



Report of

Meeting of Financial Resources Working Group (FRWG)

29 March 2017

Pasig City, Metro Manila, Philippines

I. Background

(to be inserted by Regional Secretariat)

II. Opening Session

(to be inserted by Regional Secretariat)

III. Proceeding of the Meeting

The meeting agreed on the proposed Agenda (Attachment 1)

- a. Introduction and background of FRWG (Attachment 2)
- b. Updates on the recommendations in the Financial Architecture Report (ADB) (Attachment 3)
- c. Update on Member Parties' National Plan of Action (NPOA) financial information (ADB) (Attachment 3)
- d. Discussion on resuming the draft Terms of Reference (TOR) for FRWG
- e. Focal points for FRWG

IV. Decisions

With a view of consistency with SOM-12 decisions, the Financial Resources Working Group (SOM-12 Chairman Summary - Decision 11.2), and after deliberation during the one-day meeting of FRWG, the Meeting made the following recommendations to the CTI Council of Senior Officials to the 13th Senior Officials' Meeting:

- a) Acknowledged the challenges to implement the recommendations in the Financial Architecture Report with regards to the Business Development Unit (BDU) / Project Preparation Facility (PPF), the Regional Trust Fund and Showcase Projects without the appointment of the Project Initiation Specialist (PIS). Once the Project Initiation Specialist (PIS) is appointed, the PIS shall develop workplan, timeline and procedures for the

establishment of the Project Preparation Facility (PPF) and implementation of the initial activities¹;

- b) Acknowledged the issue of continued employment of the Project Initiation Specialist (PIS)/ Financial Advisor (FA) taking into consideration that the appointment shall be for a period of six (6) months; which shall end in September 2017, as this position is supported through the Asian Development Bank's Technical Assistance on "Coastal and Marine Resources Management in the Coral Triangle – Southeast Asia Project (RETA 7813), which shall end by 2017;

There are two (2) options that can be considered to ensure the continued services of the PIS / FA; there are:

- i. To seek for further support from other Development Partners; or
 - ii. To consider this position to be absorbed as part of the Operational Plan and Budget of the Regional Secretariat.
- c) Urged the CTI-CFF Member States to complete the National Plan of Action (NPOA) Costing and its analysis to identify financial gaps and thus be in a better position to seek for financial support;
 - d) Recognized that CTI-CFF Member States may identify its own Showcase sites, while continuing its NPOA Costing exercise;
 - e) Recognized the need of specialists in the CTI-CFF Pacific Member States to assist in the review process of their respective National Plan of Actions (NPOAs);
 - f) Note and take into consideration the support offered by the Asian Development Bank (ADB) to assist the FRWG in facilitating briefing sessions to understand GEF funding application procedures;
 - g) In term of ADB's support for the CTI-CFF Pacific countries:
 - i. Noted that the CTI-CFF Regional Secretariat shall communicate with Pacific Member States on the importance of continuing the ADB-RETA 7753 on "Strengthening Coastal and Marine Resources Management in the Coral Triangle of the Pacific" which ends by end of 2017;
 - ii. Noted that most CTI-CFF Pacific Member States have limited capacity to undertake its own national level NPOA costing exercises;

¹ The term Business Development Unit (BDU) was recommended in the Final Report on CTI-CFF Financial Architecture which was discussed as length in several FRWG meetings prior to its adoption in SOM-11. However, the BDU was re-branded as a Project Preparation Facility (PPF) to reflect a more realistic expectation of its role, function and outputs due to the funding limitation to affect the recommendations in the Financial Architecture Report.

- iii. Acknowledged the efforts of CTI-CFF Regional Secretariat to encourage the administration of ADB to align the supports for both Southeast Asian and Pacific Member States to strengthen ADB's support to CTI-CFF as a region.
- h) Noted the planning for a Partners' Meeting from 22nd to 23rd May 2017 in Manado, Indonesia;
- i) Noted the processes of the establishment of the FRWG and the urgency to have the Terms of Reference (ToR) for FRWG. In this regard, the Meeting agreed on the draft outline of the ToR as attached for ready reference. The Meeting requested the CTI-CFF Member States to submit their input on the draft ToR within fourteen (14) working days (by 21st April 2017) to the Regional Secretariat for collation to produce a comprehensive TOR. The collated draft ToR shall then be further discussed and considered during the pre-SOM13 FRWG meeting; and
- j) The Regional Secretariat acknowledged the unique situation in each Member States to provide a focal point for the FRWG. The following are the status of focal points / mode of communication to the respective Member States:
 - i. Philippines & Solomon Islands: all communication should be addressed directly to the National Coordination Committee (NCC);
 - ii. Papua New Guinea: Note on the importance of a focal point.
 - iii. Malaysia: As the Ministry of Science, Technology and Innovation (MOSTI) is undergoing a restructuring exercise, they shall provide it as soon as it is able to do so. However, communication in relation to focal points nomination for FRWG should be directed to the relevant working group at the national level;
 - iv. Indonesia: The focal point for FRWG in Indonesia would be Mr. Agus Darmawan, the Secretary

V. Closing

Attachments:

1. FRWG Meeting Agenda
2. Presentation on Introduction and Background of FRWG
3. ADB's responses to the recommendations in the Financial Architecture Report
4. Draft Terms of Reference (TOR) for Financial Resources Working Group – FRWG

5. List of meeting participants