

Protected Areas Conservation Trust's (PACT) Accreditation by the Adaptation Fund Board: **Our Experience**

By

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Outline

Belize and Climate Change

Profile of the PACT

The Accreditation process/Timeline

What Accreditation means for PACT

Next Steps as NIE

Belize and Climate Change

Demographic data

As a SIDS, Belize very vulnerable to effects of climate change

Largest Barrier reef in western Hemisphere (role in economy)

26% of National territory protected (13% marine and 36% terrestrial)

THE PACT

Public Trust dedicated to conservation and protected areas
Established in 1996 as Statutory Body by Act of Parliament

Governed by a 11 member Board of Directors; government minority

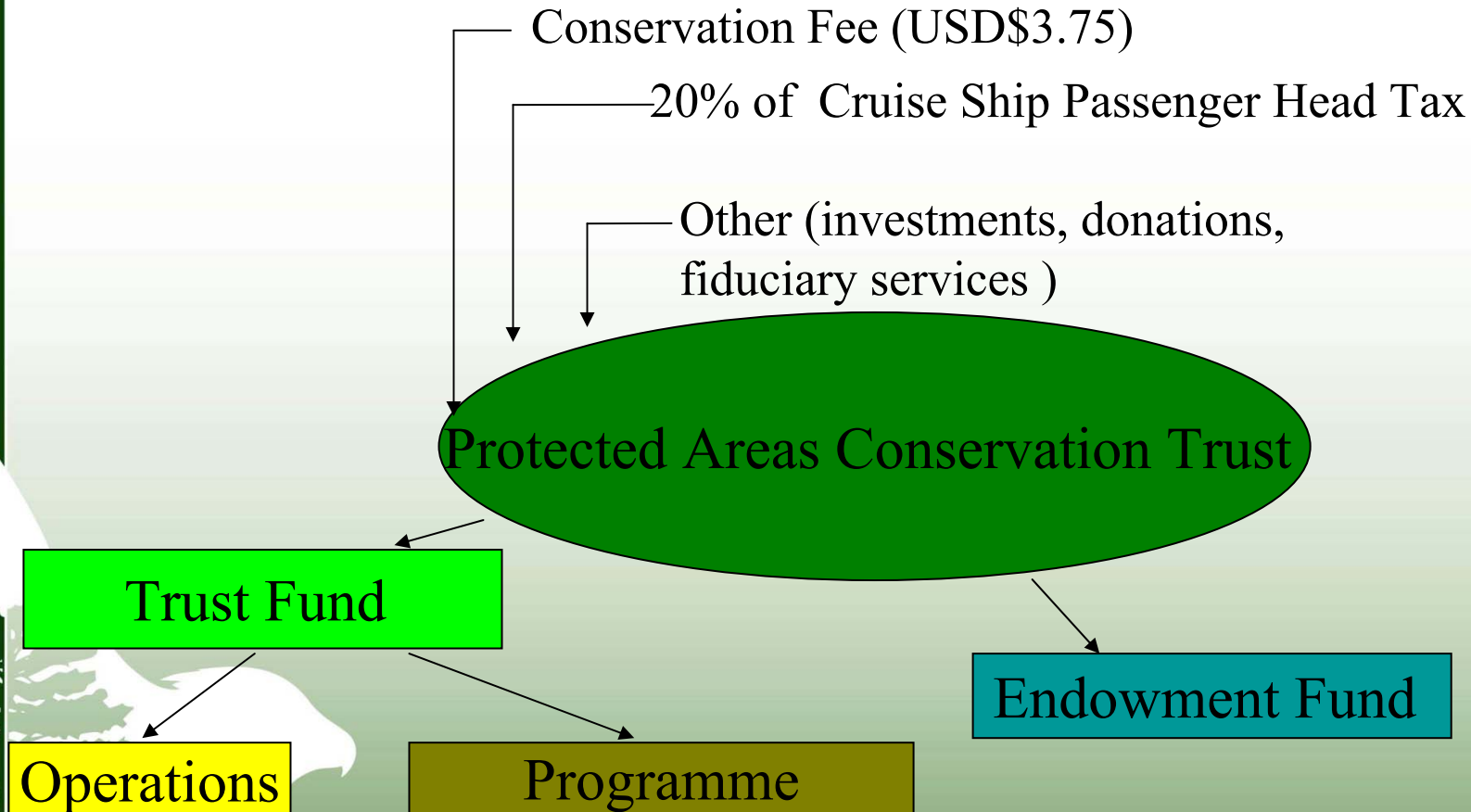
Revenues from a conservation fee and commission from cruise tourism head tax

Grant program portfolio (10 grant types)

Fiduciary Management services to other funding agencies and Government of Belize

Celebrating 15 years of grant making- + \$US11 million; +400 projects

How PACT Works



The Process and Timeline

October 6 2009 – AFB invitation to nominate NIEs

April 8 2010 – AFB invitation to nominate Designated Authority (DA)

Ministry of Natural Resources and Environment (MNRE)
focal point for UNFCCC

Cabinet endorsed MNRE (CEO) as DA decision and PACT as NIE

- ◊ NIE identification and selection process relatively straightforward because of PACT's credibility of good governance, transparency and accountability

The Process and Timeline cont

May 11: Endorsement of PACT as NIE

June 22: Formal application by PACT to be NIE

July 11: Formal information request by AFB

Aug 9: Teleconference with AFB

Sep 19: Notification to PACT of accreditation by the AF Board

Total time after endorsement = 3months!

Accreditation Process – key features

Internal Control Systems:

◊Governance Structure:

- PACT ACT sections 11 and 16
- Board of Directors manual

◊Financial Control Systems:

- External Audits and Management Letter;
- Accounting Manuals

Required Documentation

Legal status and mandate

Audited Financials & Management Letter

Foreign funds handled over last 2 years

Audit Committee Terms of Reference

Accounting Software

Manuals (accounting, procurement, grants manual

Budget

Financial Controls

Approved Annual Budgets

- ◊ Review of budget vs. actual performance
- ◊ Review of budget process and features
- ◊ Budget management/adherence
- ◊ External audit
- ◊ Legislative support

Finance Committee Charter

- ◊ Finance Committee review (role)
- ◊ Development of an internal audit function

Financial Controls cont'd

Additional Control Features

Independent external evaluations:

- ◊ Institutional assessment – 5 years
commissioned by PM
- ◊ Grant evaluations – 3 years
- ◊ National Strategic PACT plan- 5 years



Anti - Corruption

Evidence of anti-corruption efforts

- ◊ Review of all fraud cases in last five years
(Include minutes of meetings)

Review of procedures addressing :

- ◊ Conflict of interest
- ◊ Code of ethics / misconduct

Capacity for self investigation and address

- ◊ Board oversight
- ◊ Office of contractor general
- ◊ Capacity to contract investigative resources

Risk Mitigation

PACT Endowment

Investment and use of funds

Grant Programme policies

Counterpart funding

Organizational capacity
assessment

Logical framework

Stakeholder participation/
publicity

Recommendations from AFB

Development of an internal audit function

- ◊ Finance committee charter has been adjusted
- ◊ Risk management should be separate and focused part of various manuals

Adopt policies to address wrongdoing/fraud

Public zero tolerance tone/internal control document

Internal capacity to investigate and address fraud

General Notes

Existence of policy is not assumed to demonstrate proper execution or effectiveness (policy versus practice)

Independent external review and public disclosures are important

Willingness to adjust and strengthen controls is necessary at the top.

Process requires extensive and detailed disclosure.

Close collaboration/feedback mechanism with AFB assigned advisor (informal feedback was key)

Adaptation Projects

Proceed to access \$30K from AFB to develop national adaptation programme

Focal areas *may* include:

food security

water security

climate resilient infrastructure

Programme with aligned with national adaption priorities and consultative

Conclusion

Accreditation of PACT by the AFB is noteworthy for the following reasons:

Increase image of PACT globally

Brings notable distinction to the region/country

Allows PACT to leverage additional resources

PACT fiduciary management capabilities strengthened

Improved national stakeholder confidence in PACT

Thank You!

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