



Photo courtesy of Jez O'Hare

Micronesia Conservation Trust: For land, sea, and people

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VISION

Enduring partnerships that conserve our land and sea to improve quality of life for communities across Micronesia

MISSION

We build partnerships, raise and manage funds, make grants, influence policy, and provide conservation and financing expertise.



Fund ... at a glance

- Country: Federated States of Micronesia (Incorporated), Republic of the Marshall Islands, Republic of Palau, US Territory of Guam, Commonwealth of the Northern Mariana Islands.
- Governing body: Board of Trustees – 7 Regional Members, 3 International Members, 1 Honorary, Ex-Officio Member (Donor Representative)
- Legal status: MCT is a charitable and irrevocable corporation incorporated under the laws of the Federated States of Micronesia, 2002.
- 501(c)3 tax exempt status (US IRS)
- Capital: US\$18.7 million
- Beneficiaries: Micronesian conservation NGOs, local governments, local communities and technical partners.



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Experience – Funds and Services

- Endowments – Micronesia Challenge (\$18 million) and MCT Operational Endowment (.7 million)
- Yela Conservation Easement Endowment Fund (520K)
- Advised Sinking Funds – Multiple Donors (Private Foundations, US Federal Agencies, Multilateral Facilities, 1.5 million in FY2014)
- Re-Granting - supported work in over 150 sites across Micronesia
- Capacity-Building and network coordination (MIC and PIMPAC)
- Hosting (Rare Conservation



Experience – Growth

- Budget - US\$55,000 in 2004 to US\$2million (present)
- Staff – 2 in 2004 to 8 (present)
- 2004, FSM only organization. 2007, expanded Micronesia region-wide with Board of Trustees
- Re-grants/projects – 4 projects in 2004, now range from 12 to 20 projects annually



Experience – NIE Accreditation

- Application submitted in April 2012
- Revisions and improvements to organizational policies, 2012 to 2014
 - Strengthened procurement procedures
 - Anti-fraud policy
 - Whistleblower policy
- Comments from Accreditation Committee
 - Level of re-granting and grant management insufficient to demonstrate capacity to manage AF funding
 - Improve monitoring and evaluation and quality at entry
 - Stronger oversight from Board of Trustees
 - Need for internal audit function



Experience – NIE Accreditation

(continued)

- Alternative (streamlined) accreditation process approved by AF Board October 2014
- MCT Accredited in March 2015 with conditions
 - A monetary limit for projects
 - Specify procurement procedures for each project that would have significant procurement
 - Stronger oversight by MCT Board Committee on Investment, Audit and Finance





Experience – Success stories

- AF Panel and Board receptive to accommodating smaller entities and consider alternative standards for areas with lower absorption capacity
- AF Panel personnel supportive, providing guidance and examples and site visit to Pohnpei
- Alternative/Streamlined accreditation process has opened door for other small organizations as NIEs
- AF accreditation has resulted in qualification for fast track accreditation for Green Climate Fund
- Improved standing with other donors



Moving Forward

- How can Small Island Developing States (SIDS) make use of direct access?
 - Take advantage of the streamlined option
 - Be creative in meeting standards (Internal Audit)
 - Make sure that changes made to policy and systems are practical and in the broader interest of the organization's improved capacity & performance, not only to attain accreditation
- Practical challenges in the “regular” accreditation process for SIDS countries and small entities?
 - Impracticality of some of the standards in terms of scale
 - Requirement to provide evidence of experience and transactions much larger than feasible given lacking absorption capacity of grantee organizations





Moving Forward

- What was the rationale behind applying for accreditation using the streamlined process?
 - Open a pathway for other small organizations to access critical funding
 - Enhance our own capacity, as an organization and as a grant-maker to provide increased funds and services
- How can climate finance and particularly the use of direct access be scaled up in the future?
 - Similar flexibility from the AF Board in the approval of project proposals from SIDS and small NIEs (MCT's first concept not approved)
 - Some flexibility with PPG to help organizations develop their projects, most especially with places that are as widely dispersed as Micronesia
- Could other, countries, notably SIDS, follow the same path that MCT has opened?
 - Yes!

