

E-DISCUSSION REPORT – CONSOLIDATED REPLIES

The 5th Exchange Series on Climate Change Adaptation

In collaboration with the United Nations Development Programme

Topic: Strengthening Country Systems to Access and Manage Climate Finance



The 5th Exchange was raised by Dr. Peter King on 29 Aug 2014 to engage the APAN climate change adaptation community in Asia and the Pacific. The Exchange period lasted approximately two weeks (29 Aug – 13 Sep 2014).

Dr. King is the Adaptation Project Preparation and Finance Team Leader for the USAID Adapt Asia-Pacific project. He is also the Senior Policy Advisor at the Institute for Global Environmental Strategies (IGES) Regional Centre based in Bangkok, Thailand.

Dr. Peter King, Adaptation Project Preparation and Finance Team Leader for the USAID Adapt Asia-Pacific project, and Senior Policy Advisor, Institute for Global Environmental Strategies (IGES) Regional Centre, Bangkok, Thailand (Posted on 29 Aug 2014)

Dear friends and colleagues,

Thank you for your very thoughtful contributions to [last June's Exchange](#) on bringing realistic adaptation financing into the NAP process. We received some really insightful responses, particularly from governments, that underlined the key challenges of implementing adaptation activities on-the-ground.

In this latest Exchange, I hope to build upon our last discussion, but this time take a step further and focus specifically on countries – their systems and their capacities to access and handle climate change adaptation finance.

Some of you know that I wear quite a few hats these days. One of those hats includes serving as the Adaptation Project Preparation and Finance Team Leader for the [USAID Adapt Asia-Pacific](#) project. Our team is currently planning for our annual region-wide forum to be held – in collaboration with the United Nations Development Programme – on 15-16 September 2014 in Siem Reap, Cambodia.

Before the forum begins, I would like to hear thoughts and seek inputs from this community of practice on the forum's theme: *Strengthening Country Systems to Access and Manage Climate Change Adaptation Financing in Asia and the Pacific*. I would like us to specifically think about country systems, institutions and capacities in relation to financing critical adaptation needs.

To help guide our discussion, please consider the following questions:

- 1. How do you define the term 'country systems'? And how do you think strengthened 'country systems' can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?**
- 2. We heard a comment from the [last Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen 'country systems' that will benefit recipients and development partners?**
- 3. Finally, considering that international climate funds (namely, the Green Climate Fund) will take longer than expected to mobilize, would strengthening**

country systems to access those funds still be beneficial or even necessary? If so, how?

I look forward to hearing your views.

Thank you.

Dr. Peter N. King

Team Leader

Adaptation Project Preparation and Finance
USAID Adapt Asia-Pacific

Senior Policy Advisor

Institute for Global Environmental Strategies (IGES)
Regional Centre
Bangkok, Thailand

Responses from the APAN Community

Contributors from the APAN Community to the 5th Exchange (29 Aug – 13 Sep 2014).

1. [Bhagwat Prasad Gupta](#), District Forest Officer, Ministry of Forests and Soil Conservation, Kathmandu, Nepal (Posted on 13 Sep 2014)
2. [Quazi Sarwar Hashmi](#), Director (Planning), Ministry of Environment and Forests, Bangladesh (Posted on 12 Sep 2014)
3. [Angelo Kairos Torres Dela Cruz](#), Policy Coordinator, ICSC, Institute for Climate and Sustainable Cities, Philippines (Posted on 10 Sep 2014)

[Bhagwat Prasad Gupta](#), District Forest Officer, Ministry of Forests and Soil Conservation, Kathmandu, Nepal (Posted on 13 Sep 2014)

Both three questions are related with policy issue. It differs country to country. Basically these types of fund should be go direct to poor and vulnerable communities. Reputed NGO/INGO also can make access to these types of fund to local community. If these funds are available to government organizations, in presence of donor representatives, by fixing certain activities these funds can be spent and really be utilized by different stakeholders, especially those who work on adaptation programmes.

Bhagawan Prasad Gupta
District Forest Officer
Ministry of Forests and Soil Conservation
Kathmandu, Nepal

[Back to Top](#)

[Quazi Sarwar Hashmi](#), Director (Planning), Ministry of Environment and Forests, Bangladesh (Posted on 12 Sep 2014)

Dear Dr. Peter,

Firstly, I will beg apology for my late response. Already you have received answers on three questions from other participants from Bangladesh.

1. How do you define the term ‘country systems’? And how do you think strengthened ‘country systems’ can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?

The term “country systems” refers to the collection of financial, procurement, administrative, planning, implementation, monitoring and evaluation processes that are used in combination within countries – particularly by their governments – in order to administer climate change adaptation related policies, plans, programs/projects, budgets, and ultimately results. The benefits of country

4. [Dr. Robert Kay](#), Forum Facilitator, USAID Adapt Asia-Pacific (Posted on 10 Sep 2014)
5. [Ashit Ranjan Paul](#), Deputy Conservator of Forest, Ministry of Environment and Forest Bangladesh (Posted on 9 Sep 2014)
6. [Manoj Chalise](#), Assistant Planning Officer, Ministry of Forest and Soil Conservation, Nepal (Posted on 9 Sep 2014)
7. [Quazi Sarwar Hashmi](#), Director (Planning), Ministry of Environment and Forests, Bangladesh (Posted on 9 Sep 2014)
8. [Prakash C. Tiwari](#), Professor of Environment & Sustainable Development, Kumaon University, Uttarakhand, India (Posted on 8 Sep 2014)
9. [Dr. Paramesh Nandy](#), CBA Practitioner, Bangladesh (Posted on 8 Sep 2014)
10. [Promode Kant](#), Foundation Member, Asia Pacific Forest Policy Think Tank of FAO, Director, Institute of Green Economy, India (Posted on 7 Sep 2014)

systems for climate finance are greater ownership, reduced duplication, domestic transparency and accountability and more opportunities for transformation and mainstreaming. The challenges for use of country systems included political, institutional and fiduciary issues.

2. We heard a comment from the last [Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen 'country systems' that will benefit recipients and development partners?

The scope for strengthening 'country systems' that will benefit recipients and development partners may include the following:

- Assess needs and priorities and identify barriers to investment;
- Identify policy mix and source of financing to integrate and mainstream adaptation finance in development programmes;
- Formulation of project, program, sector wide approaches to access finance;
- Implementation and execution of project, program, sector wide approaches;
- Build local supply of expertise and skills; and
- Development of monitoring, verification and reporting systems.

3. Finally, considering that international climate funds (namely, the Green Climate Fund) will take longer than expected to mobilize, would strengthening country systems to access those funds still be beneficial or even necessary? If so, how?

Yes. In order to achieve sustainable global adaptation to the current and future changing climate, country systems in LDCs and other developing nations need to be strengthened to access those funds. With enhanced capacities and readiness for adaptation finance these countries can independently, efficiently and effectively manage climate financing.

Best regards.

Quazi Sarwar Hashmi
Director (Planning)
 Ministry of Environment and Forests
 Bangladesh

[Back to Top](#)

[Angelo Kairos Torres Dela Cruz](#), Policy Coordinator, iCSC, Institute for Climate and Sustainable Cities, Philippines (Posted on 10 Sep 2014)

Mr. King,

Thank you for raising these questions in an opportune time. Here is my contribution to this exchange.

1. How do you define the term 'country systems'? And how do you think strengthened 'country systems' can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?

11. [Ravinder Singh](#), Consultant and Member of the Adaptation Fund Accreditation Panel, New Delhi, India (Posted on 7 Sep 2014)
- In my experience, country systems are nationally set processes ratified by law and practice that seek to establish a common set of guidelines for specific concerns of the country such as the case of having the need to adapt to the impacts of climate change.
12. [Osorio Belo da Piedade](#), Chief of Water Resource Management, Ministry of Public Works, Timor-Leste (Posted on 5 Sep 2014)
- In my opinion, adaptation finance (including aid) can only be fully utilized through country systems that strive towards finding the perfect balance between access and safeguards. The modalities of access can determine whether vulnerable communities can access available funds. Too open and it becomes susceptible to corruption, too strict and it becomes inaccessible. Fiduciary standards and other safeguards as part of country systems will ensure that the funds tapped for adaptation initiatives are used properly. Accountability should be a shared responsibility of the contributor and the recipient.
13. [Bernarda B. de Jesus](#), Economist, National Directorate of Economic Policy, Ministry of Finance, Timor-Leste (Posted 5 Sep 2014)
- The Philippine legislature ratified a law called the People's Survival Fund (PSF), the national climate fund of the Philippines. PSF represents the Philippine country system in handling adaptation finance from both national and international sources. The processes to be set by the PSF Board, PSF's governing body composed of different government agencies and non-government representatives, can become the Philippines' country system in managing adaptation finance.
14. [Fernando de Deus Mendonca](#), NAO Service, Ministry of Foreign Affairs, Timor-Leste (Posted on 4 Sep 2014)
- 2. We heard a comment from the [last Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen 'country systems' that will benefit recipients and development partners?**
- My organization, Institute for Climate and Sustainable Cities (iCSC), is now leading the Adaptation Finance Accountability Initiative (AFAI) in the Philippines, which seeks to account for adaptation finance that are reported to have been committed (and at some extent disbursed) by contributor countries. I think AFAI provides us a new perspective and understanding of adaptation finance by showing that most of the "pooled funds" reported as adaptation are not really adaptation in terms of design and implementation. The funds that we got for all sorts of projects are welcomed and highly appreciated but the lack of a country system in making these funds accounted for in the past decade made the Philippines missed a lot of opportunities in crafting nationally-guided, locally-proposed adaptation initiatives. This leads me to the assertion that strengthening accountability and access of adaptation finance in the Philippines through country systems should be done with or without funding from contributor countries.
15. [Ahsanullah Khan](#), Programme Officer, Climate Finance Unit, Climate Change Division, Pakistan (Posted on 3 Sep 2014)
16. [Akhteruzzaman Sano](#), Chief Technical Advisor, Save the Earth Cambodia (Posted on 2 Sep 2014)
- 3. Finally, considering that international climate funds (namely, the Green Climate Fund) will take longer than expected to mobilize, would strengthening country systems to access those funds still be beneficial or even necessary? If so, how?**
- Improving country systems in managing adaptation finance and even other climate-related finance will always be beneficial regardless whether the GCF will be ready to roll out money in ten years from now or tomorrow. Climate finance is important but limited, strengthening country systems is one of the sure ways of making every cent count.

Thank you for the sound discussion.

17. [Mayor Alfredo Matugas Coro, Del Carmen](#), Siargao Islands, Philippines
(Posted on 1 Sep 2014)

18. [Bhubhan Karki](#), Under Secretary, Ministry of Finance, Nepal (Posted on 29 Aug 2014)

Angelo Kairos Torres Dela Cruz
Policy Coordinator
iCSC, Institute for Climate and Sustainable Cities

[Back to Top](#)

[Dr. Robert Kay](#), Forum Facilitator, USAID Adapt Asia-Pacific (Posted on 10 Sep 2014)

Dear Peter,

Thank you for stimulating discussion on strengthening the regions' country systems with respect to climate change adaptation financing.

I would like to comment in my capacity as the overall Facilitator for the forthcoming [USAID Adapt Asia-Pacific Third Annual Forum](#) to be held – in partnership with UNDP – on 15-16 September 2014 in Siem Reap, Cambodia. The Forum is going to provide an invaluable opportunity to delve deeper into the questions you have raised.

Importantly, your questions will also provide a stimulus to enable initial responses from a wider community on improving country systems and accessing climate finance – especially those who will be unable to attend the USAID/UNDP Siem Reap Forum.

1. How do you define the term 'country systems'? And how do you think strengthened 'country systems' can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?

In designing the forthcoming Siem Reap Forum, my preference was to use a working definition based on the Paris Declaration on Aid Effectiveness of

“procedures (that) typically include, but are not restricted to, national arrangements and procedures for public financial management, accounting, auditing, procurement, results frameworks and monitoring.”

Indeed, given that the Paris Declaration definition is given the heading entitled “donors use strengthened country systems” this also provides a clear country-driven context for the Forum to support the strengthening of tangible systems, processes and tools that support Public Financial Management and the budget cycle.

2. We heard a comment from the [last Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen 'country systems' that will benefit recipients and development partners?

Exactly right. This has become characterised as 'chicken and egg' question of what should come first, the flow of financing or strengthened country systems to access and manage increased flows.

My view is that this is in fact, not a 'chicken and egg' question – but rather a 'moth and butterfly' question of international and national systems rapidly

emerging from their a cocoon or chrysalis into very different looking creatures, but sharing many common features. Thinking about system emergence could be helpful in putting the needed emphasis on assisting Asia-Pacific countries to manage this emergence in a way that is appropriate for their national circumstances – to create their own species of climate financing butterfly or moth. This is going to need enhanced international support.

But support provided at the request of governments, tailored to their own needs. This is where the Siam Reap forum will be important in assisting countries work through the various components important to consider in requesting support from donors and also from their neighbouring countries that have, in many cases, made great strides forward. Sharing this experience in the region will be a key focus of the Siam Reap Forum.

3. Finally, considering that international climate funds (namely, the Green Climate Fund) will take longer than expected to mobilize, would strengthening country systems to access those funds still be beneficial or even necessary? If so, how?

I strongly believe that effective development is country-driven. Of course, I'm not alone in this view! However, it is often easy to forget this basic premise when discussing the detailed systems and processes for accessing a particular international climate fund, such as the Green Climate Fund.

If country-system strengthening is undertaken to accrue multiple benefits – and not just to focus on one international fund or another, then there is a much higher potential for success in my view. By strengthening country systems to be more effective at managing internal sources of climate financing and expenditures – such as by the private sector, civil society and municipal-level governments – there will be flow-on benefits for international financing as well. Managing the 'handshake' between national systems should be a handshake of partnership!

Dr. Robert Kay
Forum Facilitator
USAID Adapt Asia-Pacific
Director
Adaptive Futures

[Back to Top](#)

[Ashit Ranjan Paul](#), Deputy Conservator of Forest, Ministry of Environment and Forest Bangladesh (Posted on 9 Sep 2014)

Dear Mr. King,

Thank you for initiating discussion on climate change adaptation. Let me share my opinion in this regards as follow:

How do you define the term 'country systems'? And how do you think strengthened 'country systems' can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?

The country System is a system by which country's different institutions (Govt, NGOs, Others etc) are run for planning, Budgeting, implementing, managing "actions/activities" in accordance with policy, law, Acts, rules etc. Strengthen

country system ensure better management of planning, budgeting, financing etc compatible with the designated purpose It assured transparency, good governance, accountability and well functioned organization. In addition to that, consequence of strengthen country system will be share by concern organization.

We heard a comment from the [last Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen 'country systems' that will benefit recipients and development partners?

The capacity building should be the main focus as it strengthen the country system. I will ensure utilization of funds efficiently through which friendly rapport will be build up between donor and partner country.

The fund allocation should be in consistent with respective country's need based on vulnerable to climate change impact. The priority are to be fixed up on the basis of magnitude, proper assessment and desire of the local community.

Finally, considering that international climate funds (namely, the Green Climate Fund) will take longer than expected to mobilize, would strengthening country systems to access those funds still be beneficial or even necessary? If so, how?

The international climate funds is essential as it is expected to increase the capacity of stakeholders. Moreover these fund will release pressure of developing countries.

Best regards,

Ashit Ranjan Paul
Deputy Conservator of Forest
Wildlife & Nature Conservation Circle
Forest Directorate
Ministry of Environment and Forest Bangladesh

[Back to Top](#)

[Manoj Chalise](#), Assistant Planning Officer, Ministry of Forest and Soil Conservation, Nepal (Posted on 9 Sep 2014)

Dear Dr. Peter,

I would like answer to the questions presented by you for discussion in relation to the 5th Exchange Series on Climate change adaptation as under based on my knowledge and understanding that I have gained while working as an Assistant Planning Officer at Foreign Aid Co-ordination Division of Ministry of Forests and Soil Conservation.

1. How do you define the term 'country systems'? And how do you think strengthened 'country systems' can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?

I think 'Country Systems' in the context of adaptation to climate change refer to the prevailing institutions, processes and practices concerned directly or indirectly with the conservation and development within the country. These

systems are the part of overall governance system. Strengthened country systems contribute to improved transparency and accountability in the institutions working for the climate change adaptation. This will have the positive effect on quality and delivery of aid with regards to climate change adaptation financing.

2. We heard a comment from the [last Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen 'country systems' that will benefit recipients and development partners?

I think it is necessary to increase the effectiveness and efficiency of the limited domestic funding available for building the capacities of the institutions working for climate change adaptation. This particularly applies to LDCs where there is severe lack of funding as well as national capacity to access the internationally available funding for CC adaptation.

3. Finally, considering that international climate funds (namely, the Green Climate Fund) will take longer than expected to mobilize, would strengthening country systems to access those funds still be beneficial or even necessary? If so, how?

Strengthening country systems, in any case, would be necessary so as to improve the overall performance in the direction of adapting to changing climate because, even if the country could not benefit from the international climate funds, strengthened country systems definitely would bring other positive effects on the governance system and thereby improve the effectiveness and efficiency of the CC investments.

Looking forward to hearing your views in the forum.

Kind Regards,

Manoj Chalise
Assistant Planning Officer
Ministry of Forest and Soil Conservation
Singhadarbar, Kathmandu, Nepal

[Back to Top](#)

[Quazi Sarwar Hashmi](#), Director (Planning), Ministry of Environment and Forests, Bangladesh *(Posted on 9 Sep 2014)*

Dear all,

Please find below a link to a Policy Brief on "Climate Finance Governance in Bangladesh: Synergies in the Financial Landscape": <http://pubs.iied.org/pdfs/17227IIED.pdf>

It is a recent document. It will be useful for your meeting.

Best regards,

Quazi Sarwar Hashmi

Director (Planning)

Ministry of Environment and Forests
Bangladesh

[Back to Top](#)

[Prakash C. Tiwari](#), Professor of Environment & Sustainable Development, Kumaon University, Uttarakhand, India (Posted on 8 Sep 2014)

Dear Peter,

Greetings from Uttarakhand Himalaya, India! Thank you so much for initiating 5th Exchange Series on Climate Change Adaptation. I have the following observations on this important issue:

1. The country system consists of a range of institutions from national to local levels. The institutional mechanism in a country not only includes government organizations and agencies including ministries and departments, policy planning and decision making bodies, public bodies (such as municipal and village councils at local levels), but also a large number of other public and private organizations', academic and research and development institutions, NGOs and civil society organizations are also part of country system which put together constitute a framework for the governance of the country. However, this institutional framework is not functioning in the manner which is essential for effective, responsible, sensible and accountable climate change adaptation governance in many countries, particularly in developing and less developed world. It is therefore necessary to strengthen the institutional system through ensuring vertical (from national to local levels vice versa) as well as horizontal (within the institutions at certain level) articulation among the institutions. It would also necessary to that common people, particularly the poor, vulnerable and marginalized sections of society have direct and easy access to the institutions and their resources. For example, the response of the State Government (Government of Uttarakhand in India) to the most devastating disaster that hit Uttarakhand Himalaya in June 2013 has been a complete failure primarily due to lack of institutional coordination and community access to institutions.

2. The flow of financial resources from national to local level is long time-taking, complicated and highly complex in developing countries. In order benefit the recipients, the country system must evolve and implement mechanism for the quick, smooth and easy transfer and mobilization of resources from national to provincial and then to local administrative/institutional levels including development partners at various levels.

3. Of course, it is highly imperative to strengthen country system to access to Green Climate Fund regardless of the time the mobilization process will take as it would be difficult for most of the less developed and poor countries to implement local climate change adaptation plans in effective manner without adequate resources. The climate change adaptation is a long-term process and lot of financial resources would be required in long-term perspective, and the GCF would therefore strengthen country systems in developing and less developed countries to implement long-term climate change adaptation programmes.

Thanking you,

Prakash C. Tiwari

Professor of Environment & Sustainable Development

Department of Geography
Kumaon University
Uttarakhand, India

[Back to Top](#)

[Dr. Paramesh Nandy](#), CBA Practitioner, Bangladesh (Posted on 8 Sep 2014)

Dear Dr. Peter,

I appreciate your efforts in collecting views and thoughts on strengthening country system. Please find below my personal feedback.

Each country has its own system. I agree with Fernando de Deus Mendonca, Ministry of Foreign Affairs, Timor Leste that the national planning of each country have to include the adaptation or CBA activities as one of the priority area for investment and allocate the budget for this specific planning and activities. However, mainstreaming of adaptation or CBA activities will require resilient programmes within ministries and existing national strategies. It also requires gap analysis of existing national policies and develop framework for mainstreaming climate resilient policy recommendations into each national policy.

The general process of mainstreaming and adoption of any policy starts with policy formulation and approval by the government followed by translation of the policy into act and rules, reforming institutional arrangements and their mandates, if necessary and finally the community people and the environments. In this regard, the government procedures need to be followed for a new policy to be passed in the parliament and then further mainstreamed into the community. Generally, it requires 2 to 3 years in most of the developing countries. There is no doubt that it is a good start for strengthening country system and thanks for that.

Best regards,

Dr. Paramesh Nandy
CBA Practitioner
Bangladesh

[Back to Top](#)

[Promode Kant](#), Foundation Member, Asia Pacific Forest Policy Think Tank of FAO, Director, Institute of Green Economy, India (Posted on 7 Sep 2014)

Dear Peter,

My response to the three points of debate in the 5th Exchange Series on Climate Change Adaptation initiated by you.

1. How do you define the term 'country systems'? And how do you think strengthened 'country systems' can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?

The country systems in the context of adaptation to climate change includes the

institutions linked directly and indirectly with development activities of the country, including the organizations that act as Think Tanks like technical universities and research institutions, organizations that help prepare plans and integrate cross sectoral plans, and organizations that implement the activities. The last one also includes commercial organizations that actually carry out the tasks contracted out to them as well as NGOs that undertake bits and pieces of implementation. Other important constituents include broadcasting organizations involved in communicating the information to the people through appropriate means to build up their support for the activities.

At the apex of it all is the political organization that connects these institutions organically with the society, infuses them with purpose and a sense of direction channeling the requisite political energy and financial and popular support. Strengthening these systems and gearing them towards this new challenge is critical to the success of adaptation to the changing climate in all countries, independent of their current stage of development though, admittedly, the challenge is greater in underdeveloped countries. When the umbrella political organization overseeing these institutions is non-functional or weak, their growth is likely to be stunted and there is lesser chance of their acting with the expected maturity and skills and the quality of delivery by these organizations suffers.

2. We heard a comment from the [last Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen 'country systems' that will benefit recipients and development partners?

Indeed, there is a global level fixation on pooling resources and disbursing them with a view to avoid wasteful efforts by a number of organizations repeating the same exercise again and again, set uniform quality standards, and monitor progress in implementation in a comprehensive manner. The complaint that there is insufficient allocation for building capacity is only partially correct. The fact is that most countries that need the adaptation assistance the most also have not only poor capabilities in related institutions they also have political organizations that are often not quite capable of leading these institutions to deliver. International adaptation assistance can build capacity of technical organizations but can do little for making the domestic political organizations provide leadership to them. And till it happens the progress would be slow, at times failing altogether.

We would need a new paradigm that stirs and invigorates the country political organizations adequately in this direction. The UN Secretary General's Climate Conference at the end of Sept 2014 is perhaps an attempt in this direction. A deepening of the UN Secretary General's role may be required which may prove effective with at least many Least Developed Countries. He should interact, and guide, with the political leadership of the most vulnerable countries more often and with a greater sense of purpose. And as it proceeds the efforts to enhance the capacities of other national institutions including technical organizations should continue.

3. Finally, considering that international climate funds (namely, the Green Climate Fund) will take longer than expected to mobilize, would strengthening country systems to access those funds still be beneficial or even necessary? If so, how?

Strengthening country systems is good in any case because most of these systems

are existing systems and they exist because they serve the country's existing needs. Money spent on them would not go waste entirely even when it is not much useful for adaptation purposes. And some wastage should also be considered acceptable as long as the money is spent locally in these poorest countries, and not allowed to end up in the bank accounts of corrupt officials and leaders. So the interim investment in strengthening country systems may go on at modest pace but in a manner that does not permit a few corrupt individuals to corner all the money.

Thanking you,

Dr. Promode Kant

Foundation Member, Asia Pacific Forest Policy Think Tank of FAO
Director, Institute of Green Economy
India

[Back to Top](#)

[Ravinder Singh](#), Consultant and Member of the Adaptation Fund Accreditation Panel, New Delhi, India (Posted on 7 Sep 2014)

1. How do you define the term 'country systems'? And how do you think strengthened 'country systems' can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?

While each country may have a Country System which is distinct to itself and suitable for its needs, what is required is to identify the key components of such a system. A practical approach to defining and subsequently strengthening Country Systems for handling climate change/adaptation funding would be in terms of identification of the key processes and sub-process of such a system along with their linkages and creating a "Process/Sub-Process Inventory".

For strengthening Country Systems individual countries need to examine and map their national systems with reference to the "Process/Sub-Process Inventory". Thereafter they need to identify gaps and weaknesses in their system. Based on the assessment of the gaps and weaknesses, changes/improvements need to be made (capacity building) for defining/strengthening the processes/sub-processes where gaps are identified.

Another advantage of using the "Process/Sub-Process Inventory" approach for Country Systems is that it would result in a common understanding of the System (differences between systems of individual countries would still exist) and also a framework for strengthening the Systems.

Improved processes (Country Systems) are not only likely to increase quality and delivery of aid through improvements in both more effective and efficient utilisation of resources, but are also likely to lead to enhanced volume of aid flowing through. This would be in the interest of both recipients and development partners.

2. We heard a comment from the [last Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen 'country systems' that will benefit recipients and development partners?

Building of capacities or strengthening country systems does not require large amounts of funding. While all the required funding may not be available through Development Partners, most individual countries have some resources to strengthen their country systems. However, strengthening country systems requires commitment and time. It is observed that there is more effort (time and money) spent in discussing the need for strengthening country systems and the lack of funding for it, than actually working on building capacities.

3. Finally, considering that international climate funds (namely, the Green Climate Fund) will take longer than expected to mobilize, would strengthening country systems to access those funds still be beneficial or even necessary? If so, how?

It would be useful to take a long term view. The objective of strengthening Country Systems should not be just accessing funds from the GCF in the near future but directed towards building long term capacities for accessing and effectively utilising funds from different sources, both international and domestic. Relying primarily on the GCF for bulk of the resources may not be an appropriate strategy.

An added benefit of strengthening country systems would also be improved effectiveness in the use of scarce domestic resources (funds, systems and competencies).

Ravinder Singh
Consultant

Member, Accreditation Panel,
Adaptation Fund

[Back to Top](#)

[Osorio Belo da Piedade](#), Chief of Water Resource Management, Ministry of Public Works, Timor-Leste *(Posted on 5 Sep 2014)*

Dear Peter King,

I would like to say that, as one member who has been involved in many projects in East Timor especially CCA Projects related to water quality of the Qualitas and I am keen to share information to answer your question. I have the following information to challenge the real fact that I know in East Timor.

1. The 'country systems' in Timor-Leste that are important to the quality and delivery of aid are those related to the governance of institutions (Ministries, etc) and how they coordinate their legal, financial and administrative activities across government. In Timor-Leste, there are two Ministries that are directly involved in climate change adaption programs, the Ministry of Finance (MoF) and the Ministry of Commerce, Industry, Tourism and Environment (MoCITE). For effective access to climate adaptation finances improving the country systems that would enable finances to be administered by the Ministry of Finance and then distributed to other Ministries in the annual programming and budgeting process would be an effective way to improve the quality and delivery of this type of aid.

2. Capacity building focused at government employees and university academic staff is very important to a country for implementing climate change adaptation

(CCA) programs. In particular, to achieve long term sustainability of the understanding of the CCA issues and program implementation this also needs to be taught at elementary schools and universities, to prepare them for employment late in life, also a very important things is to embrace the community to enter into a pilot project of the system, so that they are not aware they're a long way towards adaptation and mitigation.

3. Yes, it would still be beneficial to implement activities to strengthen country systems to access those funds regardless of the time taken to mobilise international climate funds. This would ensure that we are ready to receive finances for climate change adaption projects when the international funds are ready. Thank you.

Cheers,

Osorio Belo da Piedade
Chief of Water Resource Management
Ministry of Public Works
Timor-Leste

[Back to Top](#)

[Bernarda B. de Jesus](#), Economist, National Directorate of Economic Policy, Ministry of Finance, Timor-Leste (Posted 5 Sep 2014)

Dear Mr. King,

Let me share with you my response to your questions:

1. How do you define the term 'country systems'? And how do you think strengthened 'country systems' can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?

Country systems are national and local systems for planning, policy coordination and implementation, budgeting and financial management, procurement and monitoring and evaluation.

Positives: strengthened country systems for climate finance can improve effectiveness by greater ownership, reduced duplication, domestic transparency and accountability.

Negatives: country systems may lead to political, institutional and fiduciary challenges as leaders and officials are tempted to divert funds to other uses.

2. We heard a comment from the [last Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen 'country systems' that will benefit recipients and development partners?

Given the lack of global funding, attention has turned to making the most of funds available nationally, i.e. country systems. Poor countries will have least money so it is important to build up their capacities to use funds effectively, e.g. by training officials or by technology transfer. It may also be useful to work towards improving ability to access the GCF, but more important is to improve

effectiveness in general.

3. Finally, considering that international climate funds (namely, the Green Climate Fund) will take longer than expected to mobilize, would strengthening country systems to access those funds still be beneficial or even necessary? If so, how?

Efforts to generate global funds to address climate change have not been successful. The GCF was initiated in 2009 to transfer finance from rich to poor countries in order to address climate change issues, but to the best of my knowledge it has not raised much money yet.

Bernarda B. de Jesus

Economist

National Directorate of Economic Policy

Ministry Finance

Timor-Leste

[Back to Top](#)

[Fernando de Deus Mendonca](#), NAO Service, Ministry of Foreign Affairs, Timor Leste (Posted on 4 Sep 2014)

Hi Mr. King,

Warm Greetings to all our partner in development, as new born nation in the region I wish to share my view on the topic as discuss:

1. How do you define the term 'country systems'? And how do you think strengthened 'country systems' can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?

Use the country system mean all management role and implementation followed the country planning and policy. The national planning of the country have to include the adaptation activities as one of the priority area for the investment and clear allocate the budget for this specific planning and activities. The small country as Timor Leste which located in the Asean and Pacific between Australia and Indonesia of course wish or not will get the impact of the climate change. The Central Government has to start to socialise and encourage the local communities and community leader, local Government and population to be actor and front line in this issue.

2. We heard a comment from the [last Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen 'country systems' that will benefit recipients and development partners?

There have to be clear mapping and local staff from the line ministries who deal with the same issue have to be well understand of this and very important to raise maximum involvement and participation of the local Government, community leaders and community itself. The selected area chosen for the pilot project have to be clear define and sure about its sustainability.

3. Finally, considering that international climate funds (namely, the Green

Climate Fund) will take longer than expected to mobilize, would strengthening country systems to access those funds still be beneficial or even necessary? If so, how?

If the Government really considering to put the climate change as one of the national priority issue in the national planning, the line ministries who have direct responsibility on the issue to budgeting for the issue in the annual budget instead just waiting from the development partners. The Government have to think about the issue as country need not the development partners need and programme. The budget support to the Government also have to support developing strategic and country system itself to be more effective and efficient to achieve the goal and objective of the issue.

Fernando de Deus Mendonca
NAO Service, Ministry of Foreign Affairs
Timor Leste

[Back to Top](#)

[Ahsanullah Khan](#), Programme Officer, Climate Finance Unit, Climate Change Division, Pakistan (Posted on 3 Sep 2014)

Dear Sir,

I hope this email finds you in best of health and spirit.

Thank you for giving me the opportunity to share my comments and be a part of such exchange series which will definitely increase my understanding about Climate Change Adaptation issues as well.

Please find below my comments.

How do you define the term 'country systems'? And how do you think strengthened 'country systems' can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?

In my point of view, Country System is the country own institution's involved in managing country's portfolio of different development funds and which normally includes national arrangements and procedures for public financial management, accounting, auditing, procurement, results frameworks and monitoring.

As far as Strengthened Country Systems is concern such system provides assurance that aid will be used for approved purpose. Strengthened Country System helps in increasing alignment of aid with country priorities and procedures/ systems, avoid duplication of efforts and raise the accountability for country development policies, strategies and performance.

2. We heard a comment from the [last Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen 'country systems' that will benefit recipients and development partners?

The focus should be given towards Capacity Building of the partner countries so that they may able to utilize the available funds effectively and efficiently. The

capacity development issues need to be addressed seriously because this will lead towards strengthened country system which will ultimately benefit both partner and donor countries to implement development activities specially Adaptation Financing activities.

Donor countries need to utilize the Country Systems as a first option because with the passage of time this will help to improve their capacity.

3. Finally, considering that international climate funds (namely, the Green Climate Fund) will take longer than expected to mobilize, would strengthening country systems to access those funds still be beneficial or even necessary? If so, how?

Regardless of the expected delay in mobilization of Green Climate Funds the strengthening of country system is essential because it will build the capacity of stakeholders and they will be well equipped for tapping said funds and other related funds and for their better implementation as well.

Thank you & best regards,

Ahsanullah Khan
Programme Officer
Climate Finance Unit
Climate Change Division
Islamabad, Pakistan

[Back to Top](#)

[Akhteruzzaman Sano](#), Chief Technical Advisor, Save the Earth Cambodia (Posted on 2 Sep 2014)

Dear Dr. Peter,

I am very happy to see your excellent coordination leadership in collecting views and thoughts on the issues. Please see my feedback on the subject matter:

Strengthening Country Systems to Access and Manage Climate Change Adaptation Financing in Asia and the Pacific

In order to enhance the development initiatives including climate change adaptation financing, the fundamental need is, the rule of law shall have to be enforced. Without a defined roles, responsibilities, there is no way to make an individual or an institution accountable. Roles, responsibilities and accountabilities shall have to be bridged systematically (<https://www.youtube.com/watch?v=uWIJmTjURMM>). If there is good leadership, there can be one or more successful events or development efforts but in order to make it institutionalized, there is no alternative of supports from legislative mechanism. Only Law can ensure the process to be continued (http://www.undp.org/content/dam/undp/library/crisis%20prevention/UNDP_CPR_DRR_fullreport2013.pdf).

How do you define the term 'country systems'?

Country system - the governance system of the country endowed with rule of law, policy and procedures. Strengthened country system - it requires:

- i) the country system developed supports the law
- ii) institutional capacity in place
- iii) the law is enforced
- iv) well-functioning multi-stakeholder consultative bodies at community/local, subnational and national levels to mirror the progress and participation trend
- iv) the government institutions and development partners shall have to have a learning attitude to accommodate the outcomes from the consultations at respective levels to improve the existing policy and practices
- v) there should be the progress monitoring and follow up mechanism by a third party/neutral agency/institution, etc.

How do you think strengthened 'country systems' can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?

Once the system is strengthened, the delivery of products (service is a product as well, Ref. ISO 9001 -2008 Standard) will be meeting the expected quality. It can improve the quality and delivery of all forms of development initiatives. Financing adaptation activities can be one of many activities. Without a systematic approach, the development efforts cannot be integrated. It will be fragmented. Fragmented development efforts may cause of higher vulnerability and barrier to sustainable development.

We heard a comment from the [last Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen 'country systems' that will benefit recipients and development partners?

The global issues are a bit complex. If we analyze the investments in risk creation and risk reduction, there is a huge gap. The risk creation activities may cover the political issues, mining, deforestation and forest degradation, etc. The momentum has been creating from risk creation and reduction perspectives shall have to be synergized. Developing countries shall have to reduce the aid dependency and find ways to access to more local technologies and local resources.

Focusing on local resources and local technologies, the 'country system' shall have to drive the development efforts. The policies and procedures shall have to be communicated, updated and bring into force step by step to benefit recipients and development partners.

3. Finally, considering that international climate funds (namely, the Green Climate Fund) will take longer than expected to mobilize, would strengthening country systems to access those funds still be beneficial or even necessary? If so, how?

Certainly, it will be beneficial to developing countries in straightening their country systems. Strengthening the country system cannot be made in a day. It will be a long process. Countries mainly the donor countries should be more effective to make available the Green Climate Fund for the developing countries. Supporting the developing countries to be systematized institutionally, it will be helpful for the developed countries as it will reduce the pressures to the developed countries.

How development partners may consider and support countries:

- i) to come up with their own strategic directions/plans

- ii) to add value to the respective countries strategic directions
- iii) to develop and implement projects and programs based on their internal resources

Kind regards,

Akhteruzzaman Sano

Chief Technical Advisor

Save the Earth Cambodia

Website: www.savetheearthcambodia.org

Working for Building Community Resilience

Quality and Environmental Management System (ISO 9001 and ISO 14001)

Vice President

ECO GROUP

Eco Investment & Development Group Co. Ltd.

[Back to Top](#)

[Mayor Alfredo Matugas Coro, Del Carmen, Siargao Islands, Philippines](#) (Posted on 1 Sep 2014)

Hi Mr. King,

Warm Greetings to our partner in development.

Please allow me to share some inputs from the local government level who have been trying to do climate adaptation initiatives at the rural and geographically isolated communities:

1. How do you define the term ‘country systems’? And how do you think strengthened ‘country systems’ can affect or improve the quality and delivery of aid, particularly for financing adaptation activities?

There should be easier access for local governments to tap financing for adaptation activities based on scientific evidence. Most countries are focusing on national led programs not considering that local governments are the front liners in service delivery and responsibility of climate adaptation indicators.

2. We heard a comment from the [last Exchange](#) that there is a global-level fixation to pool and disburse finance rather than to build capacities to use them. There is also an insufficient allocation of funding to build country capacities. So what else can be done considering what we already know? What then are the opportunities to strengthen ‘country systems’ that will benefit recipients and development partners?

National effort can focus on mapping the climate risks and vulnerabilities and not leaving the task to local governments. Completed assessments should contain realistic recommendations in terms of priorities for local governments to identify what can be financed by the local level and what can be financed at the provincial / regional / national levels.

3. Finally, considering that international climate funds (namely, the Green Climate Fund) will take longer than expected to mobilize, would strengthening country systems to access those funds still be beneficial or even necessary? If so, how?

Access to funds is still critical to strengthening country systems. Several countries who tried to mainstream climate adaptation strategies on various public / social services have yet to reach the local government level. There is strong need to develop the developmental plans of each local government in accordance to science or evidenced based climate changes adaptation activities.

I hope the information provided is useful.

Yours in public service,

Mayor Alfredo Matugas Coro
Del Carmen, Siargao Islands
Philippines

[Back to Top](#)

[Bhubhan Karki](#), Under Secretary, Ministry of Finance, Nepal (Posted on 29 Aug 2014)

Dear Mr. King,

Thanks for initiating this 5th Exchange Series on Climate Change Adaptation on this important topic. Let me try to kick off the discussion with my response as follows:

On country system, a country system is the system of recipient country especially channeling fund through national treasury, reflecting it in the annual budget of the country and carry out audit by national audit institution. On the whole, donor provides fund for the project/programs which is implemented by national institutions instead of directly implemented by development partners using their own Project Implementation Unit.

Strengthened country system will enhance transparency because donor resources are well reflected in national budget book. Accountability is established as national agencies are assigned as executing agency and implementing agency and independent national audit agency will carry out the audit. Thus there will be better chances of ensuring development results. This applies to all ODA funding including financing of adaptation activities.

With regard to opportunities to strengthen country system in the absence of sufficient allocation of funding to build country capacities, I think DPs should at least trust existing national system and channel their resources through it rather than direct implementation of funds especially financing of adaptation activities. National system of recipient countries will be gradually improved if more donor funds are channeled through it rather than by passing it and waiting for fully fledged capacity building of recipient countries.

With regard to strengthening of country system to access international climate fund, including Green Climate Fund, this will be needed because recipient countries are not sufficiently aware of the existence of these funds and process to access these funds.

Regards,

Bhuban Karki
Under Secretary

International Economic Cooperation Coordination Division (IECCD)
Ministry of Finance, Kathmandu, Nepal

[Back to Top](#)

Admin matters: For each *Exchange*, community members have about 2-3 weeks to share any thoughts, ideas, and experiences via the-exchange@adapt-asia.org with the group. At the end of the *Exchange* period, a consolidated summary of the discussion will be shared.

The Exchange Series on Climate Change Adaptation is facilitated by APAN Knowledge Management Team and supported by the [USAID Adapt Asia-Pacific project](#). The team moderates the exchanges and ensures that members receive a maximum of one email a day. Messages posted reflect the personal views of the contributors and not the positions of their organizations.

If you would like to opt-out of the *Exchange* at any time, please contact Augustine Kwan, Knowledge and Outreach Manager at the APAN Regional Hub at kwan@iges.or.jp

The Exchange Series on Climate Change Adaptation is made possible by the generous support of the USAID Adapt Asia-Pacific project. Learn more about APAN and our partners by visiting: <http://www.asiapacificadapt.net/>



Mobilising Knowledge and Building Capacities for Climate Resilience