

DRAFT TERMS OF REFERENCE (TOR) FOR FINANCIAL RESOURCES WORKING GROUP (FRWG)

1. INTRODUCTION & OBJECTIVES

The CTI-CFF Regional Plan of Action (RPOA) – Section V on Financial Resources outlines some of the core elements / approaches to financial resources:

- i. **Engagement by external funding institutions** – promote and establish relationships with external funding institutions; and ensure that donor funding is driven by CTI Member Parties' needs;
- ii. **Information and assessments** – assess the bigger picture (and finer-scale) of funding needs & gaps; and assess and manage information on funding sources that are available and relevant to CTI-CFF;
- iii. **Mobilization of funding** – to link to CTI National Plan of Actions (NPOAs); meet with goals and targets of the RPOA;
- iv. **Financial Architecture** (financial mechanism and fund distribution) – ensure the implementation of a well-structured, large- scale funding distribution mechanisms taking into considerations funds channelled through NGOs and ensure that it is aligned with the NPOAs and RPOA; ensure funds able to be channelled to relevant stakeholders at a range of scales and seek out innovative financing mechanisms.

Since SOM-2 in 2008, when recommendations for a Financial Resources Working Group (FRWG) are mooted, activities are geared towards implementing the approaches as stipulated in the RPOA (as described above). At the SOM-8 in 2012, it endorsed the need to conduct a feasibility study to develop a Regional Financial Architecture for effective funding mechanism. A terms of reference (TOR) for the study were agreed and implemented through the Asian Development Bank (ADB) and the Government of Australia support. The initial assessments and findings were presented in the FRWG meetings on 11 September and 28 October 2014 in Manila, Philippines.

Additionally, the ADB undertook a stock-take assessment of CTI programs and projects, including those being supported by the Global Environment Facility (GEF)¹. Consultations meetings were held on 13 May 2014 in Manado, Indonesia (as a side event to the World Coral Reef Conference and Special SOM); 9 September and 28 October 2014 in Manila, Philippines.

Following SOM-10 in Timor-Leste, the Financial Resources Working Group (FRWG) has convened a meeting in Manila, Philippines on 19th March 2015 to review the Draft CTI-CFF Financial Architecture Report. In SOM-11 the Final Report on the CTI Financial Architecture Study were adopted².

Since the establishment of the permanent Regional Secretariat in 2015, it has, since then, worked together with the Chair of the FRWG (Indonesia) to implement the recommendations in the CTI Financial Architecture Study.

¹ For full report, please visit: <http://twk.pm/dvvlqptb9a>

² For full report, please visit: <http://twk.pm/pg6t6vha36>

2. ROLE AND RESPONSIBILITIES

The role and responsibilities of the FRWG corresponds with the core elements / approaches to financial resources as per the Regional Plan of Action Section V on Financial Resources in the following tasks that are to be reported to the Council of Senior Officers and Council of Ministers for endorsement:

- a. Provide strategic leadership in the development, implementation and sustainability of financial resources of CTI RPOA and other relevant programs;
 - b. Guide the Regional Secretariat to engage and establish relationships with external funding institutions for implementation of the Regional Plan of Actions (RPOA) and National Plan of Action (NPOA) other relevant programs;
 - c. Assess funding needs, gaps and options of the Regional Plan of Actions (RPOA) and the respective Member States' National Plan of Actions (NPOAs);
 - d. Mobilize funds for NPOA and RPOA implementation and other relevant programs;
 - e. Develop and implement a sustainable CTI-CFF Financial Architecture to ensure the implementation of a well-structured, large- scale funding distribution mechanisms taking into considerations funds channeled through NGOs and ensure that it is aligned with the NPOAs and RPOA; ensure funds able to be channeled to relevant stakeholders at a range of scales and seek out innovative financing mechanisms; and
 - f. Monitor on-going programs funded by external funders (e.g. Development Partners; collaborators etc.).
- 3. MEMBERSHIP:** The FRWG shall be composed of at least two representatives nominated and authorized by the respective NCCs (Indonesia, Malaysia, Papua New Guinea, Philippines, Solomon Islands and Timor-Leste) experienced in finance and development works. Membership may be expanded, as necessary, which shall include Development Partners, collaborators, and other members.
- 4. TERM OF CHAIR AND VICE CHAIR:** The term of the Chair and Vice Chair shall be two years starting on 01 January, upon recommendation made during the Senior Officials' Meeting (SOM). The FRWG will elect the subsequent Chair and Vice Chair.
- 5. ELECTION OF CHAIR AND VICE CHAIR:** The appointment of the Chair and Vice Chair shall be on consensus basis among the FRWG members and candidates must be member of NCC. This shall be recommended at the SOM for endorsement.
- 6. SCOPE OF WORK**
- a. Convene at least one FRWG meeting annually to deliberate on discussion points for inclusion in the Senior Officials' Meeting (SOM) the decision documents;
 - b. Ensure Senior Officials' Meeting (SOM) recommendations are deliberated and actions are taken to realize the recommendations;
 - c. Collaborate with other TWGs; Governance WGs; cross-cutting themes and the Regional Secretariat as necessary;
 - d. Work closely with the Regional Secretariat to ensure the implementation of a workable, realistic and sustainable financial architecture; and
 - e. Work closely with the Regional Secretariat in monitoring on-going programs funded by external sources of funds (i.e. financial evaluation against program deliverables).

7. AGENDA ITEMS: Upon consultation with the Chair of FRWG and its members, all agenda items will be forwarded by the Regional Secretariat to the FRWG members by thirty (30) days³ prior to the next scheduled meeting for comments. Members shall provide any feedback within fourteen (14) days. Upon receipt of feedback, the provisional agenda, with attached meeting papers, will be distributed at least 10 days prior to the next scheduled meeting.

8. MINUTES AND MEETING PAPERS:

The minutes of meetings will be prepared by the Regional Secretariat and endorsed during the meeting.

9. DELIVERABLES: The deliverables for the FRWG are the activity reports (which includes minutes of meetings) and recommendations to the Council of Senior Officials (CTI-CSO) during Senior Officials Meetings (SOMs).

10. REGIONAL SECRETARIAT SUPPORT: The Regional Secretariat provides support such as secretariat service, process documentation, coordination and safekeeping of documents. The Regional Secretariat shall include financial allocation for at least one (1) FRWG meeting annually.

HOST COUNTRY and NCC SUPPORT: The host country shall facilitate participation of NCCs organized in said country. The logistical and administration support for the organization of FRWG meetings shall be provided by the Regional Secretariat while host country is encourage to assist where possible. In addition, support from the Development Partners may be explored. CT6 Member Parties are encouraged to finance its own participation in the meetings.

11. REPORTING: The FRWG shall report to the Committee of Senior Officials (CTI-CSO) during Senior Officials Meetings (SOMs).

12. MEETING ARRANGEMENTS: The FRWG shall conduct at least one meeting annually to assist Regional Secretariat to prepare financial reports as per item number 2 above (roles and responsibilities) and submit to the SOM. The schedule of the meetings will take into consideration planned CTI regional events and SOM / MM meetings. In addition to the annual meeting, conference calls may be arranged among the FRWG focal points to keep the CT6 Member Parties abreast with the developments on the FRWG work plans across the CT6. The Chair shall inform the FRWG focal points of all CT6 Member Parties at least two weeks prior to the date of the conference call.

Meetings shall be chaired by the appointed Chair (or authorized replacement officially by the Chair or the CSO of the said country) and supported by the vice-chair with secretarial assistance from the Host Country and Regional Secretariat.

Report of meeting shall follow a pre-determined template (Annex 1).

13. REFERENCES: The operation and actions of the FRWG shall be in compliance with the Agreement on the Establishment of the CTI-CFF Regional Secretariat and the Regional Plan of Action (RPOA).

14. AMENDMENTS: The members of the FRWG shall evaluate this Terms of Reference every two (2) years or as and when required and submit the recommended amendments to the following SOM for approval.

³ Days refer to working days

15. FOCAL POINTS

Indonesia

NCC Indonesia

Malaysia

NCC Malaysia

Papua New Guinea

NCC Papua New Guinea

Philippines

NCC Philippines

Solomon Islands

NCC Solomon Islands

Timor-Leste

NCC Timor-Leste

ANNEX 1: MINUTES OF MEETING TEMPLATE



**CORAL TRIANGLE
INITIATIVE**
ON CORAL REEFS, FISHERIES
AND FOOD SECURITY



Financial Resources Working Group (FRWG) Meeting Report

[date]

[location]

I. Background

(to be inserted by Regional Secretariat)

II. Opening Session

(to be inserted by Regional Secretariat)

III. Proceeding of the Meeting

(to be inserted by Regional Secretariat)

IV. Meeting Outcomes and Recommendations

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a. ...

b. ---

V. Closing Session

Attachments