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THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX I

of the Commission Implementing Decision on the financing of the annual action plan in favour of the Asia Pacific region for 2022 Part 1

Action Document for Kiwa Initiative II – Nature-based solutions for climate resilience

ANNUAL PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan in the sense of Article 23(2) of NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	Kiwa Initiative II – Nature-based solutions for climate resilience OPSYS number: ACT-60649 Financed under the Neighbourhood, Development and International Cooperation Instrument (<u>NDICI-Global Europe</u>)
2. Team Europe Initiative	Yes This action will contribute to TEI “Green-Blue Alliance for the Pacific”.
3. Zone benefiting from the action	The action will be carried out in all 15 Pacific ACP countries in the Pacific Region: (i) Cook Islands, (ii) Federated States of Micronesia, (iii) Fiji, (iv) Kiribati, (v) Nauru, (vi) Niue, (vii) Palau, (viii) Papua New Guinea, (ix) Samoa, (x) Solomon Islands, (xi) Republic of Marshall Islands, (xii) Timor Leste, (xiii) Tonga, (xiv) Tuvalu and (xv) Vanuatu..
4. Programming document	Regional Multi-annual Indicative Programme Asia and the Pacific 2021 – 2027
5. Link with relevant MIP(s) objectives / expected results	Priority Area 1 – Regional Integration and Cooperation, chapter 2.1.4. Pacific Sector 1: Climate Action and Environmental Sustainability In particular it will contribute to the following expected results (ER): <ul style="list-style-type: none"> ER 1.1: Increased capacity (including research capacity and use of digital tools) for anticipation of, adaptation and resilience to the impacts of global warming; including severe climate-related risks and events. ER 3.1: Increased capacity and readiness to ensure the conservation and sustainable management of marine living resources, and the protection and restoration of marine and terrestrial natural/biodiversity resources, e.g. through digital tools and spatial planning.

	<ul style="list-style-type: none"> ER 3.2 Expanded use of nature-based solutions providing environmental and resilience benefits as well as creation of new income opportunities for men and women. 			
PRIORITY AREAS AND SECTOR INFORMATION				
6. Priority Area(s), sectors	410 General Environmental Protection			
7. Sustainable Development Goals (SDGs)	Main SDG: SDG 13 “Climate action” Other significant SDGs (up to 9) and where appropriate, targets: SDG 5 “Gender equality” SDG 14 “Life below water” SDG 15 “Life on land”			
8 a) DAC code(s)	41030 – Biodiversity 100%			
8 b) Main Delivery Channel	Third Country Government (Delegated co-operation) – 13000 : (Agence Française de Développement (AFD))			
9. Involvement of multilateral partners	Yes, partners which may be contracted by AFD: The International Union for Conservation of Nature (IUCN), The Pacific Community (SPC), The Secretariat of the Pacific Regional Environment Programme (SPREP).			
10. Targets	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input checked="" type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
11. Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Gender equality and women’s and girl’s empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective

	Biological diversity	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12. Internal markers and Tags	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity		<input type="checkbox"/>	<input type="checkbox"/>
	digital governance		<input type="checkbox"/>	<input type="checkbox"/>
	digital entrepreneurship		<input type="checkbox"/>	<input type="checkbox"/>
	digital skills/literacy		<input type="checkbox"/>	<input type="checkbox"/>
	digital services		<input type="checkbox"/>	<input type="checkbox"/>
	Connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	transport		<input type="checkbox"/>	<input type="checkbox"/>
	people2people		<input type="checkbox"/>	<input type="checkbox"/>
	energy		<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity		<input type="checkbox"/>	<input type="checkbox"/>
	Migration (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities (methodology for marker and tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
13. Amounts concerned	<p>Budget line(s) (article, item): BGUE-B2022-14.020132-C1-INTPA</p> <p>Total estimated cost: EUR 14 million</p> <p>Total amount of EU budget contribution: EUR 6 million</p> <p>This action is co-financed in joint co-financing by:</p> <p>- France for an amount of EUR 8 million.</p> <p>Other donors, especially New Zealand, Australia and Canada who are part of the existing Kiwa Initiative (FED/2019/041-962 - Joint Pacific Initiative on Biodiversity, Climate Change and Resilience), are likely to also further contribute to the Kiwa Initiative II – Nature based solutions for climate resilience.</p> <p>This action is part of the TEI; the only Member State contribution is from France with EUR 8 million.</p>			
MANAGEMENT AND IMPLEMENTATION				
14. Type of financing	Indirect management with the entity(ies) selected in accordance with the criteria set out in section 4.3.1.			

1.2 Summary of the Action

This action represents a new phase to the existing Kiwa Initiative (FED/2019/041-962-Joint Pacific Initiative on Biodiversity, Climate Change and Resilience) that is already running and in place in the Pacific Region. This additional funding will be formalised under a new, separate contract, given that it is part of the new multiannual programme. The Kiwa Initiative is a multi-stakeholder international initiative designed to increase the capacities of Pacific states and territories to adapt to the impact of climate change; and to protect, restore, and enhance biodiversity in order to strengthen the **resilience of their socio-ecological systems**. More concretely, the Kiwa Initiative aims to strengthen the resilience of Pacific countries and territories' ecosystems, economies and communities by setting up a dedicated one-stop shop for funding projects that promote nature-based solutions. The Initiative helps build both local and national capacity, promotes approaches that are sensitive to social vulnerability and gender inequality and foster dialogue amongst donors, regional organisations and countries and territories to improve development aid coordination.

The action intends to contribute to priority area 1 “Regional Integration and Cooperation” of the Regional Multi-annual Indicative Programme Asia and the Pacific 2021 – 2027.

The action is aligned with the 2030 Agenda for Sustainable Development and the European Consensus for Development¹ priority 3.2 - climate change, environment. It contributes directly to Sustainable Development Goals (SDGs) 13 - climate action, SDG 5 - gender equality, 14 - life below water and 15 - life on land, as well as the three Rio Conventions - the United Nations Framework Convention on Climate Change (UNFCCC), the United Nations Convention on Biological Diversity (UNCBD) and the United Nations Convention to Combat Desertification (UNCCD). It is also aligned with the 2050 Strategy for the Blue Pacific Continent²; the new post-Cotonou Pacific Regional Protocol³ and the European Green Deal⁴.

The **overall objective** of this initiative is to make Pacific island ecosystems, economies and communities more resilient to the impacts of climate change. To achieve this goal, the Kiwa Initiative will continue to build an international coalition of donors to be able to take prompt and efficient action on adaptation to climate change and biodiversity. The Kiwa Initiative will act to improve donor coordination in alignment with regional priorities while also facilitating access to funds for project developers and strengthening capacity for project development through financing a panel of projects at the local, national, multi-country and regional levels with the following **Specific Objective**: enhance access to funding for rights-based gender-sensitive and socially-inclusive climate change adaptation through nature-based solutions for local and national authorities, regional and civil society organisations.

The implementation modality is a contribution agreement with AFD. The Kiwa Initiative II will be a great example of the Team Europe approach, aligning and bringing together the cooperation priorities of the EU and France. Together with other EU funded projects, the action will demonstrate the EU's leadership in the area of climate action and biodiversity in the region.

2 RATIONALE

2.1 Context

1. Political and Financial Outlook

At the 2017 One Planet Summit, President of France Emmanuel Macron committed to launching a new multi-stakeholder international initiative designed to increase the capacities of 19 Pacific states and territories to adapt to the impact of climate change impacts; and to protect, restore, and enhance biodiversity in order to strengthen

¹ European Consensus on Development – ‘our world, our dignity, our future’, European Commission, 26/6/2017 - https://ec.europa.eu/international-partnerships/system/files/european-consensus-on-development-final-20170626_en.pdf

² The 2050 Strategy for the Blue Pacific Continent, Pacific Island Forum Secretariat, 2017
<https://www.forumsec.org/2050strategy/>

³ Still to be signed - https://ec.europa.eu/international-partnerships/news/post-cotonou-negotiations-new-euafrica-caribbean-pacific-partnership-agreement-concluded_en

⁴ A European Green Deal, European Commission, 2019 - https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en

the resilience of their socio-ecological systems. During the second edition of the One Planet Summit, held in the margin of the 73rd United Nations General Assembly in New York, France, the European Union, New Zealand and Australia announced the launch of the Joint Pacific Initiative. In November 2018, Canada joined the Initiative. The contribution agreement “Kiwa Initiative- Nature based solutions for climate resilience” officially started its implementation in 2020 as a multi-stakeholder international initiative bringing the above-mentioned donors together for the first time in a unique initiative, providing a one-stop shop in the Pacific for funding projects that promote nature-based solutions.

The Kiwa Initiative has generated particularly strong interest in the region. For the first time in the Pacific, a dedicated regional initiative aims to tackle the challenges connected to both climate change and biodiversity, which have largely been treated as separate sets of issues to date. This strategic stance gives the Kiwa Initiative a particularly strong identity. Through its implementation, the Kiwa Initiative has demonstrated to be a highly competitive initiative, selecting high-quality projects in the region. It has demonstrated that there is a clear demand for funding of nature-based projects at all levels, from very small, small and medium grants to more substantial funding for regional and multi-country projects. The current funding available for projects under Kiwa Initiative I will likely be exhausted in 2022.

This action allows keeping the EU on the map as a key partner in addressing biodiversity and climate change adaptation in the region. It also allows the EU to continue to be part of the Kiwa Initiative Steering Committee as a voting member and to co-decide which projects will receive Kiwa Initiative funding, not only under the EU contribution, but for the full Kiwa Initiative budget which includes other donors. This action is an excellent example of the Team Europe approach.

2. Rationale and Assessment

The Kiwa Initiative II is fully in line with the Pacific island countries’ National Development Strategies and with the relevant regional frameworks and strategies.

At the national level and in line with the PICTs’ “Climate Strategies 2050”, the target countries have strategic development plans with a long term vision for social and economic development goals. These national plans have different timeframes; some of them are rather new and started in 2021, e.g. in Samoa and Tuvalu. The development plans are closely aligned with regional and international agreements, conventions and targets, especially the Sustainable Development Goals (SDGs) 2030 and the Small Island Developing States (SIDS) Accelerated Modalities of Action (SAMOA) Pathway. Most of the countries covered by this Initiative have up-to-date climate change policies. In addition, Joint National Action Plans (JNAPS) for climate change adaptation and disaster risk management have been prepared by each country over the past decade. All countries have ratified the Paris Agreement and have prepared their NDCs. Some of them have also recently updated their Nationally Determined Contributions. These documents set out clear mitigation and adaptation measures and implementation mechanisms. The Kiwa Initiative is in line with these plans.

3. List of Actions

At the regional level, the action will support:

- The PIF Leaders’ “*Blue Pacific vision*” enhancing the regional efforts to address the main challenges facing the Pacific, starting with the impact of climate change.
- The *2017-2030 Framework for Resilient Development in the Pacific (FRDP)*: an integrated approach to address climate change and disaster risk management, which provides guidance and support for building resilience to climate change and disasters.
- The *Framework for Pacific Regionalism*, which lays out a regional process for enhancing and monitoring sustainable and inclusive development for the Pacific islands and territories and for the Pacific region as a whole.
- The *Post Paris Agreement High Level Support Mechanism (HLSM)* meetings in Samoa (April and September, 2016) confirming that Pacific island countries need support to build national and institutional capacities to ensure that resilient development is embedded in every phase of development at the national, provincial, and outer islands levels.
- The *2050 Strategy for the Blue Pacific Continent*, currently under consultations. The vision laid out by the Pacific Leaders in this strategy embodies the commitment of the region to work together as one, building

on its shared stewardship of the Pacific Ocean and the connections that the people of the Pacific have with their natural resources, environment, cultures and livelihoods.

- The 2018 *Boe declaration* by the Pacific Leaders, identifying climate change as the “*single greatest threat to the livelihoods, security and wellbeing of the peoples of the Pacific*”.
- The 2019 *Kainaki II Declaration for Urgent Climate Action Now*, through which the Pacific Leaders committed to bold regional climate change action and called for higher global ambition.

The Kiwa Initiative II is fully complementary to other existing programmes in the region on biodiversity and climate change adaptation. A non-exhaustive list of these programmes includes:

- The Biodiversity and Protected Areas Management (BIOPAMA) programme – phase II;
- The Pacific-EU Marine Partnership Programme (PEUMP);
- The 11th EDF OCT Programme PROTEGE;
- The Pacific Biodiversity and Sustainable Land-Seascapes (Pacific BioScapes) Programme;
- The Global Climate Change Alliance Plus Initiative (GCCA+) Pacific Adaptation to Climate Change and Resilience Building (PACRES);
- The GCCA+ scaling up Pacific Adaptation (SUPA) Programme.

2.2 Problem Analysis

Characterized by their remoteness and by being scattered across an ocean covering a third of the surface of the globe, Pacific Island Countries and Territories (PICTs) are highly vulnerable to the adverse impacts of climate change and are poorly equipped to deal with these given their diverse geographical, economic, and social realities. Rising sea levels, storm surges, floods, droughts, cyclones, coral bleaching, coastal erosion and changing precipitation patterns are common factors affecting the 30 000 islands scattered over this vast area. These countries and territories are also characterized by exceptional land and marine biodiversity that is subject to cumulative anthropic pressure (destruction and fragmentation of natural areas, pollution, introduction of invasive alien species, overuse of natural resources), and exacerbated by climate change. In this context, the well-being and subsistence of the populations and, in particular, their poorest segments which are heavily dependent on ecosystem services, are severely impacted. Moreover, climate change-induced displacement is already taking its toll, aggravating existing land issues. Some of these islands are also affected by tensions and conflicts in relation to natural resources management, land rights, inter-ethnic division and gender-based violence, while the COVID 19 pandemic has also increased poverty and economic vulnerability.

Facing the immediate consequences of climate change and loss of biodiversity, with the potential to threaten the very existence of certain PICTs, the regional surge in recognition of these challenges is very real. Integrated "ridge-to-reef" approaches are gaining ground as they permit the introduction of greater consistency between watershed management, coastline protection, and coral reef conservation as well as in the management and planning of inherently multifaceted coastal operations that reflect the diversity of economic activities (tourism, fisheries, maritime shipping, protected areas, mining, renewable energy etc.). Making climate and biodiversity central to the public policies and projects implemented in the Pacific region has demonstrated to be an effective way to promote sustainable development and robustly support local populations.

Given the interconnections between climate and biodiversity, climate change policies must focus on the sustainable management of natural resources and the protection of the ecosystems that support them. It is widely recognized that the conservation of biodiversity, and of the ecosystem services that it supports, is vital to addressing the challenges presented by climate change. In particular, the promotion and development of nature-based solutions is more and more seen as an effective way to tackle climate change adaptation challenges in the Pacific.

The Kiwa Initiative II aims at playing a significant role in strengthening national authorities and local CSOs' abilities to benefit directly from new funding in order to build projects with direct impact on communities. Accordingly, the Initiative plans to maintain an international coalition designed to catalyse and streamline funding provided by different development partners to be able to take prompt and efficient action in partnership with the Pacific and regional priorities. The Initiative follows a gender-sensitive approach that integrates the 2012 Pacific Leaders' Gender Equality Declaration (PLGED) objectives in the areas of women's economic empowerment and

women's leadership. The gender mainstreaming approach of the Kiwa Initiative II will continue to promote reduction of gender inequality, by designing appropriate gender activities to ensure equal access for women to the opportunities created by the projects (e.g. in ensuring access to basic services, improving access to the labour market, training and resources, improving participation of women in governance, etc.).

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:

In line with the existing Kiwa Initiative (FED/2019/041962 – Joint Pacific Initiative on Biodiversity, Climate Change and Resilience), the action is based on a multi-stakeholder approach. It is designed to build an international coalition intended to catalyse and streamline funding provided by different donors, promote a bottom-up approach, and encourage projects with a regional dimension.

The main stakeholders are:

- **different donors**, to be involved in coordination of the programme;
- **recipient countries**, benefiting from additional funding and being represented in the steering committee;
- **local and regional non-governmental organisations and international organisations**, which will also benefit from the action through capacity development and additional funding;
- **regional organisations**, which will participate in the implementation of the initiative.

The final beneficiaries will be the citizens of the Pacific island countries as the end beneficiaries of the activities that the Kiwa Initiative II will support.

It should be noted that local authorities and civil society, especially various environmental organisations and local non-governmental organisations, and indigenous peoples' organisations, are also crucial stakeholders to ensure that actions are driven by final beneficiaries, with a coherent and consistent approach that responds to their genuine needs. The action will include further consultations and meetings with local authorities and civil society organisations ahead of the relevant calls for proposals. In addition, national representatives may also participate in the decision-making process as part of the action's steering committee, representing the different sub-regions of the Pacific Island Countries.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to make Pacific Island ecosystems, economies and communities more resilient to the impacts of climate change.

The Specific Objective (Outcome) of this action is to enhance access to funding for rights-based, gender-sensitive and socially-inclusive climate change adaptation through nature-based solutions for local and national authorities, regional and civil society organisations.

The Outputs to be delivered by this action contributing to the corresponding Specific Objective (Outcome) are:

1. Strengthened capacities of local and national authorities, civil society organisations and regional organisations to design and implement rights-based, gender-sensitive and socially inclusive small to large-scale projects on nature-based solutions for climate change adaptation at the local, national and regional levels.
2. Strengthened efforts for rights-based, gender-sensitive and socially-inclusive nature-based solutions for climate change adaptation at local, national and regional levels through granting/funding facilities.
3. Improved regional cooperation between contributors, regional agencies and national authorities on rights-based gender-sensitive and socially-inclusive projects on nature-based solutions for climate change adaptation.

3.2 Indicative Activities

Activities related to Output 1:

- Supporting project development for local/national stakeholders and national/regional stakeholders.
- Documentation, dissemination and mainstreaming of lessons learnt and good practices for the implementation of projects on nature-based solutions for climate change adaptation for local/national stakeholders and national/regional stakeholders.

Activities related to Output 2:

- Small grants provided to local and national stakeholders.
- Funding for projects provided to national and regional stakeholders.

Activities related to Output 3:

- Steering Committee meetings for the strategic monitoring and supervision of the programme are timely organised.
- Day to day coordination of the Initiative by the Secretariat is ensured.

The commitment of the EU's contribution to the Team Europe Initiative foreseen under this action plan will be complemented by other contributions from Team Europe partners. It is subject to the formal confirmation of each respective partner's meaningful contribution as early as possible. In the event that the TEIs and/or these contributions do not materialise, the EU action may continue outside a TEI framework.

3.3 Mainstreaming

Environmental Protection & Climate Change

Outcomes of the SEA screening (relevant for budget support and strategic-level interventions)

The Strategic Environmental Assessment (SEA) screening concluded that no further action was required.

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project)

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment). EIAs may possibly be needed for projects funded by the facility. These will follow national and EU standards.

Outcome of the CRA (Climate Risk Assessment) screening (relevant for projects and/or specific interventions within a project)

The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment).

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that, in line with the Pacific Leaders Gender Equality Declaration, which commits to lifting the status of women in the Pacific and empowering them to be active participants in economic, political and social life, gender equality will be mainstreamed into Initiative's all dimensions. This will be taken into consideration in the nature and the design of selected projects as well as their selection. The project's activities will take into account potential opportunities for women for economic activity (ecotourism, agriculture, downstream segments of the seafood value chain, etc.) and social responsibility (associations, mediation) in a balanced way, especially as regards responsibility positions and decision making processes. Gender equality will also be a key consideration in the various projects that will be financed in order to lift the status of women in the Pacific and empower them to be active participants in economic, political, and social life.

Human Rights

From a rights based perspective, the Kiwa Initiative II will finance activities and projects that contribute significantly to reducing social imbalances since the poorest populations are the major victims of the loss of ecosystem services, the effects of climate change, and natural disasters.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that this action is not considered directly relevant to specifically support inclusion of persons with disabilities.

Democracy

Democratic values will be promoted and protected throughout the project's activities.

Conflict sensitivity, peace and resilience

The action has a clear focus on multidimensional **resilience**, mainly climate change and environmental related but also societal, economic and institutional. While conflict prevention is not among the action's core objectives, activities contributing to resilience may indirectly contribute to the prevention of conflicts.

With regard to **conflict sensitivity**, differentiated approaches should be taken with regard to different Pacific Islands, where social conflicts and violence dynamics are more present (PNG, Solomon Islands, Fiji, etc.) and post-conflict countries like Timor Leste. In these contexts, conflict sensitivity should be considered in all actions related to management of natural resources and ecosystems, with due regard to the rights of indigenous peoples such as FPIC (free, prior and informed consent) and rights of more vulnerable sections of society such as women, people with disabilities, etc.

With regard to other islands, the issue of climate induced displacement and displaced communities, should be taken into account, in order for development initiatives to be opportunities to ease tensions among communities (e.g. displaced-host communities), pressure on natural resources, housing, creation of livelihoods, etc.

Disaster Risk Reduction

The activities financed by the Kiwa Initiative II will contribute to developing the local economies of the target communities and strengthening their resilience to extreme events.

Other considerations if relevant

Not applicable.

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
External environment	Covid-19 is an ongoing concern, which undermines economic growth and poses a risk to the sustainability of the funding for the sector as well as diverts focus and capacity away from other reforms. In addition, the travel restrictions in place due to the pandemic	High	High	The region has already adapted to the pandemic and relevant procedures are in place for new waves of the pandemic not to paralyse the action. There will be continuous monitoring of the economic developments and travel restrictions in the region due to the Covid-19 pandemic.

	may delay the implementation of the projects on the ground.			
External environment	Natural hazards , including tropical cyclones may delay the implementation or damage the ongoing work.	High	Low	Tropical cyclones are normal for the region and adequate planning will be needed to mitigate this risk. Disaster Risk Reduction should be deliberately integrated into the planning.
Planning, processes and systems	Lack of Donor coordination and priority setting for certain topics or geographical scope.	Medium	Medium	Setting clear rules of procedure will be necessary to ensure collective decision making processes and bringing a balance between topics and project implementation in various Pacific countries/territories.
Communication and information	Lack of coordination and communication among regional implementation agencies.	Medium	Medium	Reinforcing the dialogue between different implementing partners will be essential to mitigate this risk.
People and the organisation	Lack of appropriation by Pacific Islands' governments and other stakeholders.	Medium	High	This risk can be minimised by setting clear rules of governance that include major stakeholders from the start and aiming at delivering impact at the local level through capacity building, project development and project implementation.
Planning, processes and systems	Long time lapse is possible between the decision on a specific project and its implementation.	High	Medium	The implementing partner should take concrete measures in place to prevent the delay of the start of the implementation activities of selected actions.
Lack of conflict sensitivity and do no harm approaches	Unintended negative impacts on already existing tensions related to natural resources management and land issues	Low	High	Participatory and inclusive approaches Conflict prevention measures considered and included in measures and actions Risk management that takes into account existing social conflicts and tensions, as well as risks related to gender-based violence
Lessons Learnt (from the first phase of the Kiwa initiative – annual reports and steering committee meetings): <ul style="list-style-type: none"> Activities should be country-led and nationally owned, and demand-driven. Focus should be on strengthening climate change adaptation and disaster risk resilience for a particular development sector. 				

- Adoption of a rights-based, gender sensitive and conflict sensitive approach should happen from the outset.
- Involvement of coastal communities and civil society, especially local women's rights and indigenous peoples' organizations, is needed.
- Capacity building in climate change adaptation is needed at the sub-national government level and at the community level.
- Attention should be paid to detailed planning and scheduling of all activities especially in outer islands.
- The added value of a regional and multi-country programme approach should be maximised through South-South cooperation.
- Collaboration with other climate change adaptation and disaster risk reduction interventions is important.
- Supporting countries to lead inter-project coordination.
- Ensure new interventions support and contribute to regional frameworks.
- Implementation through regional organisations favours alignment and effective implementation.
- The management of the complex multi-donor initiative calls for the development of specific rules for monitoring technical and financial support to help beneficiaries respect each donor's set of requirements.
- Dialogue between donors and partners is essential from the early stages of the project appraisal process to ensure efficiency in both design and implementation stages, in order to provide synergies with existing initiatives and projects.
- Inclusion of sub-regional representatives in the decision-making process presents an added value to ensure the ownership of the projects and alignment with national and regional priorities.

3.5 The Intervention Logic

The Kiwa Initiative II aims at improving rights-based gender-sensitive resilience and climate change adaptation of communities, economies and ecosystems in the Pacific, through conservation and sustainable management of natural resources and mainstreaming biodiversity in economic sectors using integrated approaches and nature-based solutions.

The Initiative will support activities, which facilitate the design of a conducive enabling environment for green growth by shaping sustainable value chain management that will generate direct positive economic impacts. The Initiative will also strengthen the development of innovative solutions for conservation and attracting climate finance.

The activities financed by the Kiwa Initiative II will contribute to developing the local economies of the target communities and strengthening their resilience to extreme events. The development of income-generating activities related to ecotourism and sustainable coastal and deep-sea fisheries will feature among the initiative's activities. Most of the activities related to biodiversity conservation and restoration have an impact on local economies and on the wellbeing of populations thanks to the ecosystem services that are provided.

The regional cooperation between donors, regional agencies and national authorities on biodiversity conservation and climate change projects will be improved thanks to this action. Rights-based approach, gender equality and social inclusiveness will be closely mainstreamed into the activities of the Initiative.

The underlying intervention logic for this action is that:

- *IF* there is support in project development for local/national stakeholders and national/regional stakeholders *AND* local stakeholders, regional and national stakeholders recognize the added value of mainstreaming biodiversity into adaptation to climate change, *THEN* the Kiwa Initiative II can strengthen capacities of local and national authorities, civil society organisations and regional organisations to design and implement rights-based gender-sensitive and socially inclusive small to large-scale projects on nature-based solutions for climate change adaptation.
- *IF* small-grants are provided to local and national stakeholders and if funding is provided to national and regional stakeholders *AND* local demand stays significant and national authorities and different kind of organisations seek for additional funding, *THEN* the Kiwa Initiative II can strengthen efforts for rights-based gender-sensitive and socially-inclusive nature-based solutions for climate change adaptation at local, national and regional levels through granting/funding facilities.
- *IF* there will be regular Steering Committee meetings for the strategic monitoring and supervision of the programme *AND* members of the steering committee are fully engaged to foster cooperation in the best general interest of beneficiaries and mainstreaming the main elements of the project, *THEN* regional cooperation between contributors, regional agencies and national authorities on rights-based gender-sensitive and socially-inclusive projects on nature-based solutions for climate change adaptation can be improved.

3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest.

New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

Results	Results chain Main expected results	Indicators	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To make Pacific Island ecosystems, economies and communities more resilient to the impacts of climate change.	1. Country score according to climate change vulnerability index	1 tbd (2022)	1 tbd	UNFCCC & CBD websites Pacific Climate Change Portal.	<i>Not applicable</i>
Outcome	Enhanced access to funding for rights-based gender-sensitive and socially-inclusive climate change adaptation through nature-based solutions for local and national authorities, regional and civil society organisations.	1.1. Number of people (women/men/indigenous women/indigenous men) benefiting from climate adaptation, resilience and biodiversity measures 1.2. Total number of Kiwa II project beneficiaries (disaggregated by sex and age) 1.3. Additional financial contribution (EUR million) of the Steering Committee members during the implementation period.	1.1 0 (2022) 1.2 0 (2022) 1.3 0 (2022)	1.1 30 000 (2028) 1.2 200 000 (2028) 1.3 EUR 10 M (2028)	Baseline and annual targets groups surveys. Monitoring reports from Kiwa's secretariat.	Pacific Island Countries hold to their pledge towards biodiversity preservation and climate change adaptation.
Output 1	1. Strengthened capacities of local and national authorities, civil society organisations and regional organisations to design and implement rights-based gender-sensitive and socially inclusive small to large-scale projects on nature-based solutions for climate change adaptation at the local, national and regional levels.	1.1.1 Number of institutions benefiting from capacity development (ministerial/sub-ministerial level) 1.1.2 Number of civil society organisations benefiting from capacity development	1.1.1 0 (2022) 1.1.2 0 (2022)	1.1.1 24 (2028) 1.1.2 10 (2028)	Survey of rained final beneficiaries. Monitoring reports from AFD & Beneficiaries.	Local demand is significant and small organisations lack management capacity.
Output 2	2. Strengthened efforts for rights-based gender-sensitive and socially-inclusive nature-based solutions for climate change adaptation at local, national and regional levels through granting/funding facilities.	1.2.1 Number of calls for project (ideas) launched 1.2.2 Areas (in ha) benefitting from biodiversity conservation or restoration activities 1.2.3 Areas (in ha) benefiting from sustainable resource and/or land and marine management programmes	1.2.1 0 (2022) 1.2.2 0 (2022) 1.2.3 0 (2022) 1.2.4 0 (2022) 1.2.5 0 (2022) 1.2.6 0 (2022) 1.2.7 0 (2022)	1.2.1 2 (2028) 1.2.2 40 000 (2028) 1.2.3 120 000 (2028) 1.2.4 tbc (2028) 1.2.5 tbc (2028)	Monitoring reports from AFD & Beneficiaries. Main donor annual reports. Monitoring reports from Secretariat.	Local stakeholders, regional and national stakeholders recognise the added value of mainstreaming biodiversity into

Results	Results chain Main expected results	Indicators	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
		<p>1.2.4 Number of submitted projects by type of grants (very small, small, medium and large projects), by key areas i) IAS management; ii) agriculture; iii) marine and coastal governance; iv) IWM-Integrated Watershed Management/ IWRM- Integrated Water Resources management/ ICZM-Integrated Coastal Zone Management and marine management/governance; v) terrestrial and marine managed/ protected areas; vi) Disaster Risk Reduction (disaggregated per sub-region and grant beneficiary)</p> <p>1.2.5. Number of selected projects by type of grants (very small, small, medium and large projects), by key areas i) IAS management; ii) agriculture; iii) marine and coastal governance; iv) IWM-Integrated Watershed Management/ IWRM- Integrated Water Resources management/ ICZM-Integrated Coastal Zone Management and marine management/governance; v) terrestrial and marine managed/ protected areas; vi) Disaster Risk Reduction (disaggregated per sub-region and grant beneficiary)</p> <p>1.2.6 Number of organisations trained through the Kiwa Initiative funded projects who increased their knowledge and/or skills in Disaster Risk Reduction</p> <p>1.2.7 Amount of co-financing from stakeholders and other donors</p>		<p>1.2.6 tbc (2028)</p> <p>1.2.7 EUR 3 M (2028)</p>		adaptation to climate change.
Output 3	3. Improved regional cooperation between contributors, regional agencies and national authorities on rights-based gender-sensitive and socially-inclusive projects on nature-based solutions for climate change adaptation.	<p>1.3.1 Number of regional events and workshops</p> <p>1.3.2 Number of Steering Committee and technical coordination meetings</p>	<p>1.3.1 0 (2022)</p> <p>1.3.2 0 (2022)</p>	<p>2.1.1 6 (2028)</p> <p>2.1.2 12 (2028)</p>	Monitoring reports from AFD & implementing agencies. Main donor annual reports.	Members of the steering committee are fully engaged to foster cooperation.

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement.

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures⁵.

4.3.1 Indirect Management with a Member State Organisation

This action may be implemented in indirect management with Agence Française de Développement. This implementation entails the full action. The envisaged entity has been selected using the following criteria: it has a long-term recognised experience in supporting climate change impact and has been attributed a more important role for the preservation of biodiversity, including in the Pacific. The AFD has an office in the Pacific in New Caledonia and also manages the current Kiwa Initiative - Nature based solutions for climate resilience (contribution agreement FED2020/415-674). It is therefore preferable to continue with the same entity.

In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the following criteria:

- a long-term recognised experience in supporting climate change impact and an important role for the preservation of biodiversity, including in the Pacific;
- presence in the Pacific with an operational office and managing ongoing projects.

If the entity is replaced, the decision to replace it needs to be justified.

4.3.2 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

Changes from indirect to direct management mode would not be recommended, due to the characteristics of the Initiative.

4.4 Scope of geographical eligibility for procurement and grants

N/A

⁵ www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

4.5 Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Third-party contribution (amount in EUR)
Indirect management with Agence Française de Développement (AFD) – cf. section 4.3.1 Third Party contribution from France	6 000 000	8 000 000
Totals	6 000 000	8 000 000

4.6 Organisational Set-up and Responsibilities

A **Steering Committee** will be established to provide leadership and guidance for the 2nd phase of the Kiwa Initiative. It will be based on the existing Steering Committee established for the implementation of the 1st phase of the Kiwa Initiative, its composition being adapted to the configuration of Technical and Financial partners funding this second phase of the Kiwa Initiative. It will meet at least once a year and where needed, meetings can be held via video conference. Where relevant, the composition of the Steering Committee may be adjusted in order to reflect any changes that may occur, such as changes related to the number of donors, the amount of the contributions of existing donors, and the potential identification of new implementing partners.

The Steering Committee would consist of donor members, representatives of sub-regions, and regional members.

- The donor members are the representatives of the Pacific Initiative donors. So far in the existing Kiwa Initiative (FED/2019/041962 Joint Pacific Initiative on Biodiversity, Climate Change and Resilience), five appointed members act as representatives of the donors in the Steering Committee, namely AFD, the EU, Australia, New Zealand and Canada. Any other donors willing to contribute financially to the Kiwa Initiative will have the possibility to appoint a representative in the Steering Committee.
- The representatives of sub-regions will represent beneficiary countries and Territories for each of the three main sub-regions (Melanesia, Micronesia and Polynesia).
- Regional members, such as IUCN, SPREP and SPC will represent the organizations in charge of implementing the initiative at the regional level, as well as other relevant organizations.

The secretariat

The Initiative's secretariat will be located in Nouméa, where the AFD's Pacific Regional Department is located.

The Secretariat will report directly to the Steering Committee and will be endowed with resources relevant to its objectives and responsibilities. Its main duties will be to:

- coordinate the actions and projects financed;
- prepare the intervention strategy for submission to the Steering Committee;
- prepare and monitor action programs for submission to the Steering Committee;
- submit for approval by the Steering Committee large projects based on a non-objection opinion.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures, initially established for Phase I of the Kiwa initiative and being rolled-over and adapted, where need be, to phase II and set up for governing the implementation of the action.

4.7 Pre-conditions

As this action, Kiwa Initiative II, is considered a new phase to the initial Kiwa Initiative (FED/2019/041962 Joint Pacific Initiative on Biodiversity, Climate Change and Resilience), the pre-condition to allow the full implementation of the action is that the existing Kiwa Initiative will be on-going and its relevant structures will be still in place at the start of this action. The existing Kiwa Initiative (FED/2019/041962) and this new phase, considered as the Kiwa Initiative II, will run in parallel for a certain amount of time, until the initial Kiwa Initiative ends its implementation period (for the the 1st phase of the Kiwa Initiative the end of activities is foreseen by 29.09.2026, the final date for implementation is set on 29.03.2028).

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

The monitoring will be undertaken by AFD through the Nouméa-based Secretariat, which will collect, analyse and monitor the data from all implementing partners. Monitoring may also be performed through supervision missions in the beneficiary countries and territories. AFD will also closely monitor technical assistance and project implementation.

5.2 Evaluation

Having regard to the nature of the action, a final evaluation may be carried out for this action or its components via an implementing partner.

In case an evaluation is not planned, the Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

The financing of the evaluation may be covered by another measure constituting a Financing Decision.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

Appendix 1 REPORTING IN OPSYS

An Intervention (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: ‘a given contract can only contribute to one primary intervention and not more than one’. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a ‘support entities’. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

The present Action identifies as

Action level		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action