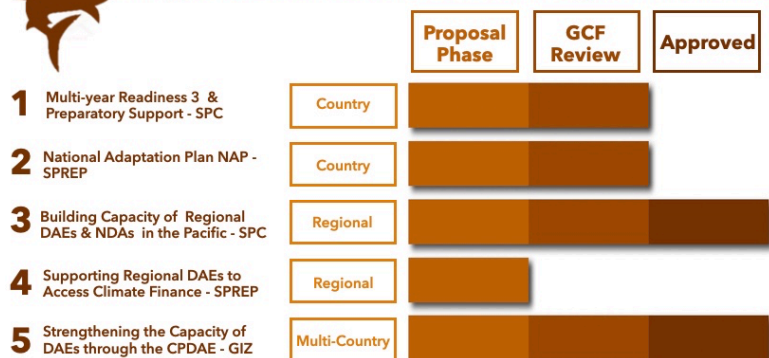
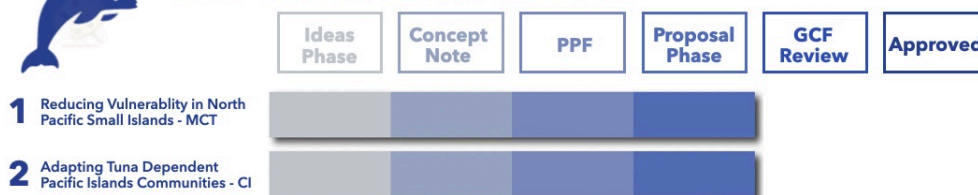


Figure 8: FSM-GCF Country Projects



Figure 9: FSM-GCF Regional Projects



²⁵ Full name is the SPC-PIFs *FSM Climate Change and Disaster Risk Finance Assessment*, 2019. See especially, pp72-73.

2.2 MEETING ADAPTATION AND MITIGATION NEEDS

Along with the SPC-PIFs Assessment, the 2019 IMF-WB climate change and policy assessment (CCPA) noted the need for a NAP to fill a critical gap in the FSM's policy framework on national adaptation priorities. The Assessments encourage the FSM to develop a NAP which would enable a comprehensive climate financing strategy that includes updated priority adaptation actions, beyond those listed in the CP pipeline.

The Assessments also highlighted the need for stronger focus on adaptation given that FSM's spending on climate change has thus far been tilted towards mitigation. As a low emitter, the FSM's immediate needs are considered to be less in mitigation, and more in adaptation, with climate change impacts already being felt in communities and in the economy.

It's important to note, however, that adaptation and mitigation are closely related in the context of small islands. Thus, an increased focus on adaptation in the FSM will cultivate synergies with mitigation efforts. This balanced approach is in line with the FSM's NDCs and latest IPCC findings, which highlight that the opportunities and limits for adaptation depend on emission reductions (see also section 1.4).²⁶

2.3 OVERCOMING FISCAL CHALLENGES

The Assessments further noted that a climate finance strategy is necessary for the country to overcome great fiscal challenges, now, and in the near future. Effective implementation of the climate finance strategy would help the FSM manage the negative economic impacts of the pandemic, fill the anticipated fiscal gap in the post-Compact scenario,

and shore up access to anticipated increases in global climate funds.²⁷

While the FSM had relatively high growth and low inflation before the pandemic, real GDP declined by around 1.8 percent in fiscal year 2020. Domestic services activity had contracted, investment projects delayed, and remittances had decreased. Given the persisting uncertainties around containment of COVID-19 and emerging global instability, real concerns for the FSM economy remain.

These concerns are compounded by the expiration of financial support and public services under the Compact with the United States in 2023. A fiscal forecast after 2023 sees the FSM's overall balance turn from a surplus of around 4.5 percent of GDP in 2023 to a deficit of 4.5 per cent of GDP in 2024.²⁸

Further, as mentioned in Section 1, additional risks such as the possibility of climate-change induced disasters, can negatively affect the FSM economy by up to 50% of GDP.

2.4 THE IMPORTANCE OF ODA

In the current context of the FSM, climate finance is largely provided by donors. Along with the increasing availability of climate funds, there is also an increasing array of overseas development assistance (ODA) grants and concessional lending instruments from bilateral and multilateral donors.

The FSM ODA Office therefore plays a central role in the development of the climate finance strategy. The SPC-PIFs Assessment identified the political imperative from donors to coordinate under an updated ODA policy,²⁹ especially considering the projected shortfall in funding post 2023.

²⁶ Op.Cit., *Fact Sheet of the IPCC AR6 Report on Impacts, Adaptation and Vulnerability*, 2022.

²⁷ Op.Cit., *Rapid Report*, pp10-12.

²⁸ International Monetary Fund (IMF), *Federated States of Micronesia IMF Country Report No. 19/288*, September 2019, p4.

²⁹ The FSM ODA Policy was endorsed in 2013.

In particular, ODA is central to the success of the CP not only in institutional coordination and endorsement processes of priorities, but also to its costing strategy for the co-financing of pipeline projects. The original CP highlighted ODA under the enabling pillar of 'capacity', and called for the NAP process to include capacity-strengthening of the ODA office to coordinate climate funds with other development funds.

The recent stakeholder consultations held for the update of the CP also identified increased ODA capacity as one of the key needs to progress adaptation strategies and actions in the country (see section 4). Indeed, the NDA Readiness Program has been careful to ensure that State focal points for the NDA are those in charge of, or closely work with, ODA at the state level. Moreover, the ODA Office has been strategically placed to act as the Secretariat for the SD Council.

2.5 FINANCING STRATEGY ON CP PRIORITIES

The overall cost of the FSM's top five priorities for the GCF programming cycle 2024 to 2027 is approximately USD 131 million.

As in the original CP, costings for the current priorities take into account the GCF's funding focus on climate change projects as different from development projects, and therefore include co-financing.

Co-financing arrangements, underscored by improved government revenue-making and more effective use of both Compact and non-Compact grants, is expected to cover the gaps in total financing. Improved fiscal management can ensure that surplus (primarily from the FSM and Compact Trust Funds, fishing fees and corporate tax earnings) is used to invest in adaptation and green growth efforts. Improved access to Compact grants would result in increased capital grants while improved

ODA coordination would see increased access to non-Compact grants.

Further co-financing opportunities can open up as a result of new partnerships with DAEs and AEs, whose numbers and availability to work in the FSM, have increased since the last CP (see next section).

Strengthened engagement with other Donors and delivery partners are crucial to the FSM's greater climate finance strategy. This is especially so considering the overall pipeline cost of around USD 640 million.³⁰ This amount represents the greater adaptation-mitigation needs of the FSM³¹ beyond the GCF's four-year funding cycle window.

At over double the GDP for 2018, the large scale and financing amount of the FSM's priorities may look overly ambitious. However, when understood as a flexible, phased and co-financed initiative, it can be more accurately seen as fair and actionable, especially in light of the FSM's significant sustainable development challenges and urgent climate change adaptation needs.

This financing strategy is proving effective. The present overall cost of USD 640 million is a reduction from the thirteen identified projects in the original CP, which had the combined cost of over USD 1 billion. In the four years since the completion of the original CP, one out of the thirteen projects has received GCF funding approval: the *SAP020 Climate Resilient Food Security for Farming Households project*. Components of another project, *The FSM Renewable Energy Investment Program*, have been redirected for funding by another Donor (the ADB). Some components of three other projects have been re-consolidated and merged into the new project currently being submitted to the GCF: *Increasing Resilience to the Health Risks of Climate Change in the Federated States of Micronesia*. Other components of some of the other projects have also already received funding by other donors (see Annex 3 for details).

³⁰ Combined overall cost of the five country-specific priorities (USD 131, 352, 504) plus those in the In-Line list (509,468,321). See Tables 2 and 3 on page 21.

³¹ Using the priorities identification methodology used for the CP (see section 3.1).

3. PRIORITY PROJECTS PIPELINE

The CP Pipeline has four components: priorities approved for funding, country-specific priorities for submission during the next four years of the GCF programming cycle (2024 to 2027), a reserve or In-Line priorities list, and a list of regional initiatives in which the FSM has taken part.

3.1 IDENTIFICATION OF COUNTRY PRIORITIES

The methodology for identifying country priorities under this Updated CP is a continuation of those established in the original CP.

Country priorities are based on the same consolidation of already endorsed priorities planned under the JSAPs, IDP and ODA Priorities List. All were channelled through the biennial ODA Priorities submission process of 2016 to 2018.³²

This endorsement process ensures country ownership and alignment from State governments to national government, then from national government to international donors (such as the GCF).

Figure 10 shows the projects/programs prioritization methodology as used in the last CP. A consolidation process of the numerous sub-priorities under the JSAPs, IDP and ODA

Priorities List produced a list of thirteen identified country projects/programs in the last CP.³³ For this updated pipeline, Step 4 (Updates) has been added to indicate the step used to re-configure, re-consolidate and prioritise from the original thirteen projects/programs. See section 3.3 for the list of updated priorities.

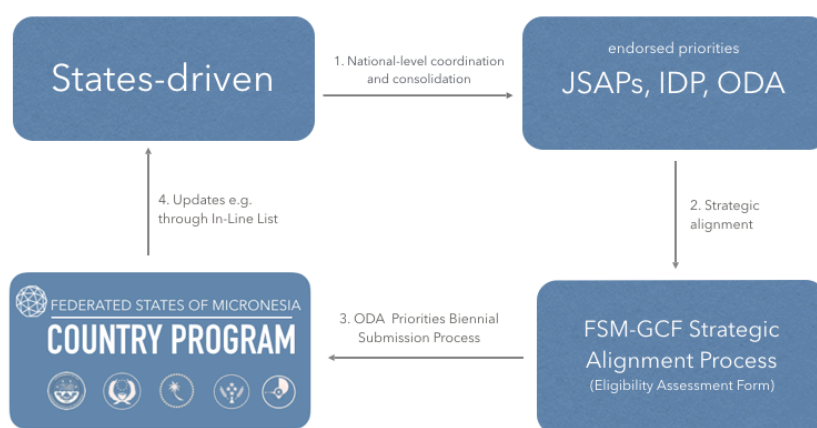
3.2 APPROVED PRIORITIES TO DATE

Since the last CP, one of the thirteen original projects has

received funding approval: the SAP020 Climate Resilient Food Security for Farming Households project with the MCT as the DAE.³⁴

The GCF also approved a second project, FP169 Climate Change Adaptation Solutions for Local Authorities, whose community-focused on-granting mechanism complements the Food Security project. While this project was not part of the original list of priorities, the NDA applied the CP's strategic framework to respond to new,

Figure 10: Projects/Programs Prioritization Methodology for the CP Pipeline



³² This process is considered valid-to-date since there have been no updates to the JSAPs and IDPs since the development of the last CP. In addition, no priorities under the latest (2020) ODA Priorities List (Annex 8) was included in this Updated pipeline since the endorsed priorities either have existing donors committed to them or do not have a climate change focus.

³³ For details, see Op.Cit. *Country Program 2018*, pp36-37. See also Annex 3.

³⁴ Existing support from the Adaptation Fund was already targeted to water security, thus the 'water' component of the original project was removed. See also Annex 3.

emerging opportunities such as the availability of the SPC as a newly accredited regional DAE to develop a proposal with the FSM through a pilot GCF funding window, the Enhanced Direct Access (EDA) modality.

The updated status of the original list of projects/programs along with newly emerged developments since the last CP, is set out in Annex 3.

3.3 COUNTRY-SPECIFIC PRIORITY PROJECTS/ PROGRAMS FOR 2024-2027

The re-consolidation process for this updated pipeline involved stakeholder meetings that reviewed the present viability and funding status of the priorities within the existing thirteen consolidated projects/ programs (see section 5).

The new list is presented in Tables 2 and 3 (next page). Table 2 lists the five country-specific priority projects for submission during the 2024 to 2027 GCF programming cycle. They received stakeholders' validation at the nation-wide workshop. Their summary details are in Annex 4.

Table 3 functions as a reserve list of priority projects/programs that have not been funded since the last CP and that were not selected for inclusion in the top five priority list in Table 2.

3.4 ADMINISTRATION OF PRIORITIES

During CP implementation, any of the five priorities in Table 2 may be moved into the In-Line List in Table 3, and vice versa, depending on progress made in securing a partnership with a DAE/AE and on the project proponents' display of effective leadership to facilitate the completion of a proposal.

There is a possibility that a project in the In-Line List can move up to the top Priorities List as early as 2023 if the *Nationwide Health Resilience-SAP* proposal has progressed to approval by this time.

DAEs/AEs may work directly with the States and National project proponents to reconfigure any of the existing project/program in the lists, or to identify a new project based on any or a combination/ consolidation of the endorsed priorities under the JSAPs, IDP and ODA Priorities. Projects identified under this process, can be simply included in the In-Line list during CP implementation (step 4 in figure 10).

It should be noted here that pipeline administration will prioritise proposals from national DAEs. Presently, the only accredited national DAE is the MCT. It has recently begun implementation of the *SAP020 Food Security Project* and has an approved concept note in the regional pipeline for 2023.

Notwithstanding this current workload, it may be possible to receive at least one proposal from the MCT within the upcoming 2024 to 2027 programming cycle.

There are no plans as yet for the other two nominated DAEs, FSMDB and the Vital Group. However, if they are able to secure accreditation in the next two years, then it may also be possible to receive at least one proposal from each of the organisations.

The administration of priorities will ensure coherence across climate finance partners as well as the strategic use of resources under the Readiness Program (see section 4) to overcome the gaps and limitations in pipeline development as outlined in Section 3.6.

3.5 COST ESTIMATE CONSIDERATIONS

The total financing required for the five pipeline priority projects is approximately USD 131 million over the next five years (2023 through to the end of the next GCF programming cycle in 2027).

Given the FSM's large scale needs to fulfil the paradigm shift to high resilience and low carbon development, the CP Pipeline remains largely infrastructure in nature. In contrast, current GCF financing remains confined to the climate impact aspects of infrastructure projects. As

Table 2: FSM COUNTRY PRIORITIES PIPELINE for the GCF Programming Cycle 2024 to 2027

No.	Project Name	Type of GCF Proposal	Project Preparation Facility (PPF) required	Baseline	Est. GCF financing (USD)	Est. co-financing (USD)	Co-financiers	(Potential) Accredited Entities	Fiduciary Standards	ESS Risk Category	Estimated Submission Year		
											2024	2025	2026 2027
1	Nation-wide Increasing Resilience to the Health Risks of Climate Change in the FSM	SAP	Pre-feasibility Study, Stakeholder Engagement, Risk Assessment, Advisory Financial & Other Services	PPF approved	9,600,000	400,000	FSM National and State governments	SPC	Basic, Project Management, Grant Award	Category C	FP Q1		
2	Nation-wide Coastal Protection and Resilience Project	FP	Pre-feasibility, Feasibility Study, Project Design	To develop Concept Note	12,109,553	1,345,506	FSM government, US Compact	(UNDP or SPC or SPREP or MCT)	Basic, Project Management, Grant Award	Category A/B/C (TBC)	CN Q1	FP Q1	
3	Strengthening Water Security for vulnerable communities in Yap State	FP	Pre-feasibility, Feasibility Study, Project Design	To develop Concept Note	18,625,784	2,069,532	FSM government/ US Compact	(SPC or SPREP or UNDP)	Basic, Project Management, Grant Award	Category B (TBC)	CN Q1	FP Q1	
4	Chuuk Resilient Communities & Critical Infrastructure Project	FP	Pre-feasibility, Feasibility Study, Project Design	To develop Concept Note	48,001,974	5,333,553	FSM government/ US Compact	(ADB or WB or UNDP or SPREP or SPC)	Basic, Project Management, Grant Award	Category A/B/ (TBC)		CN Q1	FP Q1
5	Safeguarding the Lifeline access road to the FSM in Pohnpei State	FP	Pre-feasibility, Feasibility Study, Project Design	To develop Concept Note	30,479,942	3,386,660	FSM government/ US Compact	(ADB or WB)	Basic, Project Management, Grant Award	Category A/B (TBC)		CN Q1	FP Q1
	TOTAL				\$118,817,254	\$12,535,250							

Table 3: FSM COUNTRY 'IN-LINE' PRIORITIES for the 2024 to 2027 GCF Programming Cycle

No.	Project Name	Type of GCF Proposal	PPF required	Baseline	Est. GCF financing (USD)	Est. co-financing (USD)	Co-financiers	Potential AEs	Fiduciary Standards	ESS Risk Category
1	Nation-wide Climate Change & Disaster Risk Management Coordination and Communications Program	FP	Pre-feasibility, Feasibility Study, Project Design	To develop Concept Note	24,415,637	2,712,849	FSM government, US Compact	SPREP or SPC or UNDP	Basic, Project Management, Grant Award	Category B
2	Chuuk State Resilient Critical Infrastructure Program	FP	Pre-feasibility, Feasibility Study, Project Design	To develop Concept Note	314,256,125	34,917,347	FSM government, US Compact	ADB or WB or SPREP or SPC or UNDP	Basic, Project Management, Grant Award	Category A/B (TBC)
3	Building Resilient Communities in Kosrae State Program	FP	Pre-feasibility, Feasibility Study, Project Design	To develop Concept Note	119,849,728	13,316,636	FSM government/ US Compact	MCT or SPREP or SPC or UNDP or WB or ADB	Basic, Project Management, Grant Award	Category A/B/C (TBC)
	TOTAL				\$458,521,489	\$50,946,832				

discussed in Section 2, arranging co-financing is therefore a critical activity in projects/program development.

For priorities at pre-concept note stage, the indicative co-financing amount is costed at 10% of the project total amount. Notwithstanding great financial uncertainties post 2023, this co-financing estimate seems plausible under a scenario of improved government fiscal management, more effective use of both Compact and non-Compact grants, and improved ODA coordination (discussed in section 2.5).

It is important to note that total financing is based on estimated costs which are likely to be outdated at the time of projects development given that the JSAPs and the IDP were completed in 2016.

Significant fluctuations in estimated costs should also be expected at the time of developing the projects given that some project components will either no longer be required due to having been fully financed by another fund, or have been completed. Technical factors may also see that some projects are no longer relevant or need to be re-designed. Further, consequences from global instability, such as high inflation, can greatly affect costs.

3.6 SCOPE AND CURRENT LIMITATIONS ON COUNTRY PRIORITIES

There are four main constraints to effective implementation of a paradigm-shifting pipeline: the absence of a NAP, the small and unique character of the private sector in a SIDS like the FSM, the availability of DAEs and AEs, and the low capacity to develop projects/programs in the pipeline.

First, the FSM acknowledges the importance of a phased programmatic approach to longer-term, multi-stage investments to transform a sector or region of the country. This option is particularly important given the wide dispersion of its islands, and with geographical groupings that have their own unique climate systems (section 1.1). However, this option will only become viable upon the completion of updates to the JSAPs, and their consolidation under a NAP.

Second, all initiatives in the pipeline are public sector projects. Due to limited knowledge of the potential of the private sector in the FSM, it is not yet possible to identify commercially viable projects. The viability of these projects can also be assessed under the NAP process, and when Vital and the FSMDB are accredited.

Third, while the number of accredited entities working in the FSM has increased since the development of the last CP (table 4), limitations to their availability remain, particularly in the higher risk categories of infrastructure development

Table 4: Engagement Status of GCF Accredited Entities in the FSM

Entity	Type	Status	Jurisdiction	Date accredited	Size*	Risk Category	Environmental/ Social Risks
MCT	DAE	Engaged	National + Regional	2017	Micro	Category C	Low Risk. Minimal.
FSMDB	DAE	Nominated	National	tba	Small	Category B	Medium Risk. Largely reversible and readily mitigated.
Vital Group	DAE	Nominated	National	tba	Small	Category B	
SPC	DAE/AE	Engaged	Regional	2019	Medium	Category B	
SPREP	AE	Engaged	Regional	2015	Medium	Category B	
CI	AE	Engaged	International	2015	Medium	Category B	
GIZ	AE	Engaged	International	2016	Medium	Category B	
UNDP	AE	Potential	International	2015	Medium	Category B	High Risk. Diverse, irreversible or unprecedented.
IUCN	AE	Potential	International	2016	Medium	Category B	
ADB	AE	Potential	International	2015	Large	Category A	
WB	AE	Potential	International	2016	Large	Category A	
JICA	AE	Potential	International	2017	Large	Category A	

* Micro < USD10m, Small > USD10m to USD50m, Medium > USD50m to USD250m, Large >USD 250m.

(Category A).³⁵ The risk categories for priorities at 'Ideas phase' will therefore need to be determined at Concept Note development stage, and may need to be brought in line with the risk capabilities of available entities.

Finally, while the administration of the CP pipeline is now more focused under the five priorities approach, the majority of the projects remain medium to large-scale in size. Augmented staffing and technical capacities and resources at the NDA and States level are needed to move these projects (from their static positions since the last CP) into actionable investments.

Section 4 on institutional and operational needs addresses how the Readiness Program can strategically respond to these current limitations for effective CP implementation.

3.7 REGIONAL INITIATIVES

As part of its greater commitment to the region, the FSM is currently party to two regional project proposals initiated by the MCT and by Conservation International (CI). See Table 5.

Table 5: FSM participation in GCF Regional Initiatives

No.	Name	Phase	Amount	DAE/AE	Benefits to the FSM
1	Community-based interventions for reducing vulnerability to climate change in Northern Pacific Small Island States	Proposal	USD 9.7m (EDA modality)	MCT	On-granting mechanism to build resilience of the natural ecosystems upon which FSM communities, and those in neighbouring countries, rely to manage climate change stressors.
2	Adapting tuna-dependent Pacific Island communities and economies to climate change	Proposal	USD 120m	CI	Will minimise economic vulnerability to changing tuna stocks in the FSM, and the greater region.

³⁵ AEs are either not available or hesitant to focus their resources on a GCF project while DAEs encounter challenges with proposal development and approval processes. For more details, see Op. Cit. *Rapid Report*, p15.

4. POLICY, STRATEGY, PLANNING AND INSTITUTIONAL NEEDS

The stakeholders consultation process for this CP update is composed of four elements: a situational (SWOC) analysis, a Rapid Report that provided the context for the analysis, the completion of the CP M&E system, and participatory panel discussions at the nation-wide workshop. These reinforcing exercises³⁶ revealed the present and persisting capacity gaps as well as the needs to address them, in policy, strategic planning, and institutional strengthening on climate change actions in the FSM.

4.1 GAPS AND NEEDS IN POLICY, STRATEGY AND INSTITUTIONAL OPERATIONS

The stakeholder-driven exercises identified gaps and needs at both the national and states level, with capacity building, gender mainstreaming, institutional strengthening, and knowledge creation as cross-cutting needs. The gaps and needs are detailed in Table 6 (next page) under the areas of governance, policy, CP pipeline development, and information.

At the national level, the interlinkage between NDA and ODA functions are critical for the implementation of the CP at the policy and planning levels. Both offices require immediate capacity support in staffing to ensure the effective operations of the SD Council and the efficient administration and

development of the endorsed priorities in the CP Pipeline.

The NDA office is also playing an increasingly critical role in the growing area of GCF work for the country. These areas include providing support for the successful implementation of current GCF funded projects and initiatives (section 2.1), and administering a multi-year Readiness 3 (R3) program, expected under continued GCF Readiness support.³⁷

This program would involve oversight for pipeline development, including accreditation of the FSM's remaining two nominated DAEs to date, FSMDB and the Vital Group. Additional oversight will be required for the successful roll-out of a three-year NAP process, also expected under GCF support.

Under both the increased GCF preparatory support in R3 and the NAP process, the NDA's role will see a significant expansion in duties and responsibilities in order to facilitate institutional integration within, and across, the national, States and community levels.³⁸

At the states level, the interlinkage between the NDA and State GCF focal points functions are critical for the implementation of projects and activities. Given the increasing scope of GCF work along with the complex and high level expertise needed for developing projects, focal points now need full-time staffing.

Moreover, with the increased suite of GCF Readiness support (section 4.2) the States can begin to access technical assistance to develop Concept Notes for their priorities, further

³⁶ Informed by a greater understanding of the context of climate finance and projects development in the country through the Rapid Report and SWOC analysis, the M&E exercise was able to identify immediate and longer term institutional needs at the States and national levels. In turn, guided by the learnings from the SWOC and the M&E, the panel discussions were able to confirm and give greater clarity to the identified needs. The Rapid Report can be accessed [here](#). An outline of the SWOC analysis is in Annex 5. The completed M&E Report is in Annex 6.

³⁷ The FSM's proposal for the Readiness and Preparatory Support Program Phase 3 with SPC as the delivery partner, is currently under review with the GCF.

³⁸ A precursor to this approach has already been applied in the facilitation of the stakeholders' consultations for the update process of this CP (see section 5).

Table 6: Summary analysis of stakeholder-identified gaps and needs in the policy, strategy and institutional operations of the FSM

	CAPACITY GAPS AND CURRENT SCENARIO	IDENTIFICATION SOURCE	NEEDS	POTENTIAL FUNDING SOURCES (refer Table 7)
1	Institutions and governance			
1.1	The SD Council: The Presidential Sustainable Development Council was newly established in 2021 and has only met once for the first time in Feb 2022. Its predecessor, the CC&SD Council, was not fully operational before it was replaced.	Rapid Report and M&E.	Effective NDA and ODA office to facilitate the institutionalisation of the SD Council, including technical and administrative support for its key functions in climate finance coordination; approving climate change projects; and in ensuring CP implementation.	R3, SD Council
1.2	The NDA: no planned funding in the FSM budget for continued operations of the NDA Office Team to facilitate a fully operationalised SD Council and to effectively implement the Updated CP.	Rapid Report and M&E.	Continued financial support for staffing under R3 until FSM government financing can be arranged through a more established Council. Additional staffing required for implementation of the Updated CP and multi-year strategic goals of the R3 program.	R3, SD Council
1.3	State Focal Points: no planned funding in the FSM/States budget for Focal Points to support CP and GCF-funded projects implementation at States level as well as to vertical and horizontal integration processes in the upcoming NAP process.	SWOC analysis and M&E.	Financial support for full-time staffing until formal FSM government financing can be arranged through a more established Council.	SD Council
1.4	Overseas Development Assistance Office (ODA) - National: limited staffing capacity in the ODA office at the national level to ensure coordination in the development and co-financing of pipeline projects; for secretariat support to the Council; as well as facilitate the update of the national ODA Policy (which is now over 10 years old) and its integration with ODA policies and processes at the State level.	SWOC analysis and M&E.	Financial support for 1 x support staff until formal FSM government financing can be arranged through a more established Council.	R3, SD Council
1.5	Overseas Development Assistance Office (ODA) - States: limited and varying staffing capacity in the ODA offices at the States level to ensure coordination in the development and co-financing of pipeline projects, as well as facilitation of the update of the State ODA policies for Pohnpei and Kosrae and the development of ODA policies for Chuuk and Yap, and their integration with the national ODA policy.	SWOC analysis and M&E.	Financial support for increased capacity in staffing and/or training until formal FSM government financing can be arranged through a more established Council.	R3, SD Council
1.6	Gender Equality, Disability and Social Inclusion (GEDSI): States do not have a GEDSI officer or equivalent that is dedicated to climate change work.	Nation-wide workshop panel discussion and M&E.	Financial support for capacity building in GESI for each State until FSM government financing can be arranged through a more established Council and/or through the national Gender Office at the Dep. Health and Social Affairs.	R2-Regional, SD Council
1.7	DAEs: one DAE is already accredited (MCT). Two potential private sector DAEs are currently in the process for applying accreditation (Vital Group and FSMDB).	Nation-wide workshop panel discussion and M&E.	Well-functioning NDA to support the accreditation process of the two potential DAEs; to support the maintaining of accreditation standards of the MCT; and to support capacity building for projects development.	R2-MC, R3, R3 - Regional, UCR, GCF-AS
2	Policy environment			
2.1	FSM National Adaptation Plan (NAP): require an overarching plan for a climate finance strategy; and to provide the evidence base from which project proposals in the CP Pipeline can be better designed, developed and implemented.	Rapid Report and M&E.	Three-year financial support for the project. The three-year NAP process itself is a great need for the country to review, update, align and facilitate the implementation of policies and Action Plans, including regulatory frameworks under the FSM Climate Change Act.	GCF-NAP
3	Pipeline development			
3.1	Concept Note Development: limited technical capacity at States level to facilitate the development of Pipeline projects.	Rapid Report, SWOC analysis and M&E.	Full-time staffing assistance (as identified in 1.2 above) as well as technical assistance in development of concept notes at the States level.	R2-Regional, R3, GCF-TAR
4	Information, data, and knowledge gaps that are preventing more effective action			
4.1	Centralised climate data: limited climate knowledge and data management; availability and accessibility to climate data is hindering projects development.	Rapid Report, SWOC analysis, M&E.	Full-time staff within the NDA Office to strengthen networks and partnerships between DAEs, DECEM, R&D, the States, NGOs/CSOs to establish and maintain data platform.	R3, GCF-NAP
4.2	Private sector engagement: insufficient knowledge base on the private sector's potential contributions to the FSM NDCs.	Rapid Report, SWOC analysis, M&E.	Technical Assistance in private sector mapping and engagement (This is one of the Outcomes expected under the NAP).	GCF-NAP, R3- Regional, SD Council
4.3	High impact long term strategy development: little to no knowledge base in the FSM on the beneficial climate impact (both at country and global levels) of Large Ocean States.	Rapid Report, SWOC analysis.	Technical assistance in modelling of long-term climate change scenario to identify adaptation and mitigation opportunities; with a focus on valuing/monetising the carbon sink potential of the FSM as a Large Ocean State.	R2- Regional, SD Council, UCR, GCF-NAP

adding to the duties and responsibilities of the State focal points.

Gender, Disability and Social Inclusion (GEDSI) is an additional need at state-level, recognised by stakeholders as necessary not only for GCF initiatives but also for the greater sustainable development goals of the FSM. At present, there is no policy or capacity at states level to support this need.

Urgent assistance is particularly critical for the States because they are where the projects and GEDSI initiatives are actually implemented, but also where capacity gaps are the most severe.

Also emerging from the consultations were a number of critical knowledge gaps that hinder institutional operations and planning for longer term strategies.

First, there is a gap in knowledge of the private sector's potential to contribute to the FSM NDCs. While the limitations of the private sector in the FSM as 'small and vulnerable' are well-known,³⁹ improved understanding of capabilities to mobilise technical and technological capabilities

within the private sector could result in significant gains across the country's mitigation and adaption sectors.

Second, the gap in a centralised climate data platform is hindering knowledge creation to support both institutional planning and projects development. Data is either absent, or if existing, are currently fragmented and inaccessible.

Related to this, is the third gap in knowledge on the significant climate impact potential of the FSM as a Large Ocean State (and potentially including its Micronesia Challenge neighbours).

The fourth gap pertains to the need for a NAP to address these three gaps, along with other medium to long term planning challenges, discussed in sections 2.1 and 3.6.

4.2 FSM READINESS 3 PROGRAM STRATEGY

The R3 strategy builds on the gains of R1 and R2⁴⁰ while incorporating the greater availability of support that has more recently been made available under, and alongside,

the multi-year R3 program (see table 7, next page).

R1 established country ownership for climate finance access to the GCF, producing both the first CP and the MCT as the FSM's first DAE to the Fund. R2 built the capacity of the NDA office to implement the CP, including its update. R3 seeks to retain and build NDA capacity to implement the updated CP in line with the latest GCF Readiness strategy (2021).⁴¹

The focus and scope of the GCF Readiness strategy represents substantive changes from the two previous readiness programs. As discussed in section 4.1, R3 will see an expansion of NDA work through a vertical and horizontal integration process to meet national climate change goals, with a focus on institutional capacity building and coordination along with strategic policy development, planning, and programming.

Two operating principles underscore the overall FSM R3 program strategy: planning coherence and enhanced private sector engagement.

³⁹ The institutional landscape for the private sector in the FSM has remained the same as detailed in the Original CP (pp.19-20). For a summary on the vulnerability of the private sector to climate change in the FSM, see pp11-12. As discussed on converging threats in Section 1, the onset of the pandemic has further strained efforts in private sector development.

⁴⁰ For details on the gains of Readiness 2, see Op. Ct., *Rapid Report 2022* and op.Cit. *Readiness and Preparatory Support Program Phase 3* proposal.

⁴¹ For details on the revised focus of the scope of the GCF's Readiness program (2019 to 2021), see Green Climate Fund, *Readiness and Preparatory Support Programme: A Practical Guide on How to Prepare Readiness Proposals for the Green Climate Fund*, 2020, pp3-4.

The FSM recognises the value of coherence with other climate funds and initiatives. Under R2, the NDA ensured coordination with other climate funds, particularly in pipeline development.⁴² Under R3, the development of a NAP, together with the strengthening of the SD Council, will further improve coordination across climate funds and other development partners (section 2.1).

Private sector engagement in the FSM remains a challenge. As discussed in section 4.1, little is known about its potential in climate gains. Under R3, particularly through the NAP process, greater focus and efforts will be dedicated to

developing this potential. To this end, optimising assistance for the accreditation of the two nominated private sector entities, the FSMDB and the Vital group, will therefore be a priority.

The untapped potential of these two organisations could see the FSM develop investments that result in great gains in the energy and banking sector. The Vital Group could become a leader in expanding the FSM's renewable energy mix; while the FSMDB, a leader in the financial sector, mobilising the resources necessary to finance the FSM's low carbon economy.⁴³

The NDA's strategic use of Readiness support is key to addressing capacity, technical, and planning gaps (identified in section 4.1) to enable paradigm-shifting pipeline development, and ultimately meet the FSM NDC and SDG goals.

Table 7 provides a summary of the suite of Readiness support (past, present and future) by the GCF, SD Council and other Readiness partners. The R3 strategy will tap economies of scale by drawing from this wide range of support to meet needs, fill gaps and overcome the limitations that will see the priorities pipeline into fruition. This is indicated under 'funding sources' in tables 6 and 8.

Table 7: Suite of Readiness Support by the FSM, GCF and other development partners

	Name of funding source	Reference for Tables 6 & 8	Duration	Type of support	Amount
PAST					
1	FSM-GCF Readiness Program 1	R1	Jun 2016 - Dec 2018	Established country ownership and produced the first CP.	USD 413,110
PRESENT					
2	FSM-GCF Readiness Program 2	R2	Jun 2019 – Jun 2022	Establish the NDA Office capacity to implement and update the CP.	USD992,452
3	FSM-GCF Readiness Program 2 through SPC. Building capacity of regional DAEs and NDAs to foster climate action in the Pacific.	R2 -Regional	Jun 2022 - Jun 2025	Enhance capacity support to SPC as a regional DAE to support NDAs on ESS, gender, M&E and projects/program development.	USD1,866,483
4	FSM-GCF Readiness Program 2 through GIZ. Strengthening the capacity of DAEs through the Community of Practice for Direct Access Entities (CPDAE).	R2 -MC	Jan 2022 to Jan 2024	Strengthen the capacity of DAEs through the CPDAE to access climate finance and implement projects/programs.	EURO 991,810
5	GCF DAEs Accreditation Support	GCF-AS	Ongoing	Capacity building support for DAEs seeking accreditation.	As needs basis
6	GCF Technical Assistance Roster	GCF-TAR	Ongoing	Access to individual sectoral specialists and firms to support further development of concept notes.	As needs basis
7	USAID Climate Ready	UCR	Ongoing (ending in November 2022; likely to be extended)	Development of policy frameworks and capacity building for Readiness activities, including accreditation support.	As needs basis
NEAR FUTURE					
8	FSM-GCF Readiness and Preparatory Support Program	R3	3 years (currently at proposal stage)	Expand NDA office capacity to implement the Updated CP while strengthening institutional capacities, governance mechanisms, and planning and programming frameworks.	USD1,901,440
9	GCF - National Adaptation Plan Formulation	GCF-NAP	3 years (currently at proposal stage)	Development of an overarching national adaptation plan and climate finance strategy.	USD2,900,000
10	FSM-GCF Readiness Program 2 through SPREP. Supporting DAEs to increase access to climate finance.	R3 - Regional	3 years (currently at proposal stage)	Capacity building support to strengthen DAE policies and systems for project development and implementation; engagement with the private sector	USD1,299,550
11	FSM Presidential Sustainable Development Council	SD Council	Ongoing	Provision of necessary resources for climate finance-related institutional support, such as staffing and equipment needs.	As needs basis

⁴² For examples, see Op. Cit. *Rapid Report*, p19.

⁴³ For details on these two organisations, see Op. Cit., *Country Program 2018*, p24.

4.3 READINESS REQUESTS AND RATIONALE FOR GCF SUPPORT

Based on the overall FSM R3 Program Strategy, Table 8 (next page) presents the requests for assistance under the third Readiness phase to address the identified needs (table 6).

While the requests are targeted for GCF assistance, the NDA office will seek funding or co-financing for some of the identified needs that may be more appropriately requested through the SD Council and other Readiness partners such as the USAID Climate Ready program (refer, 'potential funding sources' in table 6).

As detailed in the Rapid Report and SWOC analysis,⁴⁴ both external and internal constraints affect the FSM's ability to finance its urgent mitigation and adaptation needs. The maturing of its partnership with the GCF therefore comes at an opportune time when climate finance opportunities are available and accessible.

The FSM has made the most of this partnership, notwithstanding the various challenges to climate change efforts in the country (namely, the pandemic, regional restructuring, and financial uncertainties

surrounding post-2023 Compact negotiations). It has ensured the efficient use of GCF investment in the first two GCF Readiness grants by establishing the institutional foundation on which the country can continue to take actions towards the paradigm shift to low carbon, high resilience development.

Within the GCF Readiness program processes, the CP has proven to be an instrumental tool and as such, the FSM under R2, has been careful to ensure that it is up-to-date. The development of this updated CP has been largely based on both the gains established under R2 and the expanded opportunities available under R3's multi-year support alongside other complementing programs, secured under R2.

Consequently, this updated CP can be implemented effectively, only under a Readiness Phase 3 scenario for the FSM. With

continued GCF Readiness support, the institutional knowledge and stakeholder buy-in built over the first two phases will remain intact.

To retain these built expertise and systems is of utmost importance not only because of the expanded role of NDA functions in this next phase, but also because of the team's increasingly strategic role in the FSM's finance planning for post 2023 (discussed in section 2).

From the medium to long term perspective, the FSM sees even greater value in its partnership with the GCF. The Fund's suite of support is unique in both depth (gender equality-centred and country-driven approach) and breadth (paradigm shift), paving a development pathway that enables disadvantaged countries to survive, but also to potentially thrive, in the face of climate change.

Especially now, with the climate emergency upon us, the FSM needs a partner like the GCF to 'act' bigger, and bring about higher impact solutions. In line with the Fund's latest Readiness programme strategies, particularly in the development of strategic frameworks for low-emission investment, it is in this spirit that assistance to value the FSM's carbon sink potential as a Large Ocean State is also being made under the GCF Readiness Requests.



⁴⁴ Op. Cit. *Rapid Report*, pp20 -23.

Table 8: GCF READINESS REQUESTS

Readiness Request		Description		Est. GCF financing (USD)	Delivery Partner	Funding Source (ref. Table 7)	Estimated Submission Dates			
No.							2022	2023	2024	2025
1	Capacity support for NDA implementation of the Updated CP, the accreditation of the FSMDB and Vital Group; the maintenance of accreditation standards of the MCT; and the capacity development of DAEs to develop projects and effectively implement GCF-funded activities.	This request meets Objective 1 of the GCF's Readiness Program Strategy 2019 to 2021. The request covers the required human resources 'team' to build on the achievements from Readiness I and II, and to effectively implement the updated CP inclusion DAEs support, over the next three years. The Communications Specialist in the team meets Objective 5 of the GCF's Readiness Program Strategy 2019 to 2021; to produce tailored knowledge products, organise peer-to-peer exchanges and further develop and manage the NDA Communications Plan Strategy.	1,679,176	SPC	R3	X				
2	Capacity support for Gender Equality, Disability and Social Inclusion (GEDSI) at State level	This request meets Objective 1 of the GCF's Readiness Program Strategy 2019 to 2021. Each State needs increased capacity in GEDSI and climate change to enable social inclusion of women and other vulnerable groups in both institutional design (e.g. Country Program, NAP processes, sub-national monitoring mechanisms) and projects development (e.g. Country Program Pipeline and pipelines of all other climate-related funders). This would help the NDA oversee a Readiness program that is equipped to maximise social inclusion across the 6 areas for Readiness and adaptation planning: national coordination; participation; women, vulnerable groups, communities and ecosystems; transparency, gender sensitivity and local monitoring mechanisms.	37,500	SPC	R2-Regional	X				
3	Institutional capacity support for projects development at State level	This request meets Objective 1 of the GCF's Readiness Program Strategy 2019 to 2021. Each State needs to have an ODA officer focused on endorsed priorities under the IDP, JSAPs and ODA Priorities List. They have 2 major roles: 1. They will support institutional coordination with the National ODA office to hold the integrity of the 'country priorities' bi-annual submissions process (the only process in the country that tracks ownership from the States through to the National and National to the International) 2. They will oversee state-level implementation of the CP Pipeline's modular model by ensuring that projects funding is tracked at the state level; initiatives are not duplicated; eventual funding of initiatives; and identification of co-financing partnerships.	36,000	SPC	R3, GCF-NAP	X				
4	Capacity support for institutional coordination and support for Overseas Development Assistance (ODA) Office functions at National level	This request meets Objective 1 of the GCF's Readiness Program Strategy 2019 to 2021 for enhancing coordination mechanisms. 1. x support staff focused on climate financing and the endorsed priorities under the IDP and ODA Priorities List at the national-level. S/he will have 2 main roles. 1. S/he will support institutional coordination with the States and the Presidential Sustainable Development Council to hold the integrity of the 'country priorities' bi-annual submissions process (the only process in the country that tracks ownership from the States through to the National and National to the International). 2. The Office will oversee national-level implementation of the CP Pipeline's modular model by ensuring that projects funding is tracked at the national level; non-duplication of initiatives; eventual funding of initiatives; and identification of co-financing partnerships.	36,000	SPC	R3, GCF-NAP	X				
5	Long-term climate change strategy development	This request meets Objective 2 of the GCF's Readiness Program Strategy 2019 to 2021. Modelling of long-term climate change scenarios and analysis of implications for key sectors of the economy to identify adaptation and mitigation opportunities; with a particular focus on valuing/monetising the carbon sink potential of the FSM (and potentially including its Micronesia Challenge neighbours).	100,000	SPC	R2-Regional	X				
6	National Adaptation Planning (NAP)	This request meets Objective 3 of the GCF's Readiness Program Strategy 2019 to 2021. The development of a States-driven NAP will produce the necessary data to inform vulnerability and risk assessments, thus producing the evidence basis for impactful adaptation investments in the FSM. The NAP will also produce a climate finance strategy for the FSM and a Capacity Building Plan to support institutional strengthening and address technical capacity issues in adaptation efforts.	2,640,000	SPREP	GCF-NAP	X				
7	Capacity support for projects development of State priorities in the CP Pipeline	This request meets Objective 4 of the GCF's Readiness Program Strategy 2019 to 2021. Short term Concept Note Development Specialists to work with each State on their priority project, turning project ideas in the pipeline into concept notes.	300,000	SPC	R3 and R2-Regional	X				
TOTAL			4,828,676							

5. STAKEHOLDER ENGAGEMENT

As with the development of the original CP, this first update of the CP was made possible through a multi-stakeholder engagement process. The process involved strengthening stakeholders buy-in with both a horizontal and vertical integration approach. The former, to mainstream climate change efforts across strategic and sectoral plans. The latter, to integrate national planning down to State and community-level implementation partners. The continuity of this multi-stakeholder process extends to the monitoring of CP implementation, and in future updates to the CP.

5.1 KEY STAKEHOLDERS

This Updated CP is based on ‘already-endorsed’ priority projects under the JSAPs, IDP and ODA Priorities of 2020 (section 3). Key stakeholders are composed of those involved in the development and implementation of these initiatives. Table 9 outlines the stakeholder groups involved in developing this Updated CP. For the list of key stakeholders and their relevance to the CP’s programming strategy, see Annex 7.

5.2 DEVELOPMENT OF THE UPDATED CP

The NDA Readiness Program Team conducted this CP update using a three-pronged approach to consultations over a four-month period: preparations, validations and confirmation.

Preparations workshops were conducted with the States over two days.

They involved recapping the main elements of the original CP and its processes, undertaking a situational (SWOC) analysis exercise, launching the CP M&E system and identifying each State’s top priority project for the programming cycle 2024 to 2027.

A validation workshop was then conducted with the nation as a whole, also over two days. In order to facilitate a horizontal and vertical integration process for communications and learning, the workshop employed a participatory approach using the panel model for discussions on key matters. In this way, participants were able to provide their validations in a more informed manner.

Participants validated the contents and approach of the Updated CP, including its Pipeline as well as the revised target date of 2030 for the Strategic Framework. The SWOC and M&E panel discussions laid the groundwork for completing the Readiness needs and requests.

Both the States and nation-wide workshops were supported by a Rapid Report that provided context and detail on the main elements of the CP update process. The Report was also developed through a

Table 9: Overview of Stakeholders Consultation Process

Stakeholder Group	Type of consultations	Dates (2022)	Outcomes
States workshops - Yap, Kosrae, Chuuk. Cross sectoral, including NGOs, CSOs and private sector representatives.	Two-day workshop.	Yap: 3-4 Feb Chuuk: 24- 25 Feb Kosrae: 28 Feb to 1 Mar	1. Completed CP M&E for each State. 2. SWOC analysis from State perspective. 3. Selected Priority 1 project for Updated CP Pipeline .
Pohnpei State targeted meetings. Cross sectoral, State government representatives only.	Supplementary to States workshops.	17, 18 Mar	1. Completed CP M&E for the State. 2. SWOC analysis from State perspective. 3. Selected Priority 1 project for Updated CP Pipeline.
Nation-wide Cross sectoral, including NGOs, CSOs private sector representatives, DAEs, AEs and other CP implementation partners.	Two-day workshop.	5 to 6 Apr	1. Validation of updated target date for the CP Strategic Framework, Updated CP Contents and Pipeline. 2. Completion of CP M&E results. 3. Increased engagement with DAEs/AEs.
Readiness Request Validation targeted meeting with State Focal Points.	Supplementary to nation-wide workshop.	29 Apr to 6 May	Validation of Readiness Requests for inclusion into the Updated CP, based on the SWOC, M&E and nation-wide workshop discussions.
Targeted supplementary consultations with States and National government partners.	Supplementary to States and nation-wide workshops.	7 Feb to 7 May	1. Key partners and potential AEs informed of Updated CP Pipeline and projects identification processes. 2. Updated funding and viability status of priority projects in the original CP which are being carried forward into the Updated CP.
Nation-wide. Cross sectoral.	1. Rapid Report feedback. 2. Updated CP document feedback.	1. 14 Feb to 30 Mar 2. 30 May to 13 Jun	1. A Rapid Assessment Report informed by key stakeholders. 2. An Updated CP produced with extensive stakeholders review and approved by the SD Council.

consultation process. The SWOC analysis underpinning the Report was developed with the NDA team and State participants, and stakeholders were provided with a one-month window for review of the report.

The confirmation process involved stakeholders' review of a completed draft of the Updated CP, with a two-week window for comments, and subsequent endorsement by the SD Council.

5.3 SUPPLEMENTARY CONSULTATIONS

Supplementary consultations were held to review the funding and viability status of priority projects in the original CP which were being carried forward into the Updated CP.

Additionally, they were necessary to accommodate two challenges encountered during the consultations:

1. Due to other commitments, Pohnpei State was unavailable for a two-day workshop. In its place, a half-day workshop on the SWOC analysis and identification of its Priority 1 project was conducted. A separate, targeted meeting on completing the State's M&E was also held.
2. Due to time constraints, the validation session for the Readiness Requests was not held at the nation-wide workshop. Instead, a targeted meeting with State focal points and ODA Officer was held to confirm the Readiness Requests.

A third challenge was the unavailability of GEDSI representatives at the state level. Due to institutional and capacity constraints in these positions at state level, it was not possible to readily arrange their attendance. Due also to the limited expertise on climate change issues within these positions, it was not a viable option to arrange supplementary meetings. This is a capacity gap that is being addressed under the Readiness Requests. Nevertheless, national-level GEDSI representatives were present at the nation-wide workshop and a constructive panel discussion on the importance of GEDSI was a highlight of the discussions.

5.4 DIRECT ACCESS/ACCREDITED ENTITIES

The nation-wide workshop held a panel discussion with DAEs and AEs. This is the first time that this has been possible since the availability of entities in the FSM was minimal at the time of the first CP's development in 2018.

The entities were able to elaborate on their capabilities and availability, as well as their current limitations, to work on the CP pipeline. Their inputs were nonetheless instrumental in shaping a pipeline that increases the chances of GCF funding.

The WB, ADB, JICA and GIZ are AEs that have the potential to work in the FSM but were unavailable to attend the workshop. During CP implementation, separate meetings will be arranged to inform them of the updated CP Pipeline, and to garner support for developing projects. Further meetings will also be arranged with presently engaged DAEs and AEs to optimise their participation in progressing the pipeline.

As the relationships with entities mature, the NDA will ensure that future consultations include a greater focus on alignment of entity work programs to the CP, as well as complementarity between entities, based on their respective capabilities.

5.5 MONITORING AND FURTHER UPDATES

Under the Readiness 3 Program, the NDA will draw on this multi-stakeholder process to conduct annual reviews of CP implementation. Updates to the FSM SDGs, NDCs, NAP and other climate change and sustainable development policy processes, including as directed by the SD Council, will partly determine the scope of the review. As mentioned earlier, reviews will also include the strengthening of partnerships with DAEs and AEs.

Annual revisions and completion of the CP M&E results framework (section 6.3) will be a standard part of the review process. As will any necessary update of priority projects and programs and/or the prioritisation methodology and process that underpin them.

6. CP SUSTAINABILITY PLAN

The two reinforcing mechanisms for sustainable CP implementation are the SD Council and the M&E system. As the body responsible for the effective implementation of the CP,⁴⁵ the SD Council ensures that this Sustainability Plan is appropriately funded and adjusted as necessary for relevance and for continued engagement by key stakeholders. The M&E system facilitates continuous learning, and generates reports that serve to guide SD Council support.

6.1 INSTITUTIONAL ARRANGEMENT

The State Governors and the SD Council provide leadership, ensuring that coordination and capacity needs are met.

The NDA and GCF State Focal Points will keep the CP M&E system operationalised in order to report to the nation and the SD Council.

Together, the NDA and ODA Office ensure institutional coordination as well as coordination of climate finance and overseas development assistance to support funding for staffing and technical capacity needs.

The agencies responsible for keeping the JSAPs, IDP and ODA Priorities updated will inform the monitoring and evaluation process.

6.2 REPORTING

Within this institutional arrangement, the SD Council reports to the President of the FSM.

The State GCF focal point reports to the State Governor.

The NDA reports to the SD Council, which includes the submission of an annual report on the CP M&E results.

6.3 THE CP M&E SYSTEM

The results framework for this CP consists of States and National-based results frameworks that feed into a Master Results report. It has three main monitoring areas: strategic, institutional and administrative.

Strategic monitoring involves the progress made towards ensuring that State-based and nation-wide plans supporting climate change and infrastructure development are developed and up-to-date.

Institutional monitoring is an iterative process that evaluates progress made on enabling the pillars of 'leadership, coordination and capacity', as per the CP Strategic Framework.

Administrative monitoring involves the progress made on

projects/programs towards a No Objection Letter (NOL).

The completed CP M&E Report, covering four years of CP implementation (Feb 2018 to Feb 2022) is in Annex 6.

6.4 ACCOUNTABILITIES

State leadership and the State focal points have accountability for implementing the CP and its M&E results framework at State level.

The NDA has accountability for implementing the CP and its M&E results framework at the national level. Further, the NDA assumes the overall program coordination role, working closely with the State focal points and key national government partners (DECEN, ODA, DFA, R&D and TC&I) to ensure nation-wide completion of the CP M&E.

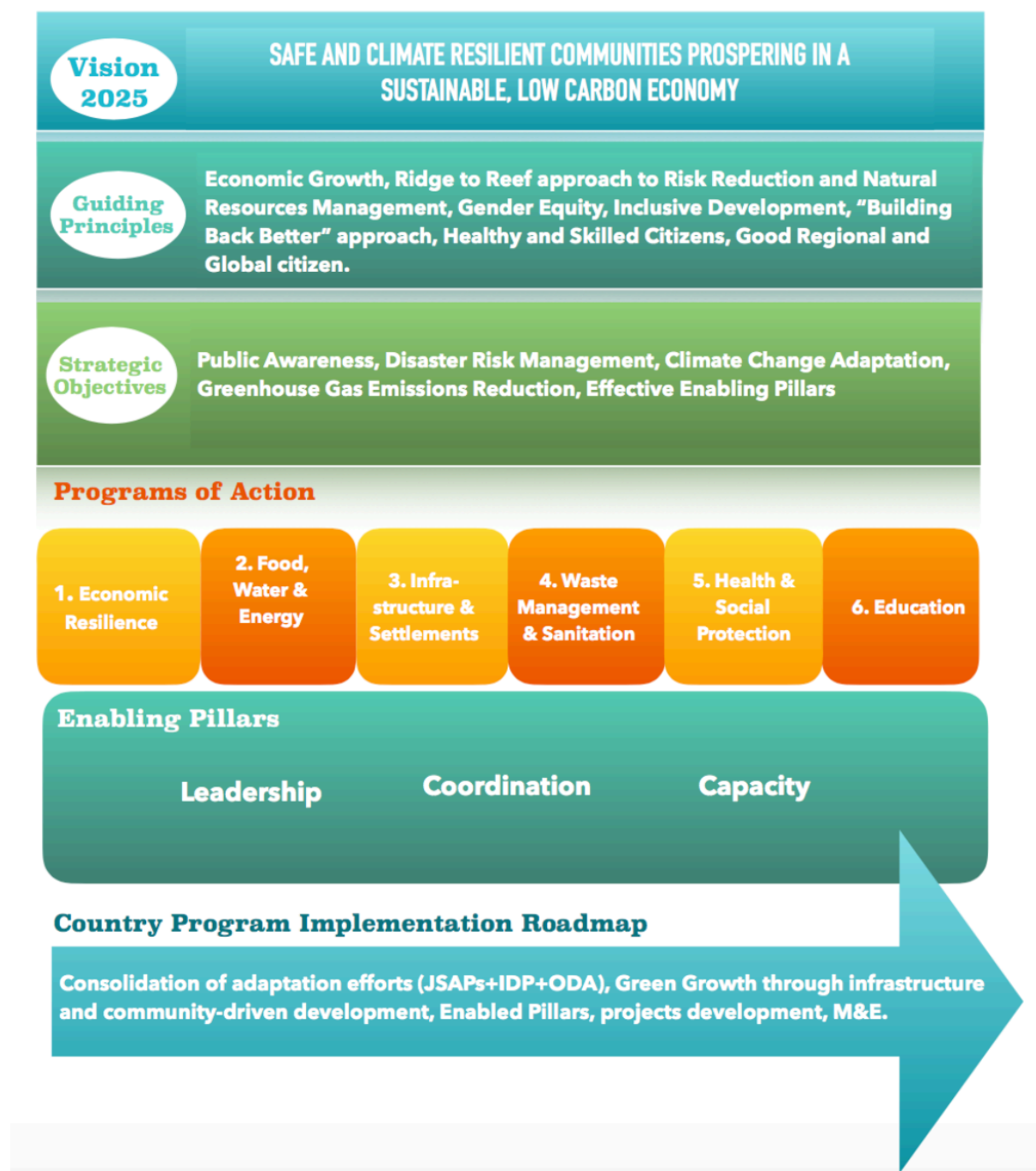
The NDA ensures that the CP is updated as per section 5.5.

Accountability for ensuring that the CP is duly updated and fully implemented lies with the SD Council.

⁴⁵ Refer Section 5.3 of the Executive Order To Establish The Presidential Council on Sustainable Development, 2021.

ANNEXES

ANNEX 1: ORIGINAL COUNTRY PROGRAM STRATEGIC FRAMEWORK



ANNEX 2: GCF CURRENT AND POTENTIAL ASSISTANCE IN MEETING THE FSM NDC AND SDG GOALS 2030

FSM NDC Target Area	SDG-adaptation-mitigation co-benefits*	Project/Program/Readiness Request	Status
Food Security		Nation-wide Climate Resilient Food Security for Farming Households in the FSM Project SAP020	Under implementation with MCT as DAE.
		FSM National Adaptation Plan	Proposal under GCF review with SPREP as AE.
		Nation-wide Climate Change Adaptation Solutions for Local Authorities in the FSM Project FP169	Under implementation with SPC as DAE.
		Adapting tuna-dependent Pacific Islands Communities	Proposal phase with CI as AE.
Water Security		Strengthening Water Security for Vulnerable Communities in Yap State	Ideas phase in CP Pipeline
		Nation-wide Climate Change Adaptation Solutions for Local Authorities in the FSM Project FP169	Under implementation with SPC as DAE.
		FSM National Adaptation Plan	Proposal under GCF review with SPREP as AE.
Energy Security		Building Resilient Communities in Kosrae State Program (renewable energy components)	In CP Reserve/In-Line List
		Chuuk State Resilient Critical Infrastructure Program (renewable energy components)	In CP Reserve/In-Line List
		Potential Projects under the ADB Pacific Renewable Energy Facility	Potential inclusion in CP Pipeline or In-Line List
		FSM National Adaptation Plan	Proposal under GCF review with SPREP as AE.
Ecosystems Management: Marine, Terrestrial & Coastal		Nation-wide Coastal Protection and Resilience in the FSM Project	Ideas phase in CP Pipeline
		Building Resilient Communities in Kosrae State Program (ecosystems management components)	Ideas phase in CP Pipeline
		Reducing Vulnerability in North Pacific Small Island States	Proposal phase with MCT as DAE.
		Nation-wide Climate Change Adaptation Solutions for Local Authorities in the FSM Project FP169	Under implementation with SPC as DAE.
		Carbon sink potential of the FSM's ocean estate (potentially including the ocean area covered by its Micronesia Challenge partners)	In Readiness Requests Table 8
		FSM National Adaptation Plan	Proposal under GCF review with SPREP as AE.
Resilient Transport Systems		Safeguarding the Lifeline access road to the FSM in Pohnpei State	Ideas phase in CP Pipeline
		Building Resilient Communities in Kosrae State Program (roads components)	In CP Reserve/In-Line List
		Chuuk State Resilient Critical Infrastructure Program (roads components)	In CP Reserve/In-Line List
		FSM National Adaptation Plan	Proposal under GCF review with SPREP as AE.
Public Health		Increasing Resilience to the Health Risks of Climate Change in the FSM	Proposal phase in CP Pipeline
		Nation-wide Climate Change Adaptation Solutions for Local Authorities in the FSM Project FP169	Under implementation with SPC as DAE.
		FSM National Adaptation Plan	Proposal under GCF review with SPREP as AE.
Emergency Management & Response		Nation-wide Climate Change & Disaster Risk Management Coordination and Communications Program	In CP Reserve/In-Line List
		Chuuk Resilient Communities & Critical Infrastructure Project	Ideas phase in CP Pipeline
		Nation-wide Climate Change Adaptation Solutions for Local Authorities in the FSM Project FP169	Under implementation with SPC as DAE.
		FSM National Adaptation Plan	Proposal under GCF review with SPREP as AE.
* For details on the mitigation-adaptation co-benefits for each of the target areas, see Updated National Contributions of the Federated States of Micronesia for the period through 2030, Final Review Draft, January 2022.			

ANNEX 3: UPDATE STATUS OF PRIORITY PROJECTS IN THE ORIGINAL CP (2018)

Jurisdiction	Consolidated Projects	Original Cost Estimate	Updated Cost Estimate	Status*
Nationwide	1. FSM Food and Water Security Program	\$10,000,000	\$0	APPROVED. The Project was modified to remove the water component.
	2. FSM Renewable Energy Investment Program	\$125,000,000	\$0	Redirected for funding by the ADB. Any future projects under this Facility can be considered for placing in the In-Line list.
	3. FSM National College Resilient Infrastructure Development Program	\$63,838,000	\$0	Some components have already been funded. However, the NDA has agreed with TC&I to revisit this project once the National Building Code has been completed. Any future projects arising from this program can be considered for placing in the In-Line list.
	4. Nation-wide Climate Change and Disaster Risk Management Coordination and Communications Program	\$43,284,549	\$27,128,486	Some national-level components have been funded. However, none of the States components seem to have been funded, to date.
Yap State	1. Resilient Transport and Private Sector Development in the main and outer-islands of Yap Program	\$92,660,703	\$0	Transport components have been funded, leaving only the private sector development component, costing approximately 3.8m. This amount is too small for the GCF complex proposal process. As well, the climate change rationale for the private sector component is not clear. Therefore, this project is no longer viable for the GCF and will not be included in the present pipeline. However, any future projects on the private sector that may be built from this program can be considered for placing in the In-Line list.
	2. Yap Renewable Energy Investment Program Phase 3	\$95,913,219	\$20,695,316	The built/transport infrastructure components of this project had been mainly funded, resulting in unfunded components that focused the nature of the project on water security, now re-named: <i>Strengthening Water Security for Vulnerable Communities in Yap State</i> .
	3. Resilient Infrastructure for Health and Education Delivery Program	\$13,929,704	\$0	Merged with the Nation-wide <i>Increasing Resilience to the Health Risks of Climate Change in the FSM</i> project, currently being progressed with SPC as the AE for GCF funding.
Chuuk State	1. Chuuk State Resilient Critical Infrastructure Program	\$349,173,472	\$349,173,472	Some components may already be funded. Chuuk State is in the process of confirming.
Pohnpei State	1. Pohnpei State Resilient Critical Infrastructure Program	\$141,871,976	\$33,866,602	Now focused into elevating the Dekehtik Road under the project name <i>Safeguarding the Lifeline Access Road to the FSM in Pohnpei State</i> .
	2. Pohnpei State Resilient Social Protection Program	\$25,305,659	\$0	Merged with the proposal for the nation-wide <i>Increasing Resilience to the GCF Health Risks of Climate Change in the FSM</i> project.
	3. Pohnpei State Resilient Tourism Development Program	\$3,198,090	\$0	Some funding may be available which needs to be confirmed, and the amount is too low for the complex GCF proposal process. To seek a more appropriate donor arrangement.
Kosrae State	1. Kosrae State Inland Road Completion Project	\$35,966,000	\$35,966,000	Kosrae State in the process of confirming risk category and viability of progressing project with SPREP as a 'Category B' AE.
	2. Building Resilient Communities in Kosrae State Program	\$97,200,364	\$97,200,364	Some components may already be funded, and some merged with the proposal for the nation-wide <i>Increasing Resilience to the GCF Health Risks of Climate Change in the FSM</i> project. Some components has also been merged into the nation-wide <i>Coastal Adaptation for Community Resilience</i> project. Kosrae State is in the process of reviewing funding status.
* Funding Status and consolidation/re-consolidation exercises were undertaken using a Projects Tracking and Consolidations Tool (Excel spreadsheet) that was used in the original consolidation exercise. All States and the National/NDA have their own tool. Projects Status details are also included in the CP M&E Results Framework (Annex 6).				

ANNEX 4: PRIORITY PROJECTS SUMMARY DETAILS

Priority Project Summary: Increasing Health Resilience to the Health Risks of Climate Change in the FSM

SAP modality | Nation-wide Project | Public Sector

Indicative total cost: USD 10m

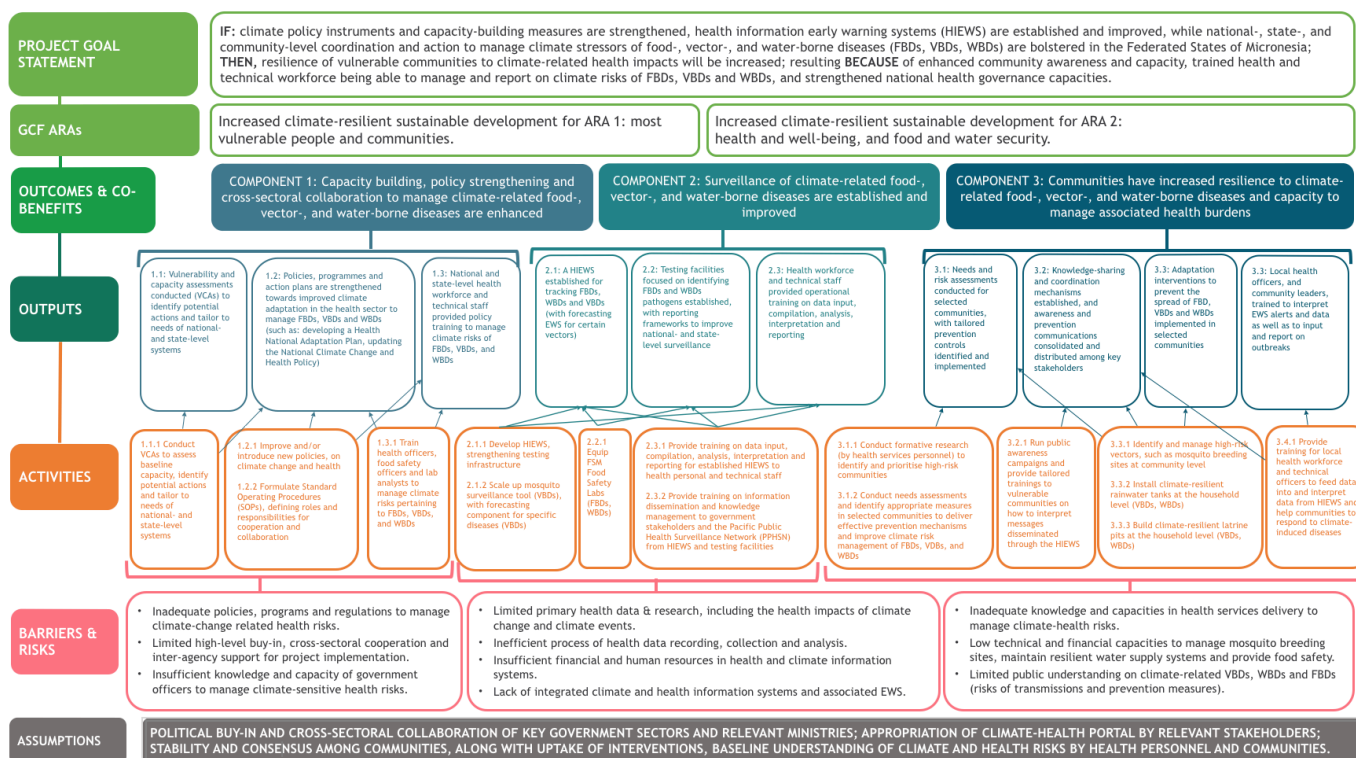
DAE/AE: SPC

Population Impact: 22,528 direct beneficiaries, 112,640 indirect beneficiaries, 20% of the country.

ESS Categorization: The project only includes activities that are qualifying as risk category C, i.e. capacity development, institutional development and strengthening, communication and outreach, early warning and other monitoring systems, and small-scale facilities with no additional footprint.

Rationale, Objectives and Approach:

Climate change is creating risks to already burdened human health in the FSM. The project will build on the National Climate Change and Health Action Plan to transition from the current, highly vulnerable situation to a climate-resilient and sustainable health system with the capacity to prepare for and manage changing human health risks associated with vector, water and food-borne diseases over the coming decades. To do so, the project will (i) enhance policies, capacities and interdisciplinary collaboration to mainstream and manage these climate-sensitive health risks; (ii) develop integrated climate and health information systems; (iii) and implement on-ground adaptation interventions in priority vulnerable communities to cope with vector-, water- and food-borne diseases. Below is the project's theory of change.⁴⁶



⁴⁶ Information extracted From the GCF-approved Project Proposal Preparation, Project preparation for increasing resilience to the health risks of climate change in the Federated States of Micronesia, Pacific Community, 16 July 2021.

Priority Project Summary: FSM Coastal Adaptation for Community Resilience Project

FP modality | Nation-wide Project | Public Sector

Indicative total cost: USD 13.5 million

Potential DAE/AE: UNDP, SPREP, SPC or MCT (if Category C)

National Project Contact: Climate Change Division, DECEM

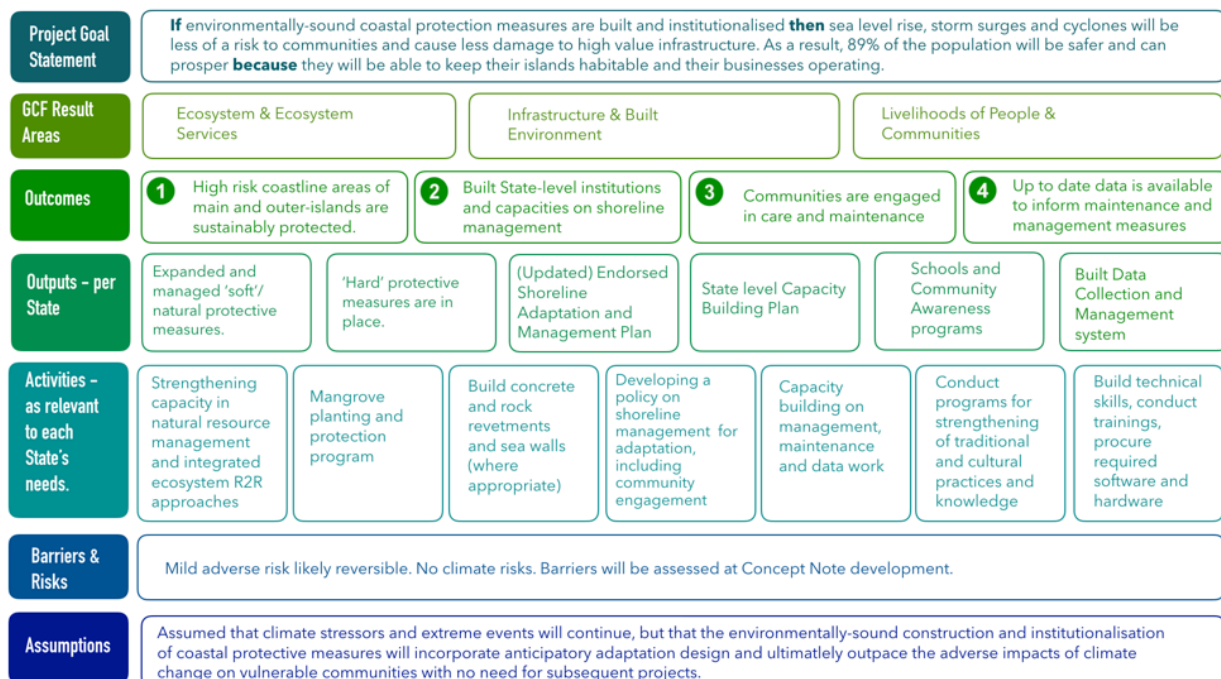
FSM NDC Target Area	SDG-adaptation-mitigation co-benefits					
Ecosystems Management: Marine, Terrestrial & Coastal	1	2	3	8	13	14
	15	17				

Population Impact: Approximately 89% of the country live within 1 km from the coast.¹

ESS Categorization: The project mostly includes activities that qualify as risk Category C or B, with potential mild adverse risks that would likely be reversible.

Rationale, Objectives and Approach:

Coastal adaptation in the FSM is an urgent need given the high population density and built infrastructure on its coastline in the face of climate change stressors such as sea level rise, and extreme events such as increase in storm surges and more frequent and strong cyclones. The project will build coastal resilience in the FSM's four states of Yap, Chuuk, Pohnpei and Kosrae. Given that Kosrae state already has a detailed and robust Shoreline Management Plan, the state will host the starting phase of the project. Vulnerable and high-value coastline will be protected to reduce negative impacts on coastal communities and key infrastructure. It will build upon existing initiatives, using best-practice measures for coastal adaptation that meet the unique geographical contexts of each State. These measures may include a combination of soft (e.g. mangrove area expansion and other eco-system initiatives) and hard (e.g. concrete and rock revetments, sea walls) measures. In order to secure sustainability of these measures, the following three areas will be developed: States-level capacity for resilient shoreline management, data collection and management, and a supporting community awareness program. The project will help to catalyse additional funds for scaled-up coastal adaptation from other donors. The estimated lifespan of the project is 40 years. Below is the project's theory of change.



¹ Andrew, N.L. et al, *Coastal Proximity of Populations in 22 Pacific Island Countries and Territories*, University of Wollongong, 2019, pp7-8. Click [here](#) for access.

Priority Project Summary: Strengthening water security through adequate and safe water supply for vulnerable communities in Yap State.

FP modality | Yap State Project | Public Sector

Indicative total cost: USD 20.7 million

Potential AE: SPC or SPREP or UNDP

State Project Contact: Office of Planning and Budget

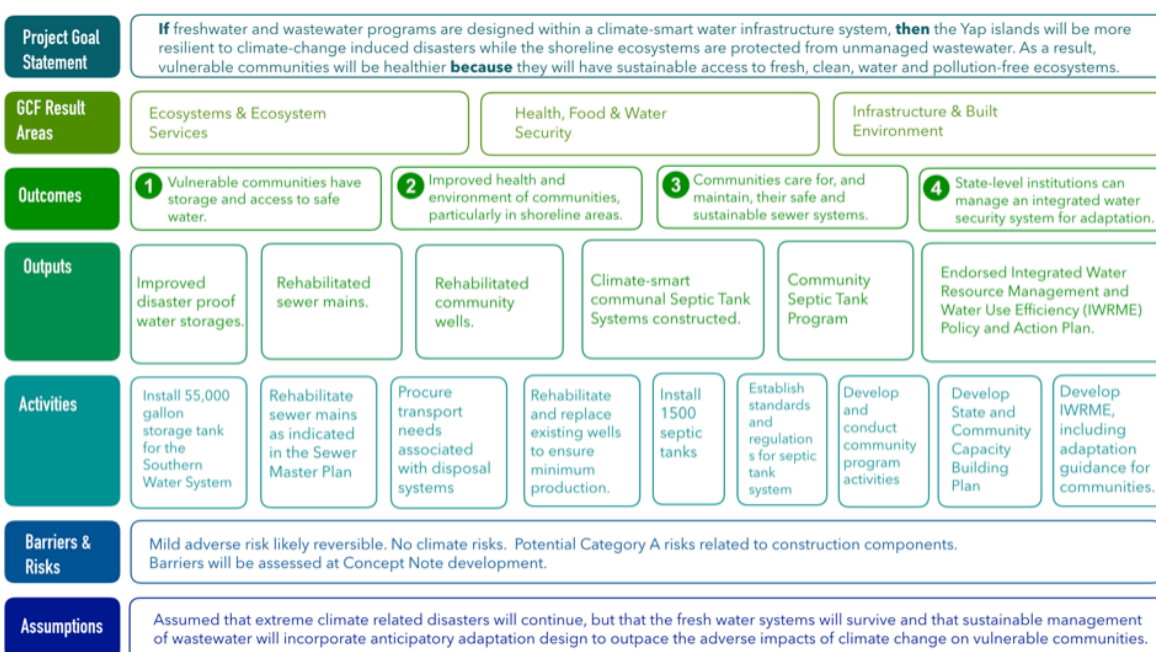
Population Impact: Approximately 10,000 or 86% of Yap State do not have plumbing.¹

ESS Categorization: The project only includes activities that qualify as risk category B, with potential mild adverse risks that would likely be reversible. However, the concept note development of this project may identify built infrastructure components which qualify as category A. In this case, the project may change to, or be implemented in partnership with, a category A AE (e.g. ADB or WB).

FSM NDC Target Area	SDG-adaptation-mitigation co-benefits
Water Security	3 6 13 17

Rationale, Objectives and Approach:

Yap is the westernmost state of the FSM, located in 'Typhoon Alley'. It is threatened by earthquakes and tsunamis, and suffers droughts due to the impact of ENSO. In addition, Yap State is largely low-lying and has large distances between its outlying islands, making it especially exposed to climate change-induced risks. This project will strengthen water security for communities in Yap State to withstand climate change. It will build on existing initiatives that are developing climate-smart water infrastructure, and that strengthen management of freshwater and wastewater resources in the State. The project has four components. Component 1 enhances disaster-proof water storage and rehabilitates community wells. Component 2 improves sewage and wastewater systems for communities by constructing and establishing communal septic tank systems. Component 3 implements a community-based septic tank program as a cost effective approach to manage effluent in unsewered areas of Yap. Component 4 ensures project sustainability by strengthening institutional capacity on an integrated water resource management action plan for adaption, that can be mainstreamed into state and national development planning. The outcome of the project is improved health and safety of communities, particularly in shoreline and other sensitive areas. The project will help to catalyse additional funds from other donors for scaled-up water security infrastructure to include all outer-islands of Yap, as well as the other States. Below is the project's theory of change.



¹ Yap State JSAP, p13.

Priority Project Summary: Chuuk Resilient Communities and Critical Infrastructure Project

FP modality | Chuuk State Project | Public Sector

Indicative total cost: USD 53.4 million

Potential AE: ADB or WB (if Category A), UNDP or SPREP or SPC (if Category B)

FSM NDC Target Area	SDG-adaptation-mitigation co-benefits
Emergency Management & Response	3 10 13 17

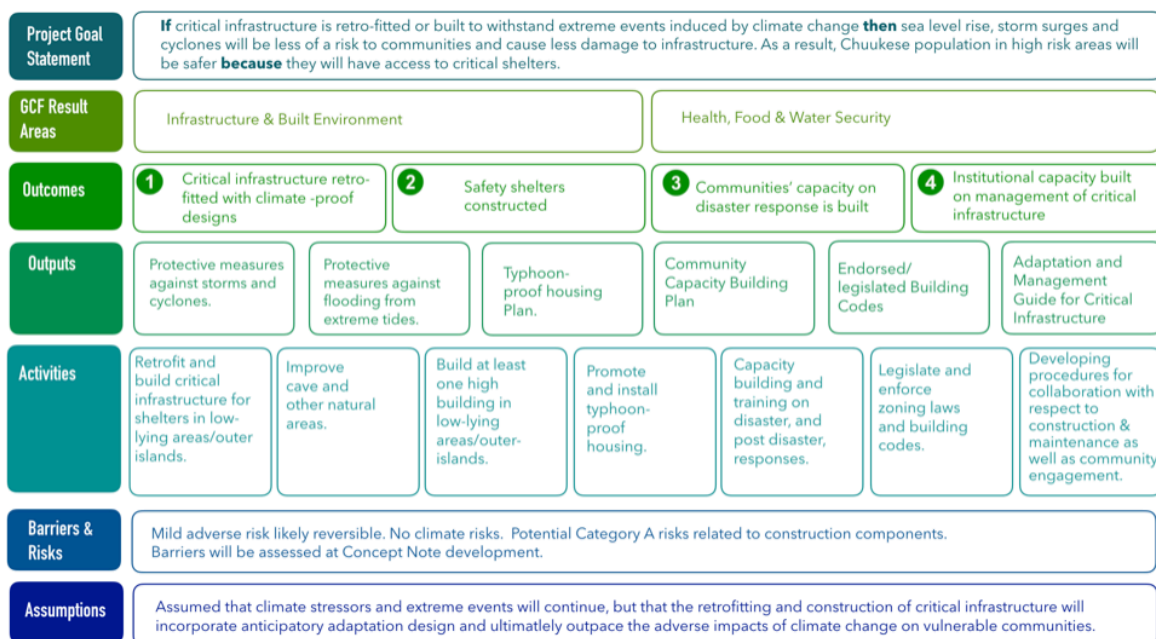
Chuuk State Project Contact: Division of Planning under the supervision of the Chief of Staff

Population Impact: Approximately 44,200 or 89% of Chuuk State¹

ESS Categorization: The infrastructure component of this project may qualify as a risk Category A. However, it may be possible to design the project to better fit with the lesser category risk B. For example, by focusing the project on institutional strengthening, community awareness interventions and nature-based construction, such as improving caves and other natural safe areas for shelters.

Rationale, Objectives and Approach:

Chuuk State constitutes almost half of the FSM population, and has the highest population density at 383 people per square kilometre. It is exposed to extreme events under ENSO influences including typhoons, landslides, droughts and variable sea level heights. This project will climate-proof critical infrastructure in the main island, as well as outer islands of Chuuk State to adapt to climate change stressors such as sea level rise, and extreme events such as increase in storm surges and more frequent and strong cyclones. The project will have 4 components. Component 1 involves retrofitting vulnerable infrastructure with climate-proof designs. Component 2 involves building new infrastructure for safety shelters in high risk areas and especially on low-lying islands. Component 3 involves community awareness and training on disaster, and post-disaster, response capabilities. Component 4 includes institutional strengthening on the planning and management of critical infrastructure, including a building maintenance plan to ensure sustainability. The estimated lifespan of the project is 50 years. The project will help to catalyse additional funds from other donors for scaled-up climate-proofing infrastructure projects. It can be scaled up to a programmatic level as presented in the original CP. Below is the project's theory of change.



¹Extrapolated from Andrew, N.L. et al, *Coastal Proximity of Populations in 22 Pacific Island Countries and Territories*, University of Wollongong, 2019, pp7-8. Click [here](#) for access.

Priority Project Summary: Safeguarding the 'Lifeline' access road to the FSM in Pohnpei State against the adverse impacts of climate change.

FP modality | Pohnpei State Project | Public Sector

Indicative total cost: USD 33.9 million

Potential AE: ADB or WB (TBC)

Pohnpei State Project Contact: Transport & Infrastructure

Office

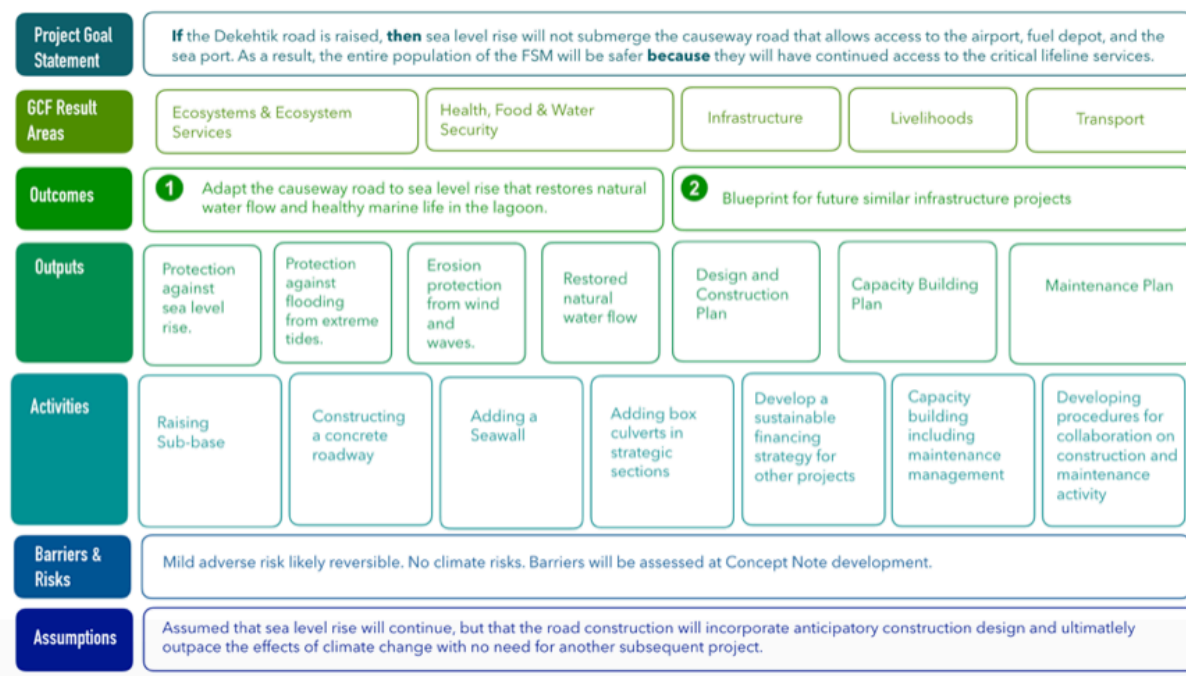
FSM NDC Target Area	SDG-adaptation-mitigation co-benefits
Resilient Transport Systems	8 10 11 13 17

Population Impact: Direct: 36,960 (35%) Indirect: 100% of the country in terms of economic impact.

ESS Categorization: The project only includes activities that qualify as risk category B, with potential mild adverse risks that would likely be reversible. However, given that this is an infrastructure project, the concept note development may identify components which qualify as category A.

Rationale, Objectives and Approach:

While this project is located in Pohnpei State, the human security and economic impacts are nation-wide. Pohnpei is the capital of the FSM and is the second most populous state in the country. The project will adapt the causeway road to climate-change related sea level rise, storm surges and cyclones. The causeway serves as a life-line to the nation's economy and the only access point to receiving medical and other necessary supplies for the people of the FSM. It is the only road that connects Pohnpei's main island to the airport, seaport and fuel depot. Blocked access to the ports will negatively affect access to health, education, energy, imported foods, and inter-island and international transport, triggering widespread systematic disruption of critical support services in the event of a disaster. The project will have two components. The construction component will include raising the road sub-base, constructing a concrete roadway to protect against flooding, placing seawalls along high risk areas of the causeway, and adding box culverts to improve movement of water across the reef. The construction component will therefore have the added benefit of restoring the marine ecosystem around the causeway which has been suffering from sedimentation since its original construction. The second component is the production of a blueprint for mainstreaming cost-effective adaptation into similar future projects, such as the other portions of the perimeter and the Sokehs Island roads, also affected by climate change. In this way, the project will help to catalyse additional funds for scaled-up coastal adaptation from other donors. The estimated lifespan of the project is up to 50 years. Below is the project's theory of change.



ANNEX 5: RAPID ASSESSMENT REPORT SWOC ANALYSIS

SWOC analysis with inputs from the States of Yap, Chuuk, Kosrae and Pohnpei. [Click here](#) for a copy with high resolution.

STRENGTHS		WEAKNESSES	
CC Finance Strategy	CP Pipeline	CC Finance Strategy	CP Pipeline
<p>The FSM as a Large Ocean State - with great carbon sink potential of global significance.</p> <p>Favourable climate finance global landscape.</p> <p>Stable political system and economy to date; increases climate finance investors confidence.</p> <p>Increasing political will, institutional coherence and existing partnerships on finance access; amongst national, States, NGOs, CSOs, Private Sector actors.</p> <p>Established and endorsed plans for priority projects in adaption and mitigation with the IDPs and JSAPs.</p> <p>Experience and achievements gained under NDA Readiness programs 1 and 2; currently applying for multi-year Readiness 3.</p> <p>NDA is closely engaged with ODA Office at the national level; State focal points are ODA offices or equivalent.</p> <p>Completed/updated Country Program (CP) for the GCF.</p> <p>Responsive partnership with the GCF.</p> <p>Experienced with other complementing CC funds (GEF, AF, EU, WB, ADB)</p> <p>Potential support from other development partners (Bilateral donors, WB, ADB)</p>	<p>Helpful NDA Readiness program; two GCF projects approved; advancing other national and regional initiatives; on track with CP implementation and update.</p> <p>Effective DAE NGO - MCT; technical capacity at NGO level to develop and implement projects.</p> <p>Effective regional DAE/AE - SPC.</p> <p>Experience with EDA financing approval process (through the project with SPC); type of on-granting financing mechanisms seems to attract higher chances of GCF approval.</p> <p>Effective partnership with USAID Climate Ready program.</p> <p>Established and endorsed plans for priority projects in adaption and mitigation with the IDPs and JSAPs.</p> <p>Established access mechanism through the completed CP; existing processes in projects identification and prioritization.</p> <p>Traditional, effective adaptation practices.</p>	<p>Decentralised Federal system of government results in limited communication/coordination between the Federal and State governments.</p> <p>Uncertain FSM economic status post 2023.</p> <p>Limited capacity at National and the States level (both technical and staffing); more severe at the States level.</p> <p>Low capacity at the NDA office; no positions are permanently funded. State focal points are not full time positions.</p> <p>Limited absorptive capacity.</p> <p>States are not experienced or equipped to receive and absorb increasing levels of climate finance.</p> <p>Limited compliance to the ODA Policy and limited capacity in ODA coordination.</p> <p>Limited private sector to mobilise financial resources and leverage financing.</p> <p>Absence of a National Adaptation Plan; no overarching national climate finance strategy nor States-based climate finance strategies.</p> <p>Most policies and plans remain outdated or non-existent (e.g. National Water Policy).</p>	<p>Limited communication/coordination between the Federal and State governments.</p> <p>Most projects are too broad in scope relative to the current limited capacities to develop them.</p> <p>Limited staffing and technical capacity to develop and implement large scale and state-level projects.</p> <p>Limited to no experience with working with AEs.</p> <p>Limited access to and/or availability of AEs.</p> <p>Limited NDA capacity to provide full support to States/focal points on developing priorities.</p> <p>Limited capacity in ODA coordination to timely inform projects development and implementation.</p> <p>Protracted review process/timing from projects development to implementation (with around 2 to 3 years for projects development).</p> <p>Reports on completed projects are not always documented or easily accessible.</p> <p>Absence of a National Adaptation Plan (NAP); lack of up-to-date evidence basis.</p> <p>Limited, out-of-date, fragmented and inaccessible climate change data (including baseline date, socio-economic data).</p> <p>Most policies and plans remain outdated or non-existent (e.g. National Water Policy).</p> <p>Remote and dispersed context of islands: logistical challenges at implementation, especially to outer- islands.</p> <p>Limited private sector to mobilise technical and technological capabilities.</p>
OPPORTUNITIES		CHALLENGES	
CC Finance Strategy	CP Pipeline	CC Finance Strategy	CP Pipeline
<p>Post 2023 Compact negotiations include stronger support for CC response.</p> <p>Completion of the NAP to maximise climate finance access.</p> <p>Update of the ODA Policy and revitalised Donor coordination.</p> <p>New and stronger partnerships for increasing cofinancing opportunities; UN multi country office (UNDP), USAID, ADB, WB.</p> <p>DAE accreditation of FSM DoFA, Vital, FSMDB.</p> <p>Increased, tailored support at the strategic level from the GCF as a result of the 2020 SIDs IEU report findings.</p> <p>High level dialogues more accurately reflect the FSM's large ocean state identity.</p> <p>Geopolitical restructuring in the Pacific.</p> <p>States to improve communications and relationship with the National Government given that the National Government is the bridge to access opportunities with global funds and international partners.</p>	<p>Increased co-financing opportunities under a new, negotiated Compact.</p> <p>Completion of the NAP to address data, capacity and technological capabilities issues.</p> <p>New partnerships to increase access to AEs; UN multi country office (UNDP), ADB, WB.</p> <p>DAE accreditation of FSM DoFA, Vital, FSMDB.</p> <p>Increased, tailored support at the projects level from the GCF as a result of the 2020 SIDs IEU report findings.</p> <p>Established and endorsed plans for priority projects in adaption and mitigation with the IDPs and JSAPs.</p> <p>Increased NDA support as a result of increased assistance available under a multi-year Readiness 3 Program.</p> <p>Experience gained with EDA proposal and projects could lead to more EDA- approved projects in future iterations of the pipeline.</p> <p>Successful past and existing climate change projects to build on/scale up.</p> <p>Improved two-way communications between the NDA and States.</p> <p>Dedicated, full time staffing for NDA Readiness and Country Program implementation at States level.</p> <p>Increased employment opportunities; can also build local capacity.</p> <p>Increased resilience for communities.</p>	<p>Small island state identity; global misperception of the FSM and other island nations as 'small' i.e. insignificant players in global-level solutions for adaptation and mitigation.</p> <p>Limited understanding in the GCF of the development-climate change as well as adaptation-mitigation linkages for SIDs.</p> <p>Limited understanding in the GCF of effective traditional adaptation practices in the islands; mainly due to perception that they are 'non-scientific'.</p> <p>Climate finance has seen an increase in the form of loans rather than grants.</p> <p>The GCF is a new and politically-determined fund.</p> <p>Donor/co-financing coordination; some donor organisations may not be ready or open to work with the GCF.</p> <p>Uncertain post 2023 economy.</p> <p>Geopolitical restructuring in the Pacific.</p> <p>Slow pace and processes in accessing finance amidst escalating adverse CC events.</p> <p>Change of Administrations/ low staff retention in national and state government departments; loss of institutional knowledge.</p> <p>Small States - Big Funds: Adjusting the financial management capacity at States level to receive and absorb increasing levels of climate finance.</p> <p>Continuation of Covid pandemic, natural disasters or similar regional/global disruptions.</p>	<p>Focus the CP Pipeline to match current limited capacities and resources at the States and national (NDA) level.</p> <p>Adverse CC consequences happen faster than projects are approved and implemented.</p> <p>Cumbersome, fast-changing GCF review and approval processes.</p> <p>Limited understanding in the GCF of the climate change-development interlinkage in the SIDs context; and on effective traditional adaptation practices in the islands, mainly due to perception that they are 'non-scientific'.</p> <p>Access to technical assistance: limited pool available to work in the FSM (remote, 'hardship' post); lengthy process for securing technical assistance; high costs.</p> <p>Getting more entities accredited; limited numbers, availability and capacity of entities (e.g. not many are Category A or are available to work in the FSM)</p> <p>Limitations of current entities (e.g. MCT is only 'Micro/Category C'; SPC Small/Category B)</p> <p>Worsening absorptive capacity at State and national levels due to increased outmigration and limited training available (dearth in the education system in the climate change and development field).</p> <p>Change of Administrations at State level can affect priorities.</p> <p>Availability and accessibility of data and reports on completed projects.</p> <p>Remote and dispersed context of islands: Traditional, cultural values and practices in outer-islands difficult to incorporate into project design; logistical challenges at implementation, especially to outer- islands.</p> <p>Continuation of pandemic, natural disasters or similar regional/global disruptions.</p>

ANNEX 6: COUNTRY PROGRAM IMPLEMENTATION M&E RESULTS (2018 TO 2022)

FSM-GCF Country Program (CP) Master Readiness Results Framework Progress snapshot on CP implementation over four years (Feb 2018 to Feb 2022)					Name /Title of Lead Evaluator:
Date of Evaluation:	Readiness Progress Indicator on Result Areas:			Going well	Belinda Suzuki-Hadley, NDA Office Team Leader
2 May 2022	Stalling	In-progress	Administrative		
Result Areas:	Strategic	Institutional	Administrative	Evaluation Comments	
1. Nation-wide (States + National)				Overall progress is slow, with urgent challenges to: institutional progress at the National level; progress in strategic planning at the State levels, especially with Pohnpei State and; administrative operations, especially with Kosrae State. All States cited limited coordination and capacity to move project ideas forward. Pandemic impacts and complex GCF processes have also affected results, nationwide.	
2. National				NDA has been 'going well' in administration operations, particularly in resourcing the NDA Office, engaging stakeholders, securing two GCF-funded projects in 2021, and keeping the CP updated. However, efforts are being impeded by slow planning processes, and institutional challenges in leadership, coordination, capacity and in securing government funding for continued operations.	
3. Yap State				Going well' with IDP updates, but slow progress overall. Limited coordination and capacity to move project ideas forward, and finding suitable AEs.	
4. Chuuk State				Going well' with IDP updates, but slow progress overall. Limited coordination and capacity to move project ideas forward, and finding suitable AEs.	
5. Pohnpei State				Experiencing slow progress in all areas. Limited coordination and capacity to move project ideas forward, and finding suitable AEs.	
6. Kosrae State				Going well' with IDP updates, but slow progress overall. Efforts in coordination, sufficient staffing for increasing GCF work at state level, and projects development, have been stalling. Has been difficult to find suitable AEs.	
Key actions going forward:					
1. The FSM NAP proposal is pending resubmission to GCF for review. It will address the need to update the JSAPs, produce a climate finance strategy and capacity building plan.					
2. The states have identified various needs, foremost: to develop State-based Gender policies; increase capacity of current Gender Officers and Focal Points/Officers not only for GCF funding but also for other development partners/donors; a dedicated Climate Change officer at the state level to facilitate State climate change initiatives forward. These needs, and other needs, are laid out in Section 4 of the Updated Country Program 2022.					
3. FSM NDA Office to seek Council support for at least one funded permanent staff member to carry on the institutional knowledge of the NDA Office.					

[Click here](#) for a high resolution copy of the full M&E document.

National GCF READINESS Program Results Framework						
Readiness Progress Indicator:	Stalling	In-progress	Going well	Date of Evaluation: 11 May 2021		Name /Title of Lead Evaluator: Belinda Suzuki-Hadley, NDA Office Team Leader
1	STRATEGIC					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
The FSM has a comprehensive long-term climate adaptation and mitigation plan that integrates climate change into national decision-making.	National Adaptation Plan (NAP), Nationally Appropriate Mitigation Actions (NAMA) and National Gender and Vulnerable Groups Policy developed.	NAP	DECEM	No national, consolidated plan yet. No National Gender and Vulnerable Groups Policy in place yet.		1. NAP proposal with SPREP as AE was submitted to the GCF on 21 Feb. 2022. 2. Updated NDCs through to 2030 is in the process of being finalised. [NDA may want to clarify with DECEM whether the FSM needs to do a NAMA or whether the NDC is sufficient. If the latter, we can change the NAMA reference to NDCs]. 3. FSM Gender and Vulnerable Groups Policy endorsed in 2018, but does not include specific plan for climate change matters. 4. TNC-BUR process is currently underway. 5. Gender statements for states: Yap has a Gender Support Officer, based at the office of Youth and Civic Affairs; Pohnpei has a gender officer located in Social Affairs, and looks at social inclusion, including women; Kosrae has no specific gender officer, but utilizes the president of the Kosrae Womens Association as the local point for gender & social inclusion; Chuuk State has no specific gender officer and utilizes the Chuuk Womens Council president as the focal point for gender and social inclusion, and all requires capacity buding (inclusive of the areas of climate change) to be more effective.
The FSM-GCF Country Program Strategic Framework is aligned with the NAP and NAMA	National Adaptation Plan (NAP), Nationally Appropriate Mitigation Actions (NAMA) and National Gender and Vulnerable Groups Policy developed.	The FSM-GCF Country Program with updated strategic framework	NDA	No national, consolidated plan yet. No National Gender and Vulnerable Groups Policy in place yet.		As above.
The FSM has a comprehensive long-term infrastructure plan that integrates climate change into nation-wide decision-making on infrastructure development.	Up-to-date nation-wide IDP	Up-to-date nation-wide IDP	TC&I	IDP (2015)		FSM is in the process of developing 'Building code' and to ensure climate change is mainstreamed in policies/plans, the NDA office is included as a member of the building code technical committee.
FSM Stakeholders are well-informed of Country Program progress	Communications Strategy developed and implemented. Strong institutional and public support for CP implementation.	Communications Strategy MSE Results Framework detailing publication or broadcasting outputs. Workshop and other outreach feedback forms	NDA	No communication strategy in place yet.		1. An NDA Communications Strategy was completed in May 2021. 2. 8 workshops with the States and 2 with nation-wide have been held since CP completion in Feb 2018. 3. An educational video on the CP was made in September 2020. 4. Quarterly newsletters to stakeholders since CP completion in 2018. 4. Requesting technical assistance for a Communications Specialist under Readiness 3 to help the NDA fully and implement the Communications Strategy.
2	INSTITUTIONAL					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Leadership in climate change and adaptation planning and implementation	National Adaptation Plan (NAP), Nationally Appropriate Mitigation Actions (NAMA) and National Gender and Vulnerable Groups Policy developed. CC&SD Council meetings are regular and effective.	PSD Council minutes.	DECEM	No national, consolidated plan yet. CC&SD Council newly established CC ACT inactive		1. NAP proposal with SPREP as AE was submitted to the GCF on 21 Feb. 2022. 2. CC&SD Council re-established as SD Council under the new Administration, and held its first 'administrative' meeting 23 Feb. 2022. However, Council is yet to launch its full 'strategic' functions. 3. CC ACT (2013) remains inactive, but is set to be re-activated with a well-functioning Council.
Coordination in climate change and adaptation planning and implementation	JRM Network is reactivated and meetings are regular and effective. Well-functioning ODA national and state offices Well-functioning NDA and States GCF focal point counterparts	JRM Network minutes.	DECEM	JRM Network inactive. ODA national and state offices currently low capacity. NDA and States GCF focal point counterparts		1. JRM Network remains inactive, with no alternative coordination mechanism in place. 2. While there has been some staffing/resources improvement in ODA offices, capacity remains low to help implement the CP. 3. While there has been some staffing/resources improvement in the NDA office, capacity remains low to fully implement the CP. Capacity limitations are severe in the States with no full time staff dedicated to CP implementation. 4. CC Focal point statements: Yap state has a Governor designated climate change focal point and this is an additional task to their existing workload; Pohnpei state has a Governor designated focal point (EPA Ag/Director) and this is an additional task to their existing workload; Kosrae state has a Governor designated climate finance focal point, and the JSAP with the JRM network - which Kosrae State is in the process of re-establishing - and this is an additional task to their existing workload. Chuuk state has a designated climate change focal point and this is an additional task to their existing workload.
Capacity in climate change and adaptation planning and implementation	Capacity Building Plan under the NAP is developed. Capacity Building Plan under the NAMA is developed.	NAP and NAMA	DECEM	No plan yet		1. NAP submitted to GCF Feb 21, 2022.
3	ADMINISTRATIVE					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Well-functioning NDA	NDA Office is sufficiently resourced and has long-term staffing GCF Readiness and resources fully accessed. Country portfolio activities show progress. Annual nation-wide Country Program update workshop is conducted Communications Strategy developed and implemented.	NDA quarterly Reports Up-to-date FSM-GCF Country Program and M&E Framework Up-to-date FSM-GCF Country Program and Proposal Generation Toolkit Up-to-date NDA Administration Register Up-to-date Projects/Program Pipeline Tracker Annual nation-wide Country Program update workshop report Communications Strategy bi-annual reports.	NDA	NDA currently resourced by short and medium term consultants. Currently no budget for annual workshops. No communication strategy in place yet.		1. Baseline remains the same for limited NDA and State FP capacity and resources for permanent staffing. And the same for no budget for annual workshops. In process of applying for further funding under the Readiness 3 proposal to the GCF. However, need FSM and State funding for more permanent, full-time positions to secure institutional knowledge in the long term and climate finance access momentum going. 2. Communications strategy is in place. 3. The majority of projects in the Country Portfolio have made little progress from Ideas Stage, mainly due to capacity issues.
Project 1: Food and Water Security	Accredited Entity secured Concept note or proposal work in progress	Up-to-date FSM-GCF Country Program and M&E Framework	R&D	Idea stage		GCF approved and funded.
Project 2: FSM Renewable Energy	Proposal work completed or almost completed.	NDA quarterly Reports Up-to-date FSM-GCF Country Program and M&E Framework	R&D	Proposal stage		Part of the Regional ADB Pacific Renewable Energy Facility. Some components have been funded by the ADB itself. Other components may yet require GCF-funding. Any projects that come out of this can be placed in the In-Line list.
Project 3: Resilient National College Infrastructure Program	Accredited Entity secured Concept note or proposal work in progress.	Up-to-date FSM-GCF Country Program and M&E Framework	TC&I	Idea stage		Components have been funded under Compact funds and others have been earmarked for next phase of compact funding. Other components may yet require GCF-funding. Agreed with AS Dickson Wichep and Robert Goodwin (29 Apr 2022 meeting): to revisit the College Campus project until after the Building Code is developed.
Project 4: Nation-wide CC and DRM Coordination and Communications Program	Accredited Entity secured Concept note or proposal work in progress	Up-to-date FSM-GCF Country Program and M&E Framework	TC&I	Idea stage		Components of this project are included in the Digital fiber optic project with FSM through WB. Yap and Chuuk have been completed. Pohnpei and Kosrae still ongoing. TC&I updated the funding status of the national components (Apr 2022), hence the updated amount of \$27,128,485 (from \$43, 284, 549 in the original CP). To revise and ascertain States priorities + confirm with DECEM priority Emergency Alert System funding status at CN development.

Yap State GCF READINESS Program Results Framework						
Readiness Progress Indicator:	Stalling	In-progress	Going well	Date of Evaluation: Feb 04, 2022		Name /Title of Lead Evaluator: Director Victor Bamog (OPB)
1	STRATEGIC					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Yap State continues to have a comprehensive long-term climate adaptation plan that integrates climate change into State and national decision-making.	Up-to-date Joint State Action Plan (JSAP)	Up-to-date JSAP	OPB (Victor Bamog)	JSAP (2015)		1. Pandemic has delayed the update. 2. Funding for update is in the NAP proposal to the GCF (SPREP as the AE)
Yap State continues to have a comprehensive long-term infrastructure plan that integrates climate change into national decision-making.	Up-to-date State infrastructure development plan (IDP)	Up-to-date IDP	Chief of Staff (Francis Itimai)	IDP (2015)		Yap IPC Committee meets on a quarterly basis: ensure continued update
Yap State projects portfolio for the GCF are aligned to the latest FSM-GCF Country Program Strategic Framework	Project design aligns with the Programs of Action in the FSM-GCF Country Program Strategic Framework	Concept note or Proposal document	OPB Grant Writer - (Leelkan Southwick)	No concept note or proposal documents available yet		Difficult and complex process. Continuing to work with the NDA team to develop.
2	INSTITUTIONAL					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Leadership in climate change and adaptation planning and implementation	JSAPs, IDP are up to date.	Up-to-date JSAP and IDP Endorsed ODA priorities	OPB Grant Writer - (Leelkan Southwick)	JSAP and IDP (2015) 2016 ODA Priorities		JSAP update issues as above; IDP as above: 2022 ODA priorities currently under endorsement process
Coordination in climate change and adaptation planning and implementation	State-based TAC is reactivated and meetings are regular and effective.	TAC minutes. ODA focal point	OPB Grant Writer - (Leelkan Southwick)			JRM Network has been replaced by the Technical Advisory Committee on climate change activities. Need capacity building (human resources - extra staff).
Capacity in climate change and adaptation planning and implementation	Capacity Building Plan under the NAP is developed	NAP	OPB (Victor Bamog)	No plan yet		NAP proposal in process as above. Yap state has a Governor designated Climate Change focal point but this is an additional task to their existing workload. Yap has a Gender Support Officer, based at the office of Youth and Civic Affairs; but requires capacity building (inclusive of the areas of climate change) to be more effective.
3	ADMINISTRATIVE					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Well-functioning GCF State Focal Point (FP)	NDAFP is resourced and has long-term staffing GCF Readiness and resources fully accessed. State portfolio activities show progress.	NDA quarterly Reports Up-to-date FSM-GCF Country Program and M&E Framework	OPB (Victor Bamog)	NDA and States GCF focal point currently at minimal capacity Currently no formal administration process to track development of projects		Active focal point in place working closely with NDA & ODA to improve capacity needs. State/Grants Officer can use the 'CP tracking and projects consolidation spreadsheet tool' to help track sub-priorities for projects development.
Project 1: Resilient Transport and Private Sector Development in the main and outer islands of Yap	Accredited Entity secured Concept note or proposal work in progress	Up-to-date FSM-GCF Country Program and M&E Framework	OPB Director	Idea stage		Complex process of GCF requiring data and funding to further develop; limited capacity/staffing to progress. After reviewing funding status, the funded transport components were taken out, leaving only the private sector development component which is costed at approximately USD 3.8m. This amount is too small for the GCF + the climate change rationale for private sector development is not clear. Therefore, this project is no longer viable for the GCF and will not be included in CP 2022 pipeline.
Project 2: Yap Renewable Energy Investment Program Phase 3	Accredited Entity secured Concept note or proposal work in progress	Up-to-date FSM-GCF Country Program and M&E Framework	OPB / YSPSC	Idea stage		Need to verify with YSPSC funded elements of the projects and identify which ones remain in idea stage. At the workshop (4 Feb 2022), Yap State selected the Yap Renewable Energy Investment Program Phase 3 (consolidation 2a) as the State's no.1 priority to include in first top 5 list for CP Programming 2022. After reviewing the funding status, funded sub-projects were taken out and those not yet funded in Phase 2 were moved to Phase 3 (i.e. Yap Septic Tank Program). Given that the built/transport infrastructure parts of this project has been mainly funded, the project focus now is on water security/improving access to safe water and sewerage systems management. The Project Summary details in the Updated CP covers these changes.
Project 3: Resilient Infrastructure for Health and Education Delivery	Accredited Entity secured Concept note or proposal work in progress	Up-to-date FSM-GCF Country Program and M&E Framework	OPB / DHS / DOE	Idea stage		Some health components/elements of this project will be included in the FSM Climate Change and Health SAP; Need to verify which aspects still need attention/financing. OPB will review and confirm funding/viability status of components to see if this project remains appropriate for GCF support. Once reviewed and updated, discuss with NDA office whether it can be placed in the In-Line list during implementation of the Updated CP.

Chuuk State GCF READINESS Program Results Framework

Readiness Progress Indicator:	Stalling	In-progress	Going well	Date of Evaluation: Feb 25, 2022		Name /Title of Lead Evaluator: Skenson Erwin
1	STRATEGIC					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Chuuk State continues to have a comprehensive long-term climate adaptation plan that integrates climate change into State and national decision-making.	Up-to-date Joint State Action Plan (JSAP)	Up-to-date JSAP	DEOC (Director Justin Fritz)	JSAP (2015)		Update is covered under the NAP. Proposal has been submitted to the GCF by the NDA Office [SPREP as AE] in Feb 2022.
Chuuk State continues to have a comprehensive long-term infrastructure plan that integrates climate change into national decision-making.	Up-to-date State infrastructure development plan (IDP)	Up-to-date IDP	T&I (Joanes Risin)	IDP (2015)		IPIC will prioritize the IDP for states (Meeting to update the IDP are in progress as of Feb 2022)
Chuuk State projects portfolio for the GCF are aligned to the latest FSM-GCF Country Program Strategic Framework	Project design aligns with the Programs of Action in the FSM-GCF Country Program Strategic Framework	Concept note or Proposal document	ODA (Skenson Erwin)	No concept note or proposal documents available yet		Lack of coordination due to limited funding to conduct leadership, workshop & stakeholder meetings in order to move the project. Limited capacity to identify & access delivery partners who are accredited to the GCF.
2	INSTITUTIONAL					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Leadership in climate change and adaptation planning and implementation	JSAPs, IDP are up to date.	Up-to-date JSAP and IDP Endorsed ODA priorities (2020)	Chief of Staff/ ODA (Skenson)	JSAP and IDP (2015): Endorsed ODA priorities (2016)		ODA priorities pending endorsement & JSAP still pending update. IDP progressing well.
Coordination in climate change and adaptation planning and implementation	State-based JRM Network is reactivated and meetings are regular and effective. Well-functioning ODA state office Well-functioning State GCF focal point	JRM Network minutes.	DEOC (Justin Fritz)/ ODA (Nowell Petrus)	JRM Network inactive. ODA state offices currently at low capacity. States GCF focal point currently at minimal capacity		JRM Network currently inactive for now (will confirm with Director Fritz). ODA office/GCF focal point needs to scale up their capacity (personnel, equipment & capacity building in project management skills).
Capacity in climate change and adaptation planning and implementation	Capacity Building Plan under the NAP is developed	NAP	DECEM/ DEOC (Justin Fritz)	No NAP yet.		Proposal has been submitted to the GCF by the NDA Office [SPREP as AE] in Feb 2022. Chuuk state has a designated Climate Change focal point but this is an additional task to their existing workload. Chuuk State has no specific gender officer; utilizes the Chuuk Womens Council president as the focal point for gender and social inclusion; but requires capacity building (inclusive of the areas of climate change) to be more effective.
3	ADMINISTRATIVE					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Well-functioning GCF State Focal Point (FP)	NDA FP is resourced and has long-term staffing	NDA quarterly Reports	GCF State FP	NDA and States GCF focal point currently at minimal capacity Currently no formal administration process to track development of projects		NDA Office currently working to submit a proposal to GCF for a 3 year Readiness Program while also persisting to obtain permanent position funding with FSM Government, with strong support from Chuuk State. ODA office/GCF focal point needs to scale up their capacity (personnel, equipment & capacity building in project management skills). Project management skills will be particularly used for consolidating already existing processes for projects tracking i.e. ODA database, GCF P projects tracking and consolidation spreadsheet tool & this M&E process.
Project 1: Chuuk State Resilient Critical Infrastructure Program	Accredited Entity secured	Up-to-date FSM-GCF Country Program and M&E Framework	ODA (Skenson Erwin)	Idea stage		Country Program update currently underway & M&E framework currently being completed. Given limited State capacity and non-availability of 'Category A' AE, this project has been too broad, large scale and complex to move as a program. The selected Priority 1 focuses this program into a project using the sub-priorities under the JSAP critical infrastructure components. The new name is therefore identified with 'project' rather than 'program,'; Chuuk State Resilient Critical Infrastructure Project. This was confirmed as Priority 1 for the CP in an email to the NDA from ODA (Skenson Erwin) re-laying the Governor's confirmation. ODA will review and confirm funding/viability status of other components to see which sub-priorities remain appropriate for GCF support. Once reviewed and updated, discuss with NDA office whether re-configured/re-consolidated projects can be placed in the In-Line list of the Updated CP.

Pohnpei State GCF READINESS Program Results Framework						
Readiness Progress Indicator:	Stalling	In-progress	Going well	Date of Evaluation: March 16, 2022		Name /Title of Lead Evaluator: Galverson Eliou
1	STRATEGIC					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Pohnpei State continues to have a comprehensive long-term climate adaptation plan that integrates climate change into State and national decision-making.	Up-to-date Joint State Action Plan (JSAP)	Up-to-date JSAP	Public Safety/ Patrick Carl	JSAP (2015)		Update is covered under the NAP. Proposal has been submitted to the GCF by the NDA Office [SPREP as AE] in Feb 2022.
Pohnpei State continues to have a comprehensive long-term infrastructure plan that integrates climate change into national decision-making.	Up-to-date State infrastructure development plan (IDP)	Up-to-date IDP	PMO Office/Dayn lehsi	IDP (2015 - 2025)		No meetings have yet to be held. Director's office will initiate meetings in the next 3 or 4 months.
Pohnpei State projects portfolio for the GCF are aligned to the latest FSM-GCF Country Program Strategic Framework	Project design aligns with the Programs of Action in the FSM-GCF Country Program Strategic Framework	Concept note or Proposal document	GCF focal point/ Director Elnei & Shirley Ligoehr	No concept note or proposal documents available yet		Lack of coordination due to limited funding to conduct leadership, workshop & stakeholder meetings in order to move the project. Limited capacity to identify & access delivery partners who are accredited to the GCF. Two of the projects are too broad and complex relative to the limited capacity at the state level to develop them.
2	INSTITUTIONAL					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Leadership in climate change and adaptation planning and implementation	JSAPs, IDP are up to date.	Up-to-date JSAP and IDP Endorsed ODA priorities	GCF focal point/ Director Elnei & Shirley Ligoehr	JSAP and IDP (2015 - 2025). Endorsed ODA Priorities		JSAP update is covered under the NAP. Proposal has been submitted to the GCF by the NDA Office [SPREP as AE] in Feb. 2022. ODA priorities (2020) are already endorsed. IDP not yet on update.
Coordination in climate change and adaptation planning and implementation	State-based JRM Network is reactivated and meetings are regular and effective. Well-functioning ODA state office Well-functioning State GCF focal point	JRM Network minutes.	GCF focal point/ Director Elnei & Shirley Ligoehr	JRM Network inactive. ODA state offices currently at low capacity. States GCF focal point currently at minimal capacity		There is no JRM Network at the moment however, we can use the legislature committee on climate change for coordination. The ODA continues to operate on a limited capacity and supports GCF on a part time basis however, there is effort to add one more supporting staff to the ODA office. There is no ODA staff working full time on NDA/GCF activities. Need more support here for effective coordination and collaboration with partners.
Capacity in climate change and adaptation planning and implementation	Capacity Building Plan under the NAP is developed	NAP	DECEM/Francisco Celestine(EPA)	No plan yet		NAP submitted by the NDA Office in Feb. 2022. Francisco to coordinate with DECEM to ensure plan is developed. Pohnpei state has a Governor designated focal point (EPA Ag/Director) but this is an additional task to their existing workload. Pohnpei has a gender officer located in Social Affairs, in charge of women social inclusion; but requires capacity building (inclusive of the areas of climate change) to be more effective.
3	ADMINISTRATIVE					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Well-functioning GCF State Focal Point (FP)	NDAFP is resourced and has long-term staffing GCF Readiness and resources fully accessed. State portfolio activities show progress.	NDA quarterly Reports Up-to-date FSM-GCF Country Program and M&E Framework	GCF State FP	NDA and States GCF focal point currently at minimal capacity Currently no formal administration process to track development of projects		Baseline remains the same for limited NDA and State FP capacity and resources for permanent staffing. Need FSM and State funding for more permanent, full-time positions to keep institutional knowledge and climate finance access momentum going. Baseline remains the same for tracking development of projects however, ODA may use the "CP tracking and projects consolidation spreadsheet tool" to start the process.
Project 1: Pohnpei State Resilient Critical Infrastructure Project	Accredited Entity secured Concept note or proposal work in progress	Up-to-date FSM-GCF Country Program and M&E Framework	PPA/T&I/ODA - Shirley Ligoehr	Idea stage		Restructured parts of the project to focus on Climate Proofing the Dekehtik Road Elevation project (9.9M) at the NDA workshop in 2018. This still remains a Climate Change priority for the State. Eventhough the original project is too broad this still presents PNI State the opportunity to restructure other parts, using the modular approach on CP projects and based on the latest IPCC finding on infrastructure sector adaption in the Pacific.Need assistance to develop beyond idea stage to pre-concept note stage.Pohnpei State has identified this project as Priority 1 for the Updated CP pipeline (see emailed copy of Governor transmittal 29 Mar 2022).
Project 2: Pohnpei State Resilient Social Protection Program	Accredited Entity secured Concept note or proposal work in progress	Up-to-date FSM-GCF Country Program and M&E Framework	Dept. of Health and Social Services - Noriella Lekka/ ODA/ EPA - Francisco Celestine	Idea stage		The Project has been too broad to move as one project. Parts of the project in the health area may be placed under the FSMGCF Nation-Wide health risk project proposal with SPC.ODA will review and confirm funding/viability status of components to see if this project remains appropriate for GCF support. Once reviewed and updated, discuss with NDA office whether it can be placed in the In-Line list of the Updated CP. If so, need assistance to develop beyond idea stage to pre-concept note stage.
Project 3: Pohnpei State Resilient Tourism Sector Development	Accredited Entity secured Concept note or proposal work in progress	Up-to-date FSM-GCF Country Program and M&E Framework	R&D - Director Yamada	Idea stage		As reviewed at the latest CP Update Meeting it is best to remove this from the GCF Pipeline for the following reasons. 1. Amount is too low to justify big effort in applying for GCF funding. Looking instead for a more appropriate donor arrangement. 2. Current pandemic conditions not conducive to prioritizing tourism projects.

Kosrae State GCF READINESS Program Results Framework						
Readiness Progress Indicator:	Stalling	In-progress	Going well	Date of Evaluation: March 1, 2022		Name /Title of Lead Evaluator: Heidi Sigrah (ODA)
1	STRATEGIC					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Kosrae State continues to have a comprehensive long-term climate adaptation plan that integrates climate change into State and national decision-making.	Up-to-date Joint State Action Plan (JSAP)	Up-to-date JSAP & Up-to-date Shoreline Management Plan	KIRMA/ODA	JSAP (2015)		Update is covered under the NAP. Proposal has been submitted to the GCF by the NDA Office [SPREP as AE] in Feb 2022.
Kosrae State continues to have a comprehensive long-term infrastructure plan that integrates climate change into national decision-making.	Up-to-date State infrastructure development plan (IDP)	Up-to-date IDP	IPIC Secretariat/ Bruce Howell/Kenye Timothy	IDP (2015-2025)		IPIC Committee working on updating priority project listing (short [2020-2024] & long term[2024-2043]) for the IDP and is in the process of obtaining endorsement from state leadership.
Kosrae State projects portfolio for the GCF are aligned to the latest FSM-GCF Country Program Strategic Framework	Project design aligns with the Programs of Action in the FSM-GCF Country Program Strategic Framework	Concept note or Proposal document	GCF focal point	No concept note or proposal documents available yet		Baseline remains the same. However, some work on these projects have been undertaken to date. Kosrae Inland Road project: 1. Preliminary for inland road alignment, 2. Coastal road shoreline protection preliminary plan completed, 3. TOR for environmental assessment on coastal protection works w. DECEM for advertisement (all activities funded through AF w. SPREP as AE). Community Resilience project has not yet been looked into at this stage. Other projects for the GCF pipeline are also in preliminary discussion stage. Technical assistance required to move projects forward at least to pre-concept note stage.
2	INSTITUTIONAL					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Leadership in climate change and adaptation planning and implementation	JSAPs, IDP are up to date.	Up-to-date JSAP and IDP Endorsed ODA priorities	GCF focal point	JSAP and IDP (2015). Endorsed ODA priorities (2016)		Update is covered under the NAP. Proposal has been submitted to the GCF by the NDA Office [SPREP as AE] in Feb 2022. IPIC Committee working on updating priority project listing (short [2020-2024] & long term[2024-2044]) for the IDP and is in the process of obtaining endorsement from state leadership. ODA priorities (2020) are already endorsed.
Coordination in climate change and adaptation planning and implementation	State-based JRM Network is reactivated and meetings are regular and effective. Well-functioning ODA state office Well-functioning State GCF focal point	JRM Network minutes.	DECEM and ODA	JRM Network inactive. ODA state offices currently at low capacity. States GCF focal point currently at minimal capacity		Baseline remains the same. There is no state based JRM for the state of Kosrae. Currently in the process of reactivating JRM network at State level.
Capacity in climate change and adaptation planning and implementation	Capacity Building Plan under the NAP is developed	NAP	DECEM	No plan yet.		NAP submitted by the NDA office February 2022 Kosrae state has a Governor designated Climate Finance focal point. There is no Climate Change focal point; the work is shared across departments and offices. Climate change work is an additional task to existing workloads. Kosrae has no specific gender officer, but utilizes the President of the Kosrae Womens Association as the focal point for gender & social inclusion; but requires capacity building (inclusive of the areas of climate change) to be more effective.
3	ADMINISTRATIVE					
Results	Indicator/s	Source	Lead	Baseline	Progress	Evaluation Comments
Well-functioning GCF State Focal Point (FP)	NDA FP is resourced and has long-term staffing	NDA quarterly Reports	GCF focal point	NDA and States GCF focal point currently at minimal capacity Currently no formal administration process to track development of projects		Baseline remains the same. State needs a fulltime staff dedicated to working with executing entities in facilitating and monitoring GCF activities and projects at the ground level. No formal administrative support or process to track development of projects. Limited support has been provided to State focal points to facilitate any significant progress on projects development at the ground level. However, the introduction of the 'CP tracking and consolidation spreadsheet' at the CP Update workshop could be used as a tool, going forward.
Project 1: Kosrae State Inland Road Completion Project	Accredited Entity secured	Up-to-date FSM-GCF Country Program and M&E Framework	GCF focal point	Idea stage		Kosrae Inland Road project: 1. Preliminary for inland road alignment, 2. Coastal road shoreline protection preliminary plan completed, 3. TOR for environmental assessment on coastal protection works w. DECEM for advertisement (all activities funded through AF w. SPREP as AE). Current questions on unfunded portion of The Inland Road Project include: is it climate change related? If yes, how much will it cost? Can SPREP be the GCF AE, noting that SPREP has accreditation for Category B whereas the road construction project may require a higher risk category A. At this stage, only the WB and ADB are Category A entities who are currently working in the FSM. What is the status of Richard, TC&I and SPREP's response at the NDA meeting regarding reassessment of the unfunded portion of the road and potential GCF funding? (Caroline will email through meeting minutes). Once these questions are answered and the project is still relevant for GCF support, talk to the NDA to include in the In-Line list as a separate component of the The Building Resilient Communities project (which is also in the In-Line list).
Project 2: Building Resilient Communities in Kosrae State	Accredited Entity secured Concept note or proposal work in progress	Up-to-date FSM-GCF Country Program and M&E Framework	GCF focal point	Idea stage		Community Resilience project has not yet been looked into at this stage. Technical assistance required to move projects forward at least to pre-concept note stage. During the CP update workshop, Kosrae agreed to scale up and select this project as the Kosrae state priority for the updated GCF CP. However, at the subsequent nation-wide workshop (Apr 2022), Kosrae state voted to move this project to the In-Line List and opted for the nationwide 'Coastal Protection & Resilience project' to take its place in the top 5 Priority List. The reasons being that coastal protection is an urgent priority in Kosrae State; the State is well-prepared to be the potential 'lead' for the project; and that there are AEs that are potentially available on island, increasing the chance of the project being developed and funded. Components of this large scale project can be re-configured/re-consolidated as per the projects modular model to maximise funding opportunities, and may be placed in the In-Line list upon confirmation with the NDA office.

ANNEX 7: KEY STAKEHOLDERS AND RELEVANCE TO PROGRAMMING

Organisation	Sector	Relevance to programming strategy
FSM Leadership and Presidential Sustainable Development Council		
President's Office	Government	Presidential Sustainable Development Council. Climate finance coordination and cohesion.
FSM NATIONAL-LEVEL STAKEHOLDERS		
Department of Finance and Administration (DoFA)	Government	The Secretary is the NDA and the Focal Point for the Green Climate Fund.
Department of Environment, Climate Change and Disaster Management (DECEM)	Government	Key partner for coordination of long term climate change policies, plans and strategies and for climate finance. The focal point for the Global Environment Facility (GEF). Key partner for the NAP process.
Department of Resources and Development (R&D)	Government	Key partner for the priority projects on Food and Water Security, Renewable Energy, Tourism Development, Terrestrial and Marine Conservation and Biodiversity. Key partner in the carbon sink potential of the FSM; in the development of consciousness and resulting projects around the concept of the FSM as a Big Ocean State. Key partner in aligning with the SDGs.
Department of Transportation, Communication, and Infrastructure (TC&I)	Government	IDP Projects Representative -national level. Key partner for all infrastructure-related priority projects in the CP Pipeline.
Department of Health and Social Affairs (DHSA)	Government/ GEDSI	Gender/ Youth/Vulnerable Groups- national level Representative. Key partner for health and social issues, including mainstreaming gender and vulnerable groups in all long term strategies/plans and for all projects in the CP Pipeline.
Department of Education (DoE)	Government	Key partner for all education-related priority projects in the CP Pipeline.
Department of Foreign Affairs (DoFA)	Government	Key partner for climate finance coordination with the Adaptation Fund (AF). The Focal Point for AF.
National ODA office	Government	Key partner for all projects in the CP Pipeline that have components under 'ODA Priorities.' Key partner for co-financing and for coordination with existing projects. Key partner for climate finance coordination with the EU funding. The Administrator is the 'National Authorising Officer' for EU Funding. Key partner for institutionalising mitigation actions i.e. part of the oversight for all ODA projects to meet FSM NDC requirements. Secretariat for the Presidential Sustainable Development Council.
Department of Justice (DoJ)	Government	Key partner for legal review for long term climate change plans/strategies at the national level. Also key partner for legal components of projects in the CP Pipeline at the national level.
US Compact	Government	Dialogue on co-financing. Continue engagement in the focus areas, especially infrastructure.
US Federal Grants	Government	Dialogue on co-financing. Continue engagement in the focus areas, especially CC and DRM.
FSM United Nations Representative	Government	Key partner for high level dialogue messaging i.e. new green, sustainable development pathway for the FSM; Climate Change and Development are interlinked in the FSM; the FSM as a Large Ocean State.
COM-FSM NATIONAL	Education (College level)	Key partner for national-level education-related priority projects in the CP Pipeline.
NGO and CSO STAKEHOLDERS - NATIONAL LEVEL		
Micronesia Conservation Trust (MCT)	NGO/ DAE (national level)	NGO - national level representative. DAE for the Climate Resilient Food Security for Farming Households across the FSM project. DAE for the EDA Proposal: Community Based Interventions for Reducing Vulnerability to Climate Change in Northern Pacific Small Island Vulnerable States (SIDS).
Island Food Community (IFC)	NGO (national level)	Key partner for the food security and health-related components in the projects in the CP Pipeline.
FSM Alliance of NGOs (FANGO)	NGO (national level)	Key partner for all NGO and persons with disabilities (PWD) components, of projects in the CP Pipeline. Vulnerable groups NGO (in Pohnpei State) only include Pohnpei Consumer Organization, US Veteran Pohnpei Association, Pohnpei Women with Disabilities, Youth with Disabilities, My Child Speak (Autism), Outer-island Disability Association,
Editor, Kasehlie Press Newspaper	Media (national)	Partner for media coverage of GCF and other related CC activities.

Organisation	Sector	Relevance to programming strategy
STATE-LEVEL STAKEHOLDERS		
POHNPEI STATE		
Pohnpei Governors Office	Government	Pohnpei State leadership. NDA State Focal Point. State partners for all long term strategies/plans as well as for projects in Pohnpei State in the CP Pipeline.
Pohnpei State ODA Office	Government	NDA Alternative State Focal Point. State partners for all long term strategies/plans as well as for projects in Pohnpei State in the CP Pipeline. Representative for State-level ODA processes and priorities.
Pohnpei State Compliance Office	Government	Given responsibility by Governor's Office to administer the CP M&E for Pohnpei State.
Public Information Office, Pohnpei State	Government	Media, community outreach
Public Affairs, Pohnpei State	Government	Community outreach
PMO, Pohnpei Governor's Office	Government	IDP Projects - state level Representative.
R&D, Pohnpei State	Government	Key State-level partner for the priority projects on Food and Water Security, Renewable Energy, Tourism Development, Terrestrial and Marine Conservation and Biodiversity. Key partner in the carbon sink potential of the FSM; in the development of consciousness and resulting projects around the concept of the FSM as a Big Ocean State. Key partner in aligning with the SDGs.
Pohnpei Health Department	Government	Key State-level partner for the priority projects Health and GESI.
Pohnpei Utilities Corp	Government	Partners for FSM Renewable Energy Program with the ADB and for potential projects/ initiatives in the Energy sector.
Acting Director, EPA	Government	JSAP Representative.
Pohnpei EPA	Government	Gender/ Youth/Vulnerable Groups- state level Representative. TNC BUR Focal Point (part of the Gender Analysis/Action Plan)
Pohnpei State Disability Coordinator	Government	Vulnerable groups/ Persons With Disability outreach.
Conservation Society of Pohnpei	NGO	Environmental NGO- state level Representative. Key MCT- State partner for the Climate Resilient Food Security for Farming Households across the FSM project and for the EDA
Pohnpei State Chamber of Commerce	Private Sector	Private sector - state level representative.
YAP STATE		
Yap Governor's Office	Government	Yap State leadership. NDA States Alternative Focal Point. State partners for all long term strategies/plans as well as for projects in Yap State in the CP Pipeline.
Office of Planning and Budget (OPB)	Government	NDA States Focal Point. State partners for all long term strategies/plans as well as for projects in Yap State in the CP Pipeline. ODA Priorities Representative.
R&D, Yap	Government	Key State-level partner for the priority projects on Food and Water Security, Renewable Energy, Tourism Development, Terrestrial and Marine Conservation and Biodiversity. Key partner in the carbon sink potential of the FSM; in the development of consciousness and resulting projects around the concept of the FSM as a Big Ocean State. Key partner in aligning with the SDGs.
YAP EPA	Government	JSAP Representative.
Yap State Public Services Corporation	Government	Partners for FSM Renewable Energy Program with the ADB and for potential projects/ initiatives in the Energy sector.
Yap State Department of Health Services	Government	Key State-level partner for the priority projects Health and GESI.
Department of Youth and Civic Affairs	Government	Youth/Vulnerable Groups- state level Representative.
Tamil Resources Conservation Trust; Probation Parole Officer (DOJ)	Government	Environmental NGO- state level Representative. Key MCT- State partner for the Climate Resilient Food Security for Farming Households across the FSM project and for the EDA Proposal: Community Based Interventions for Reducing Vulnerability to Climate Change in Northern Pacific Small Island Vulnerable States (SIDS).
Department of Public Works and Transportation	Government	IDP Projects - state level representative.
YapCap	NGO (State level)	Environmental NGO- state level Representative. Key MCT- State partner for the Climate Resilient Food Security for Farming Households across the FSM project and for the EDA Proposal: Community Based Interventions for Reducing Vulnerability to Climate Change in Northern Pacific Small Island Vulnerable States (SIDS).
PAN Coordinator, YapCap	NGO (State level)	NGO- state level Representative. Key MCT- State partner for the Climate Resilient Food Security for Farming Households across the FSM project and for the EDA Proposal: Community Based Interventions for Reducing Vulnerability to Climate Change in Northern Pacific Small Island Vulnerable States (SIDS).
Yap State Chamber of Commerce	Private Sector	Private sector - state level representative.

Organisation	Sector	Relevance to programming strategy
STATE-LEVEL STAKEHOLDERS		
KOSRAE STATE		
Kosrae Governor's Office	Government	Kosrae State leadership.
ODA Office	Government	NDA States Focal Point. State partners for all long term strategies/plans as well as for projects in Kosrae State in the CP Pipeline.
KIRMA	Government	JSAP Representative.
PMO , Kosrae Project Management Office	Government	IDP Projects - state level Representative.
Kosrae Utilities Authority	Government	Partners for FSM Renewable Energy Program with the ADB and for potential projects/ initiatives in the Energy sector.
Kosrae Department of Health Services	Government	Key State-level partner for the priority projects Health and GESI. Gender/ Youth/Vulnerable Groups- state level Representative.
Kosrae Conservation Society	NGO (State level)	NGO- state level Representative. Key MCT- State partner for the Climate Resilient Food Security for Farming Households across the FSM project and for the EDA Proposal: Community Based Interventions for Reducing Vulnerability to Climate Change in Northern Pacific Small Island Vulnerable States (SIDS).
Kosrae State Chamber of Commerce	Private Sector	Private sector - state level representative.
CHUUK STATE		
Chuuk Governor's Office	Government	Chuuk State leadership. Alternative NDA Focal Point.
ODA Office	Government	NDA States Focal Point. State partners for all long term strategies/plans as well as for projects in Chuuk State in the CP Pipeline.
EPA	Government	JSAP Representative.
Chuuk State Project Management Office	Government	IDP Projects - state level Representative.
Chuuk Public Utility Corporation	Government	Partners for FSM Renewable Energy Program with the ADB and for potential projects/ initiatives in the Energy sector.
Chuuk Conservation Society	NGO (State level)	NGO- state level Representative. Key MCT- State partner for the Climate Resilient Food Security for Farming Households across the FSM project and for the EDA Proposal: Community Based Interventions for Reducing Vulnerability to Climate Change in Northern Pacific Small Island Vulnerable States (SIDS).
Department of Health Services	Government	Key State-level partner for the priority projects Health and GESI. Gender/ Youth/Vulnerable Groups- state level Representative.
Chuuk State Chamber of Commerce	Private Sector	Private sector - state level representative.
PRIVATE SECTOR - NATIONAL LEVEL		
Bank of Guam	PRIVATE SECTOR (national level)	Potential partner for private sector components of projects in the CP Pipeline.
Bank of the FSM	PRIVATE SECTOR (national level)	Potential partner for private sector components of projects in the CP Pipeline.
FSM Development Bank (FSMDB)	PRIVATE SECTOR (national level)	Potential DAE/ potential partner for private sector components of projects, especially housing development-related projects, in the CP Pipeline.
FSM Chamber of Commerce	PRIVATE SECTOR (national level)	Potential partner for private sector components of projects in the CP Pipeline.
FSM Insurance Board	PRIVATE SECTOR (national level)	Potential partner for private sector components of projects in the CP Pipeline.
Vital Group	PRIVATE SECTOR (national level)	Potential DAE/ potential partner for private sector components of projects in the CP Pipeline.

Organisation	Sector	Relevance to programming strategy
DAEs and AEs		
Refer Table 4		
READINESS DELIVERY PARTNERS		
USAID - CLIMATE READY	Government/ bilateral	Key partners for Readiness program implementation, finance assessment
BILATERAL DEVELOPMENT PARTNERS		
Public Diplomacy Assistant, Government of the USA (Embassy)	Government/ bilateral	Potential co-financing partner and potential Technical Assistance provision.
Government of Australia (Embassy)	Government/ bilateral	Potential co-financing partner and potential Technical Assistance provision.
Government of China (Embassy)	Government/ bilateral	Potential co-financing partner and potential Technical Assistance provision.
Government of Japan/JICA	Government/ bilateral	Potential co-financing partner. JICA: Potential AE for Category A projects and potential co-financing partner.
Government of New Zealand	Government/ bilateral	Potential co-financing partner and potential Technical Assistance provision.
Government of UAE	Government/ bilateral	Potential co-financing partner and potential Technical Assistance provision.
CLIMATE FINANCE PARTNERS		
Green Climate Fund (GCF)	Climate finance	Financing partner.
Global Environmental Facility	Climate finance	Potential co-financing partner.
Adaptation Fund	Climate finance	Potential co-financing partner.
USAID PACAM	Climate finance	Potential co-financing partner.
European Union/European Development Fund (EDF)	Climate finance	Potential co-financing partner.
INTERGOVERNMENTAL ORGANISATIONS		
International Organisation for Migration (IOM)	Intergovernmental	Potential implementing partners for infrastructure and disaster risk management related projects, including working with PWDs, in the CP Pipeline.
WHO	Intergovernmental	Key partner for the national-level project: <i>Increasing Resilience to the Health Risks of Climate Change in the FSM</i> in the CP Pipeline.
IMF	Intergovernmental	Potential co-financing partner and potential Technical Assistance provision.
ADB Pacific Regional Infrastructure Facility (PRIF)	Intergovernmental	Potential provision of technical assistance for infrastructure projects in the CP Pipeline.

ANNEX 8: ODA PRIORITIES LIST 2020

2020 FSM ODA Priorities as at May 2022					
No.	National Priorities	Donor	Est. Amount Committed	Project Title/ Status	Endorsement Status
1	Vocational School with Dual VET System	World Bank	USD 14 M	TBC	Congress Endorsed
2	Diagnostic Facility	NI	NI	NI	Congress Endorsed
3	Water Security System for FSM	EU	9 M EURO	TBC	Congress Endorsed
4	Renewable Energy	EU	9 M EURO	TBC	Congress Endorsed
		ADB	USD 24 M	REDP I & II	Congress Endorsed
5	Climate Resilient Infrastructure for Outer Island Transport	NI	NI	NI	Congress Endorsed
6	Pave the Nation Initiative	World Bank	USD40 M - PRIME USD15.25 M - SCORE	CF	Congress Endorsed

No.	Kosrae State Priorities	Donor	Amount Committed	Project Title	Endorsement Status
1	Lelu Causeway Reconstruction	World Bank	NI	PRIME	Legislature Endorsed
2	Repavement of Kosrae Road	NI	NI	NI	Legislature Endorsed

No.	Yap State Priorities	Donor	Amount Committed	Project Title	Endorsement Status
1	Northern Road Construction	World Bank	NI	PRIME	Pending Endorsement
2	Passenger Vessel	China	NI	CF	Pending Endorsement

No.	Chuuk State Priorities	Donor	Amount Committed	Project Title	Endorsement Status
1	Port Development for Inter- Island transport	NI	TBC	TBC	Pending Endorsement
2	Weno Circumferential Road	World Bank	TBC	PRIME	Pending Endorsement

No.	Pohnpei State Priorities	Donor	Amount Committed	Project Title	Endorsement Status
1	Road Construction around Nanmadol Area	NI	NI	NI	Legislature Endorsed
2	Multi-Purpose Cultural Center	NI	NI	NI	Legislature Endorsed

NI = No Information
TBC = To Be Confirmed
CF = Confirmed Funding

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