



ADAPTATION FUND

Regional Accreditation Workshop For Latin America & Caribbean Region

**Panama City, Panama
10 - 12th Nov, 2011**

Identifying NIEs

Observations

- **There appears to be an absence of a robust process for undertaking selection of appropriate NIEs**
- **The Fiduciary Standard is not given adequate consideration during the selection process**
- **Inadequate due diligence**
- **Focus is primarily on handling international donor/loan funds with low priority on project management capabilities.**



NIE Role

- **Para 27 of the Operational Policies and Guidelines for parties to access resources from the Adaption Fund clearly defines the role of NIEs as under**
- **The NIEs will bear full responsibility for the overall management of the project and programmes**
- **The NIEs will bear all the financial, monitoring and reporting responsibilities**

What is accreditation

- **To check and certify an organization's capabilities for carrying out the required tasks for meeting the defined goals**
- **Required tasks include maintenance of accounts and preparation of financial statements, provisions for external and internal audit, procurement, project management and creating and maintaining an ethical and corruption-free environment**
- **The goal is to successfully complete the projects within planned budget and time and also meet the objectives outlined in the project document**



Verifying Capabilities

- **Does the organization have appropriate processes and systems defined and documented to undertake the tasks and achieve the stated objectives (refer previous slide)**
- **Does the organization have adequate checks and balances to monitor, control and report on the activities**
- **Does the organization have adequate competence at various levels for implementing the processes and systems effectively and efficiently**

Criteria for Accreditation

- **The organization should be able to demonstrate/showcase capabilities in terms of policies/framework and give adequate evidence of experience in effectively carrying out the activities required**

Selecting a potential NIE

- **Selection should be through a defined process and not just a one off decision**
- **Designated Authority (DA) needs to play a key role throughout the process**

Suggested Process

- **DA to set up a Selection Committee (SC) of 2 or 3 persons**
- **Based on the requirements of the Fiduciary Standard the SC should identify a few potential NIEs.**
- **Based on preliminary assessment develop a shortlist of 2 or 3 suitable entities**
- **Undertake due diligence of the shortlisted entities**
- **Identify gaps relating to the Fiduciary Standards for the selected entities**

Process contd

- **Examine potential of each entity to bridge the gaps**
- **Select most appropriate entity**
- **Work with entity to fulfill the gaps**
- **Work with entity to complete accreditation application and supporting documentation**
- **Verify final application before submission to the Adaptation Fund**