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Fourth Meeting of the Regional Project Steering Committee  
for the SOPAC/UNDP/UNEP/GEF Project:  
*"Implementing Sustainable Water Resources and Wastewater  
Management in Pacific Island Countries"*

Nadi, Republic of Fiji Islands, 30<sup>th</sup> July – 3<sup>rd</sup> August 2012

***Final Mid-Term Evaluation Report for the GEF Pacific IWRM Project***



## Overview

- Background to the MTR
- Explanation of the MTR evaluation criteria
- Main findings of the MTR
- Lessons learned
- Recommendations for the RSC

## Purpose of the MTR

- To assess
  - Project design and preparation
  - Implementation approach
  - Progress to date
  - Project Management
- To identify:
  - Any corrective actions
  - Lessons learned
  - Recommendations



## Specifically the MTR investigated

- Is the project on track to meet its objective?
- Is the project likely to contribute to the achievement of MDG targets for water supply and sanitation?
- To what extent is the project aligned to the GEF PAS goal?
- What is the progress of the project and what are the potential risks with regards to achieving the expected outcome?
- What is the need for any corrective actions that are required to achieve the intended impacts?
- What lessons or experiences will benefit other GEF projects?



# Methodology

- Desk studies
- Visit to National Demonstration Projects (RMI, Samoa, Fiji)
- Interviews/questionnaire
- Meetings with key stakeholders



# MTR Report – What do the headings mean? (1)

The MTR follows a standard UNEP/GEF approach to assessing the following key criteria:

- Attainment of objectives and planned results
  - Achievement of outputs and activities
  - Effectiveness
  - Relevance
  - Efficiency
- Assessment of the progress towards sustainability
  - Financial resources
  - Socio political
  - Institutional and governance
  - Environmental



## MTR Report – What do the headings mean? (2)

- Catalytic role
- Assessment of the M&E systems
  - M&E design
  - M&E plan implementation
  - Budgeting for M&E
  - Long term monitoring



## MTR Report – What do the headings mean? (3)

- Assessment of processes affecting attainment of results
  - Preparation and readiness
  - Implementation approach & adaptive management
  - Country ownership/ drivenness
  - Stakeholder involvement and public awareness
  - Financial planning and management
  - UNEP/UNDP supervision and backstopping



## MTR Report – What do the headings mean? (4)

- Conclusions & ratings
- Lessons learned
- Recommendations
- Annexes



## Summary of MTR findings

- Following Report Executive Summary:
  - Project design
  - Project management and oversight
  - Project achievement
  - Stakeholder engagement
  - M&E
  - Replication and sustainability



## MTR findings Project Design

- Following the logic of the GEF IWCAM project but incorporating important additions (e.g. C 3 – linking practice and policy);
- Extensive consultation with stakeholders (especially in the demonstration projects);
- Final budget reduction is a significant loss to regional elements of the project and lack of GEF funds to C 3



## MTR findings Project Management and Oversight

- Effective oversight by RSC;
- Creation of two PM units not ideal, but good co ordination;
- RTAG is important body but project design did not provide sufficient resources;
- Strong Regional PCU praised by stakeholders for supporting both regional and national activities.



## MTR findings Project Achievement (1)

- All project components are delivering results:
  - National demonstration projects are key to the future success (and sustainability)
  - Regional and national indicators will improve understanding of the status of ecosystem and impacts from projects
  - Developing IWRM and WUE plans/policies of key importance to the success of the Project
  - Strengthening capacity considered essential



## MTR findings Project Achievement (2)

- Component 1 – National Demonstrations Projects
  - 12/13 national demonstration projects progressing
  - Good examples of local stakeholder involvement, interest and responses
  - Stress reduction activities visible
  - Engagement of private sector
  - Government support
  - Challenges:
    - Financing post project activities
    - Ensuring the success are disseminated at the regional level





## MTR findings

### Project Achievement (3)

- Component 2: National / regional indicator framework
  - Framework agreed by RSC and RTAG
  - Participatory approach to M&E
  - Activities slow starting but catching up with plan
  - Framework to be piloted leading to means to assist PICs with preparing National & Regional Water, Sanitation and Climate Outlooks
  - Challenges:
    - Improved understanding of the benefits and use of indicator framework will be needed at the national level (link with C 4)



## MTR findings

### Project Achievement (4)

- Component 3 – National IWRM plans and WUE policies
  - Component funded only by EU (following budget reduction)
  - Important national achievements
  - Varying levels of appreciation for the work indicated to MTR during mission
  - Low level of 'completion' is a concern
  - Challenges:
    - The project must develop IWRM plans (supported by implementation road maps) with remaining resources before closure.



## MTR findings

### Project Achievement (5)

- Component 4 – Capacity Development
  - Underpins the work of the other components
  - Important sustainability role (e.g. 'networks of IWRM practitioners' across PICs)
  - Key achievements:
    - PG IWRM,
    - twinning,
    - sub regional co operation
    - Specific training activities
  - Challenges:
    - Providing further assistance to indicator framework
    - Seeking additional resources to expand capacity development activities



## MTR findings

### Stakeholder Engagement

- Continuous role for stakeholders in project
- Involvement in community / basin committees
- Active involvement of women & men in water management also increasing of gender awareness and importance
- Challenges:
  - Increasing the involvement of the private sector (especially to assist with post project sustainability)
  - Dissemination of good experiences from national demonstration projects' experiences from stakeholders at the regional level.



## MTR findings M&E

- Well designed and implemented M&E approach
- Meets the requirements of the GEF (indicators are considered 'SMART')
- Regional PCU has provided significant guidance to assist national demonstration projects on M&E
- Indicator framework will be an important aid to post project monitoring of impacts



## MTR findings Replication and Sustainability

- National demonstration projects will develop replication / sustainability strategies
- Positive signs that basin committees etc. will be an aid to sustainability
- Positive signs of replication with Government support /encouragement
- Challenges:
  - Financial resources



## Cross Cutting Issues

- Gender mainstreaming:
  - Piloting gender training workshops
  - Discussion forums on women in water management
  - Collection of gender disaggregated data
- Climate change:
  - Major threat to region and driver for adoption of IWRM/WUE policies & plans
  - Demonstration projects expected to identify approaches to mitigate and adapt to the impacts of extreme weather events
- Important that lessons from these initiatives are adequately disseminated at the regional level



## Conclusions (1)

- MTR considers that the project is on track to meet its overall objective (subject to concerns on C 3)
- The project will contribute to important MDG targets
- Project is well aligned to the GEF PAS
- C 1: The demonstration projects are well designed and clearly linked to national priorities
- C 2: Indicator framework will be used to update baselines and will be important post project
- C 3: IWRM and WUE plans/policies are being prepared but more has to be done here to achieve the project's objective



## Conclusions (2)

- C 4: Good level of achievement on capacity development
- Additional co financing is being identified and it is important this is reported and linked to post project sustainability issues
- The project has established effective regional & national co ordination mechanisms (more needs to be done to support the technical advisory body)



## 'Project Rating'

Relevance and effectiveness are critical criteria

- **Highly Satisfactory (HS):** No shortcomings
- **Satisfactory (S):** Minor shortcomings.
- **Moderately Satisfactory (MS):** Moderate shortcomings.
- **Moderately Unsatisfactory (MU):** Significant shortcomings
- **Unsatisfactory (U)** Major shortcomings.
- **Highly Unsatisfactory (HU):** Severe shortcomings



## 'Project Ratings'

Sustainability is the probability of continued long term outcomes and impacts after the GEF project funding ends

- **Likely (L):** No risks affecting sustainability.
- **Moderately Likely (ML):** Moderate risks.
- **Moderately Unlikely (MU):** Significant risks
- **Unlikely (U):** Severe risks.



## Summary of Ratings

Criterion	Component Ratings	Overall Rating
Attainment of project objectives and results (overall)	C 1: S C 2: S C 3: MS C 4: S	S
Achievement of outputs and activities	C 1: S. C 2: MS. C 3: MU. C 4: S.	S
Effectiveness	C 1: S: C 2: S: C 3: MS: C 4: S	S
Relevance	C 1: HS: C 2: S: C 3: HS: C 4: S:	S
Efficiency	C 1: S C 2: MS: C 3: MU: C 4: S:	S

## Summary of Ratings

Criterion	Overall Rating
Sustainability of Project outcomes (overall rating)	ML
Financial	ML
Socio Political	ML
Institutional framework and governance	ML
Environmental	L



## Summary of Ratings

Criterion	Overall Rating
Monitoring and Evaluation (overall rating)	S
M&E Design	S
M&E Plan Implementation	S
Budgeting and Funding for M&E activities	S
Long tem monitoring	S



## Summary of Ratings

Criterion	Overall Rating
Catalytic Role	S
Preparation and readiness	S
Country ownership / drivenness	S
Implementation approach and adaptive management	S
Stakeholders involvement	HS
Financial planning	MS
UNEP& UNDP Supervision and backstopping	S
<b>Overall Rating</b>	<b>S</b>



## Lessons Learned

- Design, implementation and management of national demonstration projects with stakeholders
- Achieving wide stakeholders involvement and supporting gender mainstreaming





## Recommendations

1. Extension of the Pacific IWRM Project by 6 months to complete regional activities including the finalisation of IWRM plans and the dissemination of the national demonstration projects
2. Developing a sustainability plan for IWRM and WUE approaches in the Pacific region.
3. To develop a strategy to improve the utilisation the technical resources of the RTAG



## Recommendations

4. To integrate and better link the demonstration projects into the regional website
5. To continue to record co financing delivered to the project at both the regional and national levels



## Final comment by MTR

- Project has important successes and benefits to PICs and regionally
- Finalising the project will enhance the successes to date.
- The MTR acknowledges all the support and assistance by the stakeholders of the Pacific IWRM Project
- Now make this a Highly Successful Project

Thank You!



# Final Report

Mid Term Review of the UNEP/UNDP/GEF Project

Implementing Sustainable Water Resources and Wastewater  
Management in the Pacific Island Countries

Peter Whalley, June 2012

## **Acknowledgements**

This independent Mid Term Review has been prepared by Peter Whalley. The views expressed and comments made are his own.

He gratefully acknowledges the support he has received from the Regional Project Co ordinating Unit, national demonstration project teams, UNEP and UNDP in undertaking the review and providing them with all necessary assistance during the mission. This acknowledgement is also extended to all the national and regional stakeholders who have provided their time and knowledge in helping us with the formulation of this Mid Term Review.

## CONTENTS

Acknowledgements.....	i
Abbreviations.....	iii
Executive Summary.....	v
1 Introduction and Background.....	1
1.1 Project Context.....	1
1.2 Relevance to GEF Programmes.....	1
1.3 The Project.....	1
1.3.1 Project Activities.....	1
1.3.2 Project Budget.....	7
1.3.3 Executing Arrangements.....	9
2 Scope, Objective and Methods.....	10
3 Project Performance and Impact.....	12
3.1 A: Attainment of objectives and planned results (progress to date).....	12
3.1.1 Achievement of outputs and activities.....	12
3.1.2 Effectiveness.....	18
3.1.3 Relevance.....	23
3.1.4 Efficiency.....	24
3.1.5 Review of Outcomes to Impacts (ROtI).....	27
3.2 B: Assessment of the progress towards sustainability of project outcomes.....	27
3.2.1 Financial resources.....	30
3.2.2 Socio political sustainability.....	31
3.2.3 Institutional framework and governance.....	32
3.2.4 Environmental.....	34
3.3 C: Catalytic role.....	36
3.4 D: Assessment of Monitoring and Evaluation Systems.....	37
3.4.1 M&E design.....	38
3.4.2 M&E plan implementation.....	39
3.4.3 Budgeting and funding for M&E activities.....	40
3.4.4 Long term monitoring.....	41
3.5 E: Assessment of processes that affected attainment of project results.....	41
3.5.1 Preparation and readiness.....	41

3.5.2	Implementation approach and adaptive management .....	42
3.5.3	Country ownership/drivenness.....	44
3.5.4	Stakeholder involvement and public awareness .....	45
3.5.5	Financial planning and management .....	46
3.5.6	UNEP/UNDP supervision and backstopping .....	51
4	Conclusions and Rating .....	53
5	Lessons Learned .....	66
6	Recommendations .....	70
	Annexes.....	73
	Annex 1 – Mid Term Review Terms of Reference	
	Annex 2 – Mid Term Review Mission programme	
	Annex 3 – List of persons met	
	Annex 4 – Documents reviewed	
	Annex 5 – Interview questionnaire/guide	
	Annex 6 – Summary of project expenditure and co financing	
	Annex 7 – ROTI – Review of Outcomes to Impacts analysis	
	Annex 8 – Project Risk Matrix	
	Annex 9 – Brief CV of the Mid Term Review Consultant.	
	Annex 10 – Comments on the MTR by the Regional PCU and responses from the MTR	

## Abbreviations

APEX	GWP defined inter sectoral and inter ministerial group
CEO	Chief Executive Officer
CROP	Council of Regional Organisations of the Pacific (formally the South Pacific Coordinating Committee (SPOCC))
EA	Executing Agency (SOPAC)
EU	European Union
FSM	Federated States of Micronesia
GEF	Global Environment Facility
GWP	Global Water Partnership
IA	GEF Implementing Agency (UNEP & UNDP)
IUCN	International Union for Conservation of Nature
IW	GEF International Waters Focal Area
IW:LEARN	GEF International Waters Learning Exchange and Resource Network
IWC	GEF International Waters Conference
IWC	International Water Centre
IWCAM	GEF Integrating Watershed and Coastal Areas Management in Caribbean SIDS
IWRM	Integrated Water Resources Management
M	Million
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MoU	Memorandum of Understanding
MTR	Mid Term Review
NGO	Non Governmental Organisation
NSC	National Steering Committee
O&M	Operation and Maintenance
PAS	GEF Pacific Alliance for Sustainability
PDF	Project Development Fund
PICs	Pacific Island Countries
PIR	Annual Project Implementation Report
PMU	Project Management Unit
PNG	Papua New Guinea
RMI	The Republic of the Marshall Islands
ROtI	Review of Outcomes to Impacts
RSC	Regional Steering Committee
RTAG	Regional Technical Advisory Group
SAP	Strategic Action Programme
SIDS	Small Island Developing States
SMART	Specific, Measurable, Attainable, Relevant & Time bound
SOPAC	The Pacific Islands Applied Geoscience Commission – in January 2011 SOPAC became 'The Applied Geoscience and Technology Division of the Secretariat of the Pacific Community (SPC)'
TE	Terminal Evaluation

ToR	Terms of Reference
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
WUE	Water Use Efficiency



## Executive Summary

This Mid term Review (MTR) of the UNEP/UNDP/GEF project “Implementing Sustainable Water Resources and Wastewater Management in Pacific Island Countries” (the Pacific IWRM Project) has been undertaken. The purpose of the MTR is to enable the fourteen participating countries<sup>1</sup>, the Regional Project Co ordination Unit (PCU), the Executing Agency (SOPAC) and the Implementing Agencies (UNEP and UNDP) to assess the progress.

Pacific Island Countries (PICs) vary considerably in their size, geomorphology, hydrology, economics and political approaches. Consequently, there is a need for a variety of different water governance and resource management strategies and approaches focusing on different scales, and different levels of capacity and need to protect and manage the freshwater environment in PICs, including understanding the links and mitigating the negative effects of land based pollutants entering coastal receiving waters.

The Pacific IWRM Project’s objective is: *To improve water resources management and water use efficiency in Pacific Island Countries in order to balance overuse and conflicting uses of scarce freshwater resources through policy and legislative reform and implementation of applicable and effective Integrated Water Resources Management (IWRM) and Water Use Efficiency (WUE) plans’.*

The Project’s overall budget is over US\$ 90M and is comprised of a grant from the GEF of US\$9,025,688; €2,822,550 grant from the EU, and approximately US\$83 M in co financing. The Project is comprised of four interlinked components on IWRM and WUE activities, with the GEF grant being applied to Components 1, 2 and 4 and the EU grant supporting Component 2, 3 and 4 (there is no GEF allocation for Component 3 – Assistance with National IWRM plans and WUE policies). These four components are:

- Component 1: Practical national demonstration projects on IWRM and WUE in PICs;
- Component 2: Development of an indicator framework for IWRM and environmental stress indicators for use within regional and national monitoring and evaluation systems;
- Component 3: Development of national IWRM policies and WUE strategies that will enable national implementation of these approaches;
- Component 4: Regional capacity building for IWRM and WUE.

The project is consistent with the GEF IV strategic objective for International Waters: (a) ‘to play a catalytic role in addressing transboundary water concerns by assisting countries to utilize the full range of technical assistance, economic, financial, regulatory and institutional reforms that are needed’, through supporting and building on existing political commitments and through promoting sustainable water use and improved water management now, making it easier to address the challenges of the future as climatic variability affects water resources further.

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<sup>1</sup> The Cook Islands, Federated States of Micronesia, Republic of Fiji, Kiribati, the Republic of the Marshall Islands, Nauru, Niue, Republic of Palau, Papua New Guinea, Samoa, Solomon Islands, Kingdom of Tonga, Tuvalu and Vanuatu.

The Project is being implemented by UNEP and UNDP with execution through the Applied Geoscience and Technology Division of the Secretariat of the Pacific Community (known as SOPAC).

This MTR has been conducted by an expert with input from a wide range of stakeholders from the Pacific region, a review of project outputs, and a mission to three demonstration sites and the Regional Programme Co ordination Unit in Fiji.

The following **observations** are made by the Mid Term Review on:

- **Project design:** A strength of this project has been the extensive involvement of a wide range of stakeholders in the design of the activities, especially in developing the national demonstration projects. The reduction of the GEF budget for regional activities, prior to CEO approval, is considered by the MTR as having been detrimental to the overall objectives of this project as a regional initiative.
- **Project management and oversight:** The Project has been effectively supervised by a Regional Steering Committee composed of national focal points, demonstration projects' staff, implementing and executing agencies, the European Union, key stakeholders and the Regional Programme Co ordination Unit. The Executing Agency (SOPAC) has established separate co ordination units for the GEF funded and EU funded activities and; while it is clear that the two 'PCUs' work closely together, this appears to be a less than idea approach to the management of a single 'project'. The Project Document planned a role for a 'regional technical advisory group' (RTAG), however there was insufficient budget to enable this body to meet as hoped and the MTR is advocating that additional resources (or creative meeting approaches) be sought. The Regional Project Co ordination Unit was widely praised by stakeholders interviewed for providing considerable direct assistance to the Pacific Island Countries for IWRM and WUE activities.
- **Project achievement:** All four project components have made significant progress and, mostly, can be considered 'on target'. Of important note has been the success of the national demonstration projects that have made considerable efforts to continue the high level of stakeholder involvement and good progress on implementing many aspects of IWRM and WUE within their demonstration area. These demonstration activities are beginning to see the impact of their work with changes in behaviour by communities and positive signs of government wishes to upscale activities. The EU funded component (assistance to PICs in developing IWRM plans and WUE policies) will be effectively ended in June 2012. The Regional PCU's estimate is that this work is only about 50% complete, and that to meet the objectives of the GEF Pacific IWRM project additional work will be required. Despite this concern of the MTR, the EU's contribution to the overall Pacific IWRM Project has been very significant at both the regional and national levels.
- **Stakeholder engagement:** The project has had a continuous emphasis on stakeholder involvement in both national demonstration projects and the regional activities. All demonstration projects have formed steering committees (or community / river basin committees) which have a good cross section of stakeholder representation and active engagement. These are seen as an important element of the demonstration activities by illustrating the benefits of wide stakeholder involvement in management and decision

making on water resources. The project has had an emphasis on encouraging gender mainstreaming throughout its activities and has maintained disaggregated data for all events. The project has also encouraged active dialogue between stakeholders on the role of women and men in water management. It will be very important that the key experiences from the project (national and regional) are captured and shared across the Pacific region before the Regional PCU is closed.

- **Monitoring and evaluation:** The Project meets the requirements for M&E of a GEF International Waters project. The project has a component to develop a regional indicator framework which will further support the M&E activities during project implementation and provide a mechanism for regional and national monitoring of IWRM/WUE post project. The Regional PCU has provided considerable support to the national demonstration projects ensuring compatible M&E approaches and to report progress utilising agreed procedures.
- **Replication and sustainability:** The national demonstration projects are expected to develop replication strategies within their country and there are positive signs of both government willingness to up scale aspects of the project activities and communities wishing to replicate some approaches adopted that will lead to improved environmental conditions. The formation of basin committees is also viewed as a means to sustain the inputs of the national and regional project activities.

The following summarises the **recommendations** made by the Mid Term Review:

- **Recommendation 1: Extension of the Pacific IWRM Project by 6 months** to complete regional activities including the finalisation of IWRM plans and the dissemination of the national demonstration projects. The current work programme anticipates that the national demonstration projects and the overall Pacific IWRM Project end in December 2013. Even if all the demonstration projects complete on time this would not leave any opportunity for the Regional Project to compile and disseminate the experiences and lessons from the national activities. The MTR believes that this will result in the loss of valuable information and fail to capitalise on the 'regional' nature of this project. Furthermore, the two countries that do not have demonstration activities (Papua New Guinea and Kiribati) need to be encouraged through regional activities in IWRM and WUE activities and the important regional lessons and experiences identified from the national demonstration activities are made available in these countries. The RSC has defined a mechanism for reallocating unspent resources (and resources from under spending projects) and reallocating to other demonstration activities. **The MTR recommends** that the Regional PCU is continued for approximately six months (to June 2014) and regional activities to promote sharing are further supported. The Executing Agency together with the Implementing Agencies are recommended to identify mechanism to effect this extension and report to the next RSC on improving the ending of this important GEF Pacific IWRM project.
- **Recommendation 2: Developing a sustainability plan for IWRM and WUE approaches in the Pacific region.** The current level of completeness of Component 3 (estimated at 50% by the Regional PCU) is of concern, especially as the EU funding activity will end in June 2012 with some critical tasks (e.g. national IWRM plans) still pending. The EU funded activities

have developed National Exit Plans on a country by country basis. The Regional PCU should develop a strategy to both complete this task and to identify means to elaborate road maps for IWRM implementation as an aid to sustaining the important work undertaken by Component 3. A road map for IWRM implementation will also serve as an important output to assist with any follow on project from the GEF focusing on IWRM implementation, and this should form an element of the Pacific IWRM Project's overall 'Exit Strategy'. **The MTR recommends** that the Regional PCU develops a strategy to assist PICs complete the development of national IWRM plans and outlines for a road map for IWRM implementation. This should be presented to the next RSC for approval.

- **Recommendation 3: To develop a strategy to improve the utilisation the technical resources of the RTAG.** The level of funding for the RTAG is considered by the MTR has being too low to enable this body to deliver its expected impact in directing and advising the Pacific IWRM Project on technical issues. Additional resources were found at the start of the project to fully support the RSC it is also important that funds are found for the RTAG meetings. **The MTR recommends** that the Regional PCU (in consultation with the RTAG) clarifies the resources needed (time and funding) to enable the RTAG to meet as required and to propose a means to reallocate sufficient funds to the next RSC for approval.
- **Recommendation 4: To integrate and better link the demonstration projects into the regional website.** The Pacific IWRM Project has developed a very active and informative website. This could be further enhanced by including more information regarding the national demonstration activities and other national activities associated with the overall project. **The MTR recommends** that the Regional PCU, together with the national project teams and national focal points makes this additional information available to the wider region, in addition to utilising the resources of the GEF IW:LEARN project.
- **Recommendation 5: To continue to record co financing delivered to the project at both the regional and national levels.** The national demonstration projects and the regional activities collect and report co financing delivered against the Project Document figures. It was evident during the MTR that the Project continues to attract positive attention and new co financing is apparent. In addition to welcoming the additional co financing it would be beneficial if the Regional PCU could identify the rationale behind the additional finance to provide lessons for other projects. **The MTR recommends** that the national demonstration project managers and the Regional PCU continue to track pre agreed commitments and to collate and report new co financing.
- **Recommendation 6: To improve the understanding by stakeholders of the indicator framework under development.** During the MTR's mission there was some uncertainty by both national project teams and stakeholders of the importance and potential benefit of this component. This is likely to stem from a lack of awareness on this topic, and consequential a need for Components 2 and 4 to assist further in explaining the value of the indicator framework. **The MTR recommends** that the Regional PCU presents a report to the RSC meeting (summer 2012) on means to improve the awareness and uptake of the indicators developed.



## Summary of Mid Term Review Ratings

Criterion	Reviewer's Rating
Attainment of project objectives and results (as of mid term)	S
Sustainability of Project outcomes	ML
Monitoring and Evaluation	S
Catalytic Role	S
Preparation and readiness	S
Country ownership / drivenness	S
Implementation approach and adaptive management	S
Stakeholders involvement	HS
Financial planning	MS
UNEP& UNDP Supervision and backstopping	S
<b>Overall Rating</b>	<b>S</b>

## Rating Explanation

Sustainability elements are evaluated against a four point assessment system:

- **Likely (L):** There are no risks affecting this dimension of sustainability.
- **Moderately Likely (ML):** There are moderate risks that affect this dimension of sustainability.
- **Moderately Unlikely (MU):** There are significant risks that affect this dimension of sustainability
- **Unlikely (U):** There are severe risks that affect this dimension of sustainability.

All other criteria are rated against a six point assessment system:

- **Highly Satisfactory (HS):** The project had no shortcomings.
- **Satisfactory (S):** The project had minor shortcomings in the achievement.
- **Moderately Satisfactory (MS):** The project had moderate shortcomings.
- **Moderately Unsatisfactory (MU):** The project had significant shortcomings.
- **Unsatisfactory (U)** The project had major shortcomings in the achievement.
- **Highly Unsatisfactory (HU):** The project had severe shortcomings in the achievement.

## 1 Introduction and Background

A Mid term Review (MTR) of the UNEP/UNDP/GEF project “Implementing Sustainable Water Resources and Wastewater Management in Pacific Island Countries” (the Pacific IWRM Project) has been undertaken, consistent with the expectations of the project implementing agencies (UNDP and UNEP) and the GEF.

The purpose of the MTR is to enable the fourteen participating countries<sup>2</sup>, the Regional Project Co ordination Unit (PCU), the Executing Agency (SOPAC) and the Implementing Agencies (UNEP and UNDP) to assess the progress and to take any necessary decisions on the emphasis of the project in the remaining time. It is also an opportunity to begin the important process of capturing the good lessons learned and focusing the project on developing more detailed sustainability plans for the Pacific IWRM Project activities.

### 1.1 Project Context

Pacific Island Countries (PICs) vary considerably in their size, geomorphology, hydrology, economics and political approaches. The Pacific region has a wide variety of island types ranging from the large, high volcanic islands characteristic of Papua New Guinea to the tiny low coral atolls of Kiribati and the Marshall Islands in Micronesia. Consequently, there is a need for a variety of different water governance and resource management strategies and approaches focusing on different scales, and different levels of capacity and need to protect and manage the freshwater environment in PICs, including understanding the links and mitigating the negative effects of land based pollutants entering coastal receiving waters.

The ability of SIDS to manage their resources and ecosystems in a sustainable manner while sustaining their livelihoods is crucial to their social and economic well being, and is clearly directly related to GEF’s mandate for protection and sustainable management of biodiversity and international waters<sup>3</sup>. In SIDS the majority of the population dwells on and earns a living from the coast. This concentrates pollutants and other environmental degradation along the coastal strip, the estuarine environment and inshore marine areas. The small and fragile ecosystem nature of small islands has resulted in low ecological resilience to pollutants and changing land use practices. This is of immediate concern to countries that are endowed with naturally rich terrestrial, coastal and marine biodiversity. The Pacific contains the most extensive system of marine habitats globally (especially coral reefs) which are critical to maintain biodiversity. These habitats play a number of different roles, and are recognised as being globally significant as natural filters of land based pollution and as natural protection against storms and sea level rise. The natural filters help maintain the health of offshore waters, ecosystems and associated species including oceanic fisheries through their function as breeding, nursery, and feeding grounds.

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<sup>2</sup> The Cook Islands, Federated States of Micronesia, Fiji, Kiribati, the Republic of the Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

<sup>3</sup> The project is consistent with the GEF IV Strategic Objective to address transboundary water concerns, and specifically under GEF IV Strategic Programme III (SP 3) focusing on addressing overuse and conflicting uses of water resources (with a specific focus on SIDS to protect community surface and groundwater supplies).

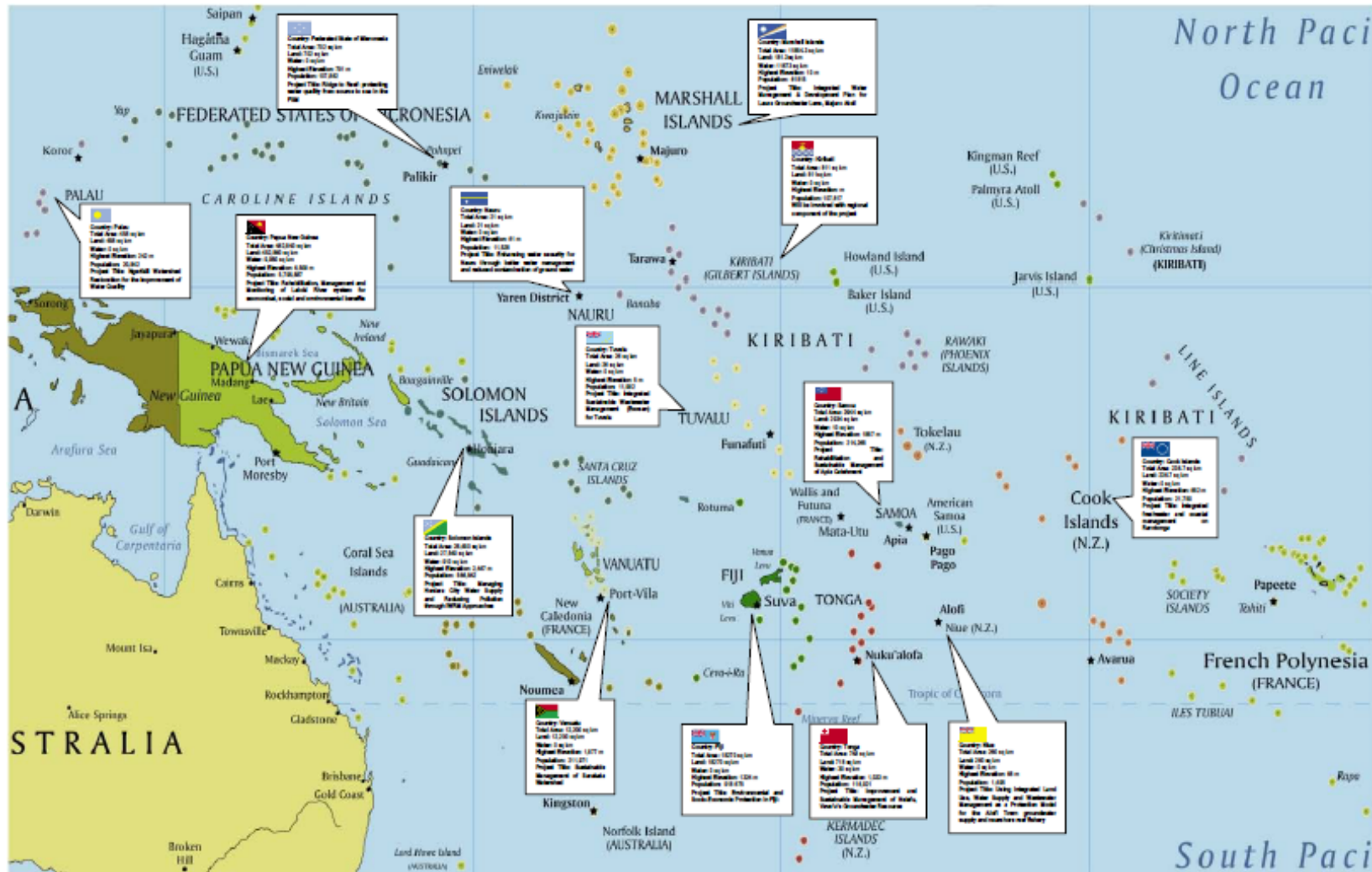


Figure 1: Pacific Island Countries involved in the Sustainable Integrated Water Resources and Wastewater Management (IWRM) Demonstration Project. Titles are also presented.



## 1.2 Relevance to GEF Programmes

The project is consistent with the GEF IV strategic objective for International Waters: (a) 'to play a catalytic role in addressing transboundary water concerns by assisting countries to utilize the full range of technical assistance, economic, financial, regulatory and institutional reforms that are needed', through supporting and building on existing political commitments and through promoting sustainable water use and improved water management now, making it easier to address the challenges of the future as climatic variability affects water resources further.

The project contributes to the achievement of the MDG targets for water supply and sanitation as given in the national sustainable development strategies towards National IWRM Plans.

## 1.3 The Project

The project long term goal is *'To contribute to sustainable development in the Pacific Island Region through improvements in natural resource and environmental management'*

The project objective is *'To improve water resources management and water use efficiency in Pacific Island Countries in order to balance overuse and conflicting uses of scarce freshwater resources through policy and legislative reform and implementation of applicable and effective Integrated Water Resources Management (IWRM) and Water Use Efficiency (WUE) plans'*.

### 1.3.1 Project Activities

The project is expected to be undertaken in 60 months with a planned completion date of December 2013 (as presented in UNEP and UNDP PIRs). The total budget of the project is over US\$ 90 M with US\$ 9.03 M provided by the GEF and US\$ 83 M<sup>4</sup> from co financing. The project is implemented jointly by UNEP<sup>5</sup> and UNDP<sup>6</sup> and executed through the Pacific Islands Applied Geoscience Commission (SOPAC) based in Suva, Fiji. A number of supervisory and advisory bodies (e.g. Regional Steering Committee – RSC, Regional Technical Advisory Group – RTAG) exist to help direct and oversee the work of the project that is managed on a day to day basis by a Regional Project Coordination Unit (PCU) based at SOPAC. The project also benefits from funds from the European Union (EU) which finances one component of the project completely (with oversight from UNEP) and provides co finance for two other components.

The Pacific IWRM Project is composed of four inter linked components:

- **Component 1:** – Practical demonstrations of IWRM and WUE focused on removing barriers to implementation at the community/local level with targeted approaches towards national and regional level learning. These demonstration projects address a range of issues and are aimed at achieving a range of objectives, including; improved drinking water, reduced sewage release to coastal waters, reduced catchment deforestation, development of water safety plans and flood risks management strategies, improved eco sanitation, improved community engagement with national water management institutions, increased water storage, implementation of water use efficiency approaches and identification of financing approaches for sustainable water management. The Project Document anticipates that the

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<sup>4</sup> The Project Document identified co financing to be in excess of US\$ 90M, but this was revised during the inception phase to US\$ 83M due to double counting errors.

<sup>5</sup> Via UNEP Regional Office for Asia and Pacific, Bangkok

<sup>6</sup> Via UNDP Asia Pacific Regional Centre, Bangkok and UNDP (Fiji) Multi Country Office (MCO)

demonstration projects act as catalysts for replication and scaling up and that this replication would be initiated when outcomes are achieved. Lessons learned from the demonstrations of IWRM and WUE approaches are expected to be mainstreamed into existing cross sectoral local, national and regional approaches to water management. (This component is implemented by UNDP)

- **Component 2:** Development of IWRM and environmental stress indicators within national and regional monitoring and evaluation (M&E) systems. This component addresses a range of activities that provide tools and training to better monitor impacts on the environment that will lead to improved IWRM and WUE planning, providing national, regional and global environment benefits. (This component is implemented by UNEP).
- **Component 3:** Development of national IWRM policies and WUE strategies. 25 activities were planned under this component that is completely financed by the EU. The resulting policies, plans and strategies are expected to be endorsed by both government and civil society. (This component is financed and led by the EU with UNEP oversight).
- **Component 4:** Support to regional and national capacity building for IWRM and WUE focused at improving both the institutional and community capacity. A range of training programmes and twinning exchanges are expected. (This component is implemented by UNEP).

The EU provides all finances for Component 3 and is a co financier of Components 2 and 4.

In addition, a Project Management activity supports co ordination of these four components, through day to day management, M&E, dissemination, etc.

The four components involve multiple activities that are inter dependent and together lead to the expected outcomes and the project goal. The main activities are listed below:

#### **Component 1: Practical demonstrations of IWRM and WUE<sup>7</sup>**

- Improved access to safe drinking water supplies
- Reduction in sewage release into coastal receiving waters
- Reduction in catchment deforestation and sustainable forest and land management practices established
- Water Safety Plans developed and adopted
- Integrated Flood Risk Management approaches designed and developed
- Expansion in eco sanitation use and reduction in freshwater use for sanitation purposes
- Improved community level engagement with national institutions responsible for water management
- Increase in water storage facilities
- Technical and Allocative Water Use Efficiency approaches designed and adopted
- Identification and adoption of appropriate financing approaches for sustainable water management

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<sup>7</sup> The following list of activities, outputs and outcomes is labelled as activities in the Project Document

Table 1: Demonstration Project per Country and by Sub Group

IWRM Sub Group	Country	Title of Demonstration Project	GEF Support (\$)
1. Watershed Management	Federated State of Micronesia	Ridge to Reef: Protecting Water Quality from Source to Sea in the FSM	500,000
	<b>Project Purpose:</b>	<i>Improved drinking water quality and a significant reduction in pollutants entering fresh and marine waters around Pohnpei Island and in Chuuk State</i>	
	Palau	Ngerikiil Watershed Restoration for the Improvement of Water Quality	587,400
	<b>Project Purpose:</b>	<i>Improved water quality through reducing soil erosion and sedimentation, nutrient, fertilizer and pesticide pollution, solid waste disposal, forest protection to reduce the possibility of invasive species and wildlife habitat loss</i>	
	Papua New Guinea <sup>8</sup>	Rehabilitation, Management and Monitoring of Laloki River system for economical, social and environmental benefits	568,500
		<i>To promote the sustainable use of the Laloki River water resources for the economic and social benefit city and the surrounding area</i>	
	Samoa	Rehabilitation and Sustainable Management of Apia Catchment	525,000
	<b>Project Purpose:</b>	<i>To rehabilitate and manage the Apia catchment in a sustainable manner in order to improve the quality and quantity of the water resources for enhanced water supply and hydropower generation, socio-economic advancement and reduced environmental adverse impacts</i>	
	Vanuatu	Sustainable Management of Sarakata Watershed	516,328
<b>Project Purpose:</b>	<i>To prepare an integrated Sarakata Watershed Management Plan involving the existing Sanma Provincial and National Water Resources Advisory committees and stakeholders. It will provide a model from which lessons can be learnt and best practice replicated in other watersheds</i>		
2. Wastewater	Marshall Islands	Integrated Water Management and Development Plan	500,000

<sup>8</sup> PNG requested to early terminate the demonstration project implementation on 6<sup>th</sup> July 2011.

IWRM Sub Group	Country	Title of Demonstration Project	GEF Support (\$)
Management & Sanitation		for Laura Groundwater Lens, Majuro Atoll	
	<b>Project Purpose:</b>	<i>To implement the agreed remediation strategies for the protection of the Laura Groundwater Lens and to raise public awareness for protection and promotion of sustainable development of the groundwater resources at Laura through building capacity of members to understand the water related issues affecting the community.</i>	
	Nauru	Enhancing water security for Nauru through better water management and reduced contamination of groundwater	500,000
	<b>Project Purpose:</b>	<i>To adopt a system of affordable as well as a working system for the sustainable integrated water resource and management of wastewater</i>	
	Tuvalu	Integrated Sustainable Wastewater Management (Ecosan) for Tuvalu	564,000
<b>Project Purpose:</b>	<i>To demonstrate that improved sanitation technology and practices can provide protection of primary and secondary water resources, marine biodiversity, livelihood, and food security, and practically demonstrate the links between public health and the conservation of natural assets</i>		
3. Water Resources Assessment & Protection	Cooks Islands	Integrated freshwater and coastal management on Rarotonga	501,163
	<b>Project Purpose:</b>	<i>To demonstrate through a process of policy change, capacity building and technical information gathering and management, the delivery of improved water quality in the freshwater and near coastal environments and an improved water resource management structure</i>	
	Fiji Islands	Environmental and Socio Economic Protection in Fiji: Integrated Flood Risk Management in the Nadi River Basin	500,000
	<b>Project Purpose:</b>	<i>To improve flood preparedness and integrate land and water management planning within the Nadi Basin using an integrated flood management approach.</i>	
	Niue	Using Integrated Land Use, Water Supply and Wastewater Management as a Protection Model for Alofi Town Groundwater Supply and Nearshore Reef	500,000
<b>Project Purpose:</b>	<i>To develop a sustainable national IWRM capacity and</i>		

IWRM Sub Group	Country	Title of Demonstration Project	GEF Support (\$)
		<i>institutional framework by demonstrating the effectiveness of IWRM approaches to protecting the groundwater supplies and near-shore fisheries of Alofi Town from polluting and potentially land-based</i>	
4. Water Use Efficiency & Water Safety	Solomon Islands	<b>Managing Honiara City Water Supply and Reducing Pollution through IWRM Approaches</b>	515,000
	<b>Project Purpose:</b>	<i>To demonstrate management strategies and protection measures for critical watersheds, aquifers and well-fields within Honiara city</i>	
	Tonga	<b>Improvement and Sustainable Management of Nieafu Aquifer Groundwater Resources in Vava'u Islands</b>	519,000
	<b>Project Purpose:</b>	<i>Improved understanding of the quality and quantity of surface water, groundwater, rainwater, coastal receiving waters, and their vulnerabilities to land based pollution</i>	

Component 2: IWRM and environmental stress indicators to improve IWRM and WUE planning and programming<sup>9</sup>

- Process, Stress Reduction, Environmental and Socio Economic Status, WUE, Catalytic, Governance, Proxy, and cross cutting Regional Indicator Framework established and in use
- Aggregation of Demonstration Project Indicators
- Draft Regional Indicator Framework
- Regional Indicator Framework in place (linked to NSDS, NEAPs, etc)
- Participatory M&E adopted within Demonstration Projects and mainstreamed into national best practice
- PM&E Plan developed per Demonstration Project
- PM&E promotion with APEX Body using MSC, reflection & learning techniques
- Training Needs Analysis
- Training in M&E
- Improved institutional capacity for monitoring and support for action on findings across the region, including Pacific RAP progress for water investment planning (and International Waters SAP)
- Regional Action Matrix fully developed
- National Monitoring Plan development
- Logframe development and review, SMART<sup>10</sup> indicator review and baseline information collection
- National indicator development for IWRM and database storage

<sup>9</sup> The following list of activities, outputs and outcomes is labelled as activities in the Project Document

<sup>10</sup> Specific, Measurable, Attainable, Relevant, Time bound

### **Component 3: Developing national IWRM policies and water efficiency strategies<sup>11</sup>**

- National IWRM plans and WUE strategies developed and endorsed
- EU IWRM Planning Meeting (Pre Inception – co financed)
- Draft IWRM Plans developed
- Final IWRM Plans in place
- Draft Water Use Efficiency Strategies developed
- Final Water Use Efficiency Strategies in place
- Implementation of IWRM approaches agreed across national, community and regional organizations
- IWRM Roadmapping process –country driven options for support (C3)
- Policy/legislative review, baseline update based on Diagnostic Analysis
- Institutional review & recommendations for APEX body hosting/resources
- Development of associated policies (i.e.: National Sanitation Action plans)
- Strengthened and sustainable APEX water bodies to catalyze implementation of national IWRM and WUE plans, including balanced gender membership
- National APEX Body Support person recruited
- Multi sectoral IWRM APEX Body participation (ToRs, membership, etc)
- Partnership support and facilitation
- Awareness raised across civil society, governments, education systems and the private sector
- IWRM Resource Centre development – website, links to IW:LEARN
- Regional Strategic IWRM Communications Plan developed
- IWRM toolkit development through IWRM Resource Centre
- Sustainability strategies developed focusing on institutional and technical interventions required for Demonstration scaling up as part of National IWRM Plan development and implementation
- National Communication Plan development
- National Communication Plan implementation
- Replication Framework for Demonstration projects
- Replication Toolkit developed
- National scaling up & replication strategies in place based on Demo's

### **Component 4: Sustainable IWRM and WUE capacity development<sup>12</sup>**

- National and regional skills upgraded in project management and monitoring including water champions and APEX bodies for both men and women
- Cross sectoral regional learning mechanism in place (through National IWRM APEX Bodies) – cross project attendance
- Training of Trainers through National IWRM APEX Bodies
- Economic Tool development and implementation for Demonstrations
- Questionnaires development and roll out for tailored Continuing Professional Development package design
- Identification, promotion and support to National IWRM Champions
- Active twinning programmes in place between countries facing similar water and environmental degradation problems
- 5 twinning exchange programmes in place

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<sup>11</sup> The following list of activities, outputs and outcomes is labelled as activities in the Project Document

<sup>12</sup> The following list of activities, outputs and outcomes is labelled as activities in the Project Document

- Twinning programme with Caribbean and African SIDS
- Effective knowledge management networking and information sharing inter and intra regional
- Awareness program development and integration in national institutional practice
- Development of education materials for integration in national school curricula
- Attendance, presentation, sharing and learning and feedback at GEF IWC, WWF 5/6
- Support and sharing between Virtual Water Learning Centre in IWRM Resource Centre development
- IWRM Resource Centre development – material production, website, links to IW:LEARN

### 1.3.2 Project Budget

The total budget is US\$ 99,605,487 (as indicated at Project Document approval) with US\$ 9,025,688 funded by the GEF Trust Fund (UNDP: \$6,727,891 and UNEP: \$2,297,797) and in kind co funding from the Pacific governments and other sources.

**Table 2: Summary of Total Project Costs and Financing**

Project Components	Co financing Governments	Co financing other source	TOTAL GEF
	(in USD)		
1. Demonstration, Capture and Transfer of Best Practices in IWRM and WUE	23,523,897	58,895,006	6,727,891
2. IWRM and WUE Regional Indicator Framework		2,221,074	800,463
3. Policy, Legislative and Institutional Reform for IWRM and WUE*		2,626,141	<i>Co-financed</i>
4. Regional and National Capacity Building and Sustainability Programme for IWRM and WUE		3,313,681	1,497,334
Total GEF Grant			<b>9,025,688</b>
<b>TOTAL Co Financing</b>	<b>23,523,897</b>	<b>67,055,902</b>	<b>90,579,799<sup>13</sup></b>
<b>Total Project Financing</b>			<b>99,605,487<sup>**</sup></b>

\* UNEP will retain an oversight function on Component C3 which is entirely co financed by the EU Water Facility.

\*\* Not including PDF A&B

The co financing is made up from:

Government (cash and in kind)	US\$ 23,523,897
Intergovernmental/multilateral <sup>14</sup>	US\$ 13,712,608
Bilateral <sup>15</sup>	US\$ 52,678,304
NGOs	US\$ 664,990

<sup>13</sup> During Project Inception the Regional PCU identified that US\$83M co financing had been provided in commitment letters. The figure of US\$90M appears to be erroneous and resulting from a mistaken double counting of national contributions at the time of Project Document submission

<sup>14</sup> Including FAO, ADB, UNDP TRAC

<sup>15</sup> Including NZAID, AusAID

UNEP US\$ 60,000



### **1.3.3 Executing Arrangements**

The Pacific Islands Applied Geoscience Commission (SOPAC)<sup>16</sup> based in Suva, Fiji, is the responsible Executing Agency (EA). The Project is jointly implemented by the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP). This arrangement has been made in order to benefit from the comparative advantages of both organizations, each of which has large GEF International Waters portfolios utilizing the Transboundary Diagnostic Analysis/Strategic Action Programme (TDA/SAP) approach to the protection and remediation of transboundary waterbodies. Specifically, UNDP serves as the Implementing Agency (IA) for Component 1 (National Demonstration Projects). UNEP serves as the IA for Components 2 (Regional Indicator Framework) and Component 4 (Regional and National Capacity Building and Sustainability Programme), with an oversight function for Component 3 (Policy, Legislative and Institutional Reform) which is co financed entirely by the EU Water Facility. Both the EU Water Facility Team and the Regional Project Coordination Unit are based at SOPAC in Fiji, and together form key resources of the Pacific IWRM Resource Centre established by SOPAC to ensure collaboration and knowledge sharing among IWRM projects in the Pacific.

The Project is implemented through two levels of executing arrangements: a) Regional Execution Arrangement comprising the Regional Project Steering Committee (RSC) as the primary policy making body for the Project, the Regional Technical Advisory Group (RTAG), and the Regional Project Coordination Unit (PCU) headed by the Regional Project Manager; and b) National Management Arrangements (for Component 1 of the project through UNDP) comprising the National Project Steering Committee (NSC), the National Project Managers, the National Project Assistants, and the Pacific IWRM National Focal Points.

Different categories of stakeholders are involved in the project including: national governments, regional government agencies, donors, the private sector, NGOs, advocacy groups, local communities and groups and business organizations. Project stakeholder groups were identified (during the PDF B and Project inception phases), including politicians, water and wastewater service providers, water resources or environment agencies, health departments, departments of rural development, non government organisations, schools and colleges, community based organizations, youth and children, and local communities. A participatory approach has been adopted through the project design phase, and this continues during full implementation. The project approach at the national level follows a framework provided by the PCU during the Inception Phase where national demonstration project designs were re visited and stakeholders engaged to ensure projects address the correct needs, and that activities were correctly focused.

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<sup>16</sup> On 1<sup>st</sup> January 2011, SOPAC became "The Applied Geoscience and Technology Division (SOPAC) of the Secretariat of the Pacific Community (SPC)."

## 2 Scope, Objective and Methods

This Mid Term Review (MTR) has been undertaken in accordance with the Terms of Reference (ToR) presented in Annex 1 of this report.

The MTR was designed to address specific questions associated with the activities and execution arrangements of the project, including:

- Is the project on track to meet its objective?
- Is the project likely to contribute to the achievement of MDG targets for water supply and sanitation?
- To what extent is the project aligned to the GEF PAS goal of *contributing to sustainable development of the Pacific Island Region through improvements in water resources and environmental management?*
- What is the progress of the project and what are the potential risks with regards to achieving the expected outcome?
- What is the need for any corrective actions that are required to achieve the intended impacts?
- What lessons or experiences will benefit other GEF projects?

These questions were supplemented by a detailed interview guide/questionnaire developed (in English) in consultation with the IAs and the PCU (Annex 5). This was used by the MTR to assist with gathering information and provided an opportunity for stakeholders to respond in more detail through distribution of the guide/questionnaire<sup>17</sup>. 15 completed questionnaires from a range of stakeholders (government and non governmental) and project managers/staff.

Through co ordination with the Regional PCU, UNEP and UNDP a mission programme was designed, covering:

- Visits to demonstration sites, meetings with stakeholders and national PCU in the Republic of the Marshall Islands;
- Visits to demonstration sites, meetings with stakeholders and national PCU in Samoa;
- Visits to demonstration sites, meetings stakeholders and national PCU in Fiji;
- Meetings with the Regional PCU (Fiji) covering both the GEF funded and the EU funded components;
- Meetings in with UNDP Fiji Multi Country Office, the EU Delegation, IUCN and SOPAC (in Fiji).

The MTR combined information from desk based reviews and interviews conducted during a mission to selected sites within the project area. The mission programme is presented in Annex 2, the list of

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<sup>17</sup> Distribution to stakeholders was via the Regional PCU and national demonstration projects

stakeholders interviewed is presented in Annex 3 and the documents reviewed are presented in Annex 4.

The draft MTR was reviewed and agreed by the Implementing Agencies (UNEP and UNDP) before wider comment was sought through distribution as indicated in the MTR ToR (Annex 1). Written comments were received from the Regional PCU which provided valuable additional guidance to this final MTR. The comments from the Regional PCU, and the responses to the comments by the MTR, are included in Annex 10 of this report.

## 3 Project Performance and Impact

### 3.1 A: Attainment of objectives and planned results (progress to-date)

#### 3.1.1 Achievement of outputs and activities

The UNEP/UNDP/GEF Pacific IWRM project has successfully launched 12 out of 13 planned demonstration projects, initiated work on the development of a regional and national indicator framework, supported development on policy, legislation and institutional reform for IWRM and WUE (EU funded) and launched national and regional actions on capacity strengthening. The project is rated, by the mid term review, as **Satisfactory**<sup>18</sup> with regards to the *achievement of outputs and activities*.

The following summarises key outputs and activities achieved by the project:

- **Component 1: National Demonstration Projects**

The MTR assessed Component 1 as **Satisfactory**. The project document foresaw thirteen<sup>19</sup> national demonstration projects addressing specific issues of concern of relevance to IWRM and/or WUE activities divided into four sub groups (see Table 1 for more details). Twelve demonstration projects are currently under implementation with the demonstration project planned in Papua New Guinea withdrawn at the request of the national authority due insufficient capacity to undertake the planned work.

During the PDF B stage of the overall project's development, comprehensive assessments were undertaken leading to detailed national project proposals. A review of selected national assessments undertaken by this MTR showed that the demonstration projects have been built on strong technical needs supported by considerable national stakeholder support (see further information in Section 3.5.1 on *preparation and readiness*).

During the MTR mission, three national demonstration projects were visited (Republic of the Marshall Islands, Samoa and Fiji) and the list of stakeholders met is presented in Annex 3. Key changes in behaviour, awareness, improved IWRM status, etc. reported during the MTR mission included:

- Republic of the Marshall Islands: Through strong local stakeholder involvement and communications a good understanding of the value and importance of environmental protection of the Laura Lens has been achieved. Initially the expectations of the stakeholders with respect to the project had been different and managing these expectations was a key activity in bringing local support to the planned work. Local farmers and inhabitants (through an IWRM Advisory Committee, involving community representatives, NGOs and official representation) are now reported to be very supportive (and meetings with representatives during

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<sup>18</sup> Differences in the rating of the four components are indicated in the following text.

<sup>19</sup> Kiribati has not participate in the demonstration project activities

the MTR mission confirmed this support) of the actions planned (including the provision of composting toilets, portable pig pens, development of an information/education centre etc.).

- Samoa: With government support for the development of catchment management plans and good involvement of community stakeholders, preliminary changes in attitude to protect a critical catchment in Apai have been seen: from the introduction of signs to dissuade people from cleaning vehicles in rivers to imposing restrictions in buffer strips along steep sections of the river, although from observations during the MTR mission, there is a need for authorities to further enforce the buffer strip restrictions preventing land being developed for housing etc.. The government has purchased (additional to planned co finance) 3,000 acres from a church to plant trees to further protect steep terrain adjacent to rivers (reducing soil loss). The approaches adopted (and corresponding changes in attitude of stakeholders to catchment management as a tool to reduce flooding and coastal pollution) has encouraged the government to express a wish to extend the approach to both Savaii and Upolu Islands of Samoa.
- Fiji: The Nadi River has been subjected to severe flooding over the past few years, resulting in significant damage. By developing and implementing a catchment management plan to address some of the causes of flooding (e.g. inappropriate land use or tree clearance) and by installing river and rainfall gauges, the project is providing direct protection for the communities affected, including a degree of early warning from the gauges. The project has had a wide stakeholder involvement leading to, for example, farmers growing seedling trees for later sale to the forestry authorities for planting to protect water courses, increasing awareness through schools and libraries on the importance of catchment management and involving the private sector (e.g. mobile phone operators to provide free sms alerts to possible flood conditions and beginning the process of engaging the tourism sector). The success of the system in warning the inhabitants of Nadi to floods in January 2012 was emphasised to the MTR by the Commissioner Western (Government officer in charge of the district) with a wish to see the system expanded and replicated to adjacent river basins. Funding for this expansion was being sought.

Several demonstration projects reported during the MTR mission (RMI, Samoa) that it had taken longer than planned to establish the national PCUs and to initiate the activities than planned (mainly associated with the problems with the recruitment of national project managers). However in both the cases visited the national demonstration activities are considered by the MTR to be now progressing well. The current planned completion date of the national demonstration projects is December 2013; the same date as the planned completion of the overall UNEP/UNDP/GEF Pacific IWRM project. It is the view of this reviewer that the regional PCU will have to be maintained for a further 3 – 6 months to effectively wrap up all the national activities and ensure that all required reports are completed. This aspect is considered further (see Recommendations) and will require discussion at the next RSC.

Following the inception phase, it proved impossible for the national demonstration project in Papua New Guinea to participate from the activity due to pressure of other work and staff shortages (reported by the Regional PCU). Although disappointing not to have all demonstration projects implemented, the figure of 12/13 is commendable. The activities planned by the Papua New Guinea demonstration project (catchment assessment and water quality monitoring) are also being addressed by similar projects within the sub region (Vanuatu, Palau and Apia) so the loss of the Papua New Guinea project is not expected to have a significant impact on the lessons from the overall Pacific IWRM Project. Representatives of Papua New Guinea are still active in the rest of the Pacific IWRM project and participate at the RSC, receiving all information and experiences from the 12 current demonstration projects. The remaining funds (the Regional PCU estimated that disbursements were less than US\$ 20,000 before the project was cancelled) from the planned activities from Papua New Guinea will be redistributed according to a methodology for reallocating project funds discussed and agreed at the RSC 3 meeting (the destination of these unspent funds has not been agreed yet).

Three other national demonstration projects have had difficulties with the following explanation provided by the Regional PCU:

- The Cook Islands: Initial problems with financial and technical reporting were encountered by the national PCU. With the assistance of the Regional PCU (focused on providing additional guidance on the requirements of technical and financial reports) this is reported to have been largely resolved although it is possible that there will be a need to redistribute under spent funds (according to the formula approved by the RSC 3).
- Vanuatu: The national demonstration project is one of the most remote within the Pacific IWRM project with the centre of government located at a considerable distance from the selected demonstration site. This has proved to be a challenge to the management of the work. Activities delivered on the ground are now considered successful by the Regional PCU. Through the intervention of the Regional PCU, there have been changes by the lead national agency responsible for the work (new chair of steering committee, additional assistants, etc.) and the project is now considered to be progressing acceptably by the Regional PCU. It is likely that the budget of this project will be reduced (due to insufficient spend) and will be redistributed in accordance with the agreement of the RSC.
- Federated States of Micronesia: The national demonstration PCU faced challenges from financial reporting and the need for stronger project oversight, resulting in the cancellation of the MoU between the Regional PCU and the national lead agency. In October 2011 a new MoU was established with a new lead agency and this has been approved by Congress in February 2012. Given the significant delays in resolving the management of this demonstration project it would be appropriate for the national PCU and lead agency, in consultation with the Regional PCU, to revise the scope of the national demonstration activities to accommodate a reduced time scale (and,

potentially, reduced the budget) for implementation, and for this to be reported to RSC 4 (Summer 2012).

- **Component 2: National and regional indicator Framework**

The MTR assessed Component 2 as **Moderately Satisfactory**. The objective of Component 2 is to develop IWRM and environmental stress indicators that will be monitored through national and regional M&E systems to improve IWRM and WUE planning leading to national and global environmental benefits.

The activities expected here (including developing a wide range of indicators leading to a regional framework, developing participatory M&E approaches, capacity development, etc.) has had a relatively low rate of progress, although current estimates of work completed indicate that this component is approximately 50% complete. At the regional level there has been much guidance on the regional indicator framework prepared, discussed and agreed by the RSC and RTAG. However the uptake by the national demonstration projects is considered to be a challenge.

The regional PCU intends to pilot the agreed indicator framework with selected national demonstration projects before wider launching of the approach and will use this as a means to assist countries to prepare National and Regional Water, Sanitation and Climate Outlooks (equivalent to state of the environment reports).

Comments received by the MTR during the mission to demonstration sites indicated that both the national demonstration projects and the national authorities needed more assistance with both understanding the indicator approach and translating these tools into national approaches.

Key achievements to date have included:

- Development of Indicator Framework and approach to project baseline (discussed and agreed by RTAG and RSC);
- Development of Regional Indicator Framework;
- Development of a participatory approach to M&E
- National Demonstration Project Steering Committees engaged in the M&E of national projects and in developing specific participatory M&E plans.
- Development of National Water, Sanitation and Climate Outlooks with 8 completed or underway;
- Review of all (national and regional) project logframes annually with input from national steering committees and/or basin committees;
- Development of specific indicators which will be reported annually by national demonstration projects;



- Lessons from these activities have been collated and reported.

- **Component 3: National IWRM plans and WUE policies**

The MTR assessed Component 3 as **Moderately Unsatisfactory**. Following the final budget reduction prior to CEO approval, this Component was wholly funded by the EU with no GEF contribution. SOPAC decided to have a separate management unit to implement this component (with the Regional PCU for the GEF activities). While it is clear from the MTR discussions with both project management units that co ordination is strived for, having two separate units does add an additional level of complexity to the overall project management. This component is critical to the overall project in linking policy to the experiences and practices from the national demonstration projects. While it has achieved many outputs and is viewed positively within the EU delegation, its contribution to the overall GEF IWRM Project is considerably less than expected. The current level of progress, estimated by the Regional PCU (see table 3) of 50%, coupled with the effective 'completion' of the EU funded activities is a concern due to its importance in the overall GEF Pacific IWRM Project. Measures to address the outstanding key actions (specifically assisting with developing road maps for IWRM implementation) should be discussed by the next Regional Steering Committee and recommendations made to address any short comings to ensure that the overall GEF IWRM Project achieves its expected outcomes.

Meetings with the EU Delegation in Fiji indicated approval of the work undertaken from their perspective, although they noted that the last progress report was for June 2011. The EU funds are now fully committed and effectively the project ceased funding new activities in January 2012 with completion of all activities expected by June 2012.

The MTR has found a range of views regarding the level of interaction between the EU funded national policy activities and the national demonstration projects with mixed reactions about on the overall impact of Component 3. These opinions vary significantly: in Samoa the IWRM information from Component 3 was considered less beneficial than the guidance (and experiences) obtained from the national demonstration project (Component 1); in RMI the work was considered beneficial – but had not gone far enough to develop IWRM plans and this is now to be resourced through national funds to complete the work (effectively additional co finance).

This component is very important to the regional activities supported by the GEF in assisting with the reformulation of national policies, legislation and institutions that will enable the principles and practices of IWRM and WUE to be implemented through practical on the ground piloting of stress reduction and co ordination mechanisms. Component 3 planned to provide national 'top down' approach to IWRM and WUE complementing the practical (more bottom up) national demonstration projects. The level of completion and ratings of this component indicated in the last PIR and summarised (by the Regional PCU in Table 3) are of concern. **It is essential** that the overall Pacific IWRM project completes the expected IWRM plans and develops roadmaps for implementation of the plans as an important step to any subsequent GEF IWRM implementation focused project.



The 2011 PIR (UNEP) rated Component 3 as: *'Moderately Unsatisfactory to Moderately Satisfactory'* and the level of completion (Table 3) estimated at 50%. This MTR believes that while the full range of the expected activities has been initiated, not all have been satisfactorily completed to the extent expected (by the Project Document) that will enable WUE policy and IWRM plans to be implemented by the countries. However, there have been clear demonstrable outputs and benefits from this component. Key achievements to date have included:

- Solomon Islands – development of programme of technical assistance to undertake a Sector Review;
- Fiji – Technical Assistance developed to assist the Nadi Basin Catchment Committee undertake an IWRM Governance Review
- Tonga – Technical Assistance to assist with the development of a Plan and Procedures for the Implementation of Proposed Water Legislation; and
- Tuvalu – Technical Assistance to assist in the development of a National Water Policy in collaboration with Policy work undertaken by Disaster Risk Reduction and the PACC project

In addition the component has assisted with the:

- Finalisation and support to the approval of the National Sanitation Policy and Implementation Plan completed in Kiribati;
- Finalisation of the Water Allocation Policy and Implementation Plan of Samoa;
- Development of a National Water and Sanitation Policy Framework and Implementation Plan for the Republic of Nauru;
- Continued assistance to developing an IWRM Plan for Niue;
- An analysis and strengthening of the National Consultation Structures for Water and Sanitation in Vanuatu;
- Communications Strategies drafted for FSM, Palau and RMI;
- Reviewing the Water Policies in Fiji and supporting the redefining of a more coherent policy using existing literature;
- Supporting National Water Committees in Niue, FSM, Palau, RMI and Tonga;
- Further support of national consultations through the recruitment of Policy officers in the Cook Islands, Palau, FSM and RMI;
- Initiation and implementation of the North Pacific Initiative to assist FSM, Palau and RMI in their IWRM self analysis as well as their road map of response; and
- Initiation of work to strengthen regional engagement in water and sanitation issues.

- Development of National Exit plans for EU IWRM national planning programmes

- **Component 4: IWRM and WUE capacity development**

The MTR assessed Component 4 as **Satisfactory**. This component is focused at increasing the knowledge and skill base within the region to enhance the skills of the national PCUs ensuring the successful completion of these projects and to widely utilise the experiences from these national demonstration projects, to develop and enable implementation of IWRM plans and to assist with formulating and sustaining WUE policies at the national level. The component has been supported by both GEF and EU resources.

Key achievements to date have included:

- Post graduate Certificate course on IWRM is being accredited by the International Water Centre and a consortium of four leading Australian Universities, currently involving 15 national participants (7 men and 8 women) enrolled. Selection was by a 'competitive' process including national demonstration project staff, government staff and other stakeholders. Primarily this is delivered through distance learning methods which have been supplemented by two residential week long courses (Palau and Cook Islands in 2011);
- Twinning between national demonstration projects (including, Samoa and Cook Islands, Tuvalu and Tonga, FSM and Vanuatu.);
- Inter regional exchanges between the Caribbean (UNEP/UNDP/GEF IWCAM project) and the Pacific IWRM;
- Assisting with sub regional co operation (e.g. contribution to the establishment of the Micronesian Water and Sanitation Committee as part of the Micronesian Chief Executive Summit political forum and similar foundational work with the Melanesian Spearhead Group with the Creation of the Water , Sanitation and Climate Subcommittee.
- Specific training was given to all PICs in:
  - Gender mainstreaming (a pilot in country gender mainstreaming training session was also held in Tuvalu);
  - Financial management and reporting
  - Results oriented participatory planning,
  - Monitoring and reporting.

### 3.1.2 Effectiveness

The UNEP/UNDP/GEF Pacific IWRM project is 2/3 through its planned duration. The project has delivered results from each of the four components. A concern is the level of achievement of results from Component 3, wholly funded by the EU and with the programme effectively 'completed'.

Whilst this component has achieved many key outputs, the MTR considers that it has not met the full extent of its objectives in assisting PICs to develop national IWRM plans and WUE policies, and that the remaining activities will need to be addressed by the GEF funded activities following discussions at the RSC. Despite this concern the MTR considers the project is overall rated as **Satisfactory** with regards to the *effectiveness*.

The MTR's assessment of project effectiveness (delivery of results at the outcome level) is based on the discussions held with the Regional PCU, PIRs and national demonstration project reports. A summary of the estimated level of results achieved (progress) of planned activities against key project indicators is given in Table 3 (prepared in consultation with the Regional PCU and confirmed as being a good estimate by the MTR from the mission assessments, and updated from the 2011 PIR).

The low estimated level of progress (provided by the Regional PCU) of component 3 is of particular concern, especially as the EU work is effectively completed. As stated above, the component has many achievements but the overall expectation of preparing national IWRM plans and WUE strategies does not seem to have been universally achieved. At the project development stage this component was considered to be of notable importance and seen as an advancement over the approach adopted in the GEF IWCAM by better enabling an integration of policy and practice (from the experiences of the national demonstration projects) for improved IWRM. The challenge for the Project (IAs, EA, Regional PCU and countries) is to ensure that the actions initiated by Component 3 are effectively completed by developing road maps and other guidance on IWRM implementation to assist with any proposed follow on GEF activity on IWRM in the region.

The MTR assessed the effectiveness of each component as:

- Component 1: National Demonstration Projects: With 12 of the planned demonstration projects underway and clearly providing results as expected which are well received by national stakeholders (as indicated in mid term reports prepared by the projects and from the three demonstration activities visited by the MTR) the results generated by Component 1 are assessed by the MTR as being **Satisfactory** with regards to effectiveness
- Component 2: National and regional indicator Framework: Although the work has been slow in starting, the draft indicator framework has been approved by the RTAG and the RSC. The approach is being utilised by the national demonstration projects to establish baselines and will be mainstreamed into the reporting of both national and regional activities. Further awareness on these indicators and their benefits is needed on the basis of MTR discussions with national representatives (linked to Component 4). Component 2 is assessed as **Satisfactory** with regards to effectiveness.
- Component 3: National IWRM plans and WUE policies: This key component has been effectively ended with all budget commitments made and the EU activities due to be closed in June 2012. Despite achieving many significant and highly beneficial results, a key aspect in assisting counties to develop national IWRM plans and WUE policies remains incomplete. It will be essential that the Project (with support of the RSC) establishes means to finalise this work as it is an essential part of this project and an important stepping stone to the future

implementation of IWRM plans across the region. The MTR assesses that Component 3 as **Moderately Satisfactory** with regards to effectiveness in delivering expected results.

- Component 4: IWRM and WUE capacity development: This component has provided some notable results to date. For example the exchange of experiences between countries through the twinning programmes and the post graduate IWRM course, both of which have helped to strengthen capacity on IWRM knowledge and practice within this region. The MTR assesses Component 4 as **Satisfactory** with regards to effectiveness.

**Table 3: Summary of progress/results achieved to date**

Output No.	Brief Activity Description	Brief Key Indicator Description	Progress (Feb 2012)
<b>Component 1: Practical demonstrations of IWRM and WUE focused on removing barriers to implementation at the community/local level and targeted towards national and regional level learning and application</b>			<b>50%</b>
1.1	Improved access to safe drinking water supplies	<i>Population with access to safe water supply Revised legislation protecting water quality</i>	55%
1.2	Reduction in sewage release into coastal receiving waters	<i>Population with access to sanitation Nitrogen pollution load discharged to groundwater and/or coastal waters from sewage and/or manure Reduction in drinking water source pollution National effluent standards reached for wastewater treatment</i>	65%
1.3	Reduction in catchment deforestation and sustainable forest and land management practices established	<i>Increase in land protected and/or rehabilitated over catchment Sustainable forest &amp; land management practices established and trialled with landowners</i>	50%
1.4	Water Safety Plans developed and adopted	<i>Water Safety Plans in place and enacted</i>	50%
1.5	Integrated Flood Risk Management approaches designed and developed	<i>Flood Risk Management Plans implemented</i>	30%
1.6	Expansion in eco sanitation use and reduction in freshwater use for sanitation purposes	<i>Reduction in use of freshwater for sanitation purposes due to eco-sanitation expansion</i>	50%
1.7	Improved community level engagement with national institutions responsible for water management	<i>Proportion of community engaged in water related issues Increase in community engagement with National Government on water issues</i>	40%

Output No.	Brief Activity Description	Brief Key Indicator Description	Progress (Feb 2012)
1.8	Increase in water storage facilities	<i>Water supply storage</i>	80%
1.9	Technical and Allocative Water Use Efficiency approaches designed and adopted	<i>Best IWRM and WUE approaches defined for each country Best approaches to IWRM and WUE mainstreamed into national and regional planning frameworks Reduction in water leakage</i>	20%
1.10	Identification and adoption of appropriate financing approaches for sustainable water management	<i>20% increase in national budget attributable to IWRM and WUE Catchment Councils established</i>	25%
<b>Component 2: IWRM and environmental stress indicators developed and monitored through national and regional M&amp;E systems to improve IWRM and WUE planning and programming and provide national and global environmental benefits</b>			<b>50%</b>
2.1	Process, Stress Reduction, Environmental and Socio Economic Status, WUE, Catalytic, Governance, Proxy, and X Cutting Regional Indicator Framework (RIF) established and in use	<i>Regional indicator framework endorsed by Regional Steering Committee and national indicator frameworks endorsed by relevant Cabinets or Ministers National IWRM indicator framework embedded in formal national reporting</i>	60%
2.2	Participatory M&E adopted within Demonstration Projects and mainstreamed into national best practice	<i>Project design and PM&amp;E plan endorsed by Project Steering Committee National adoption of PM&amp;E approaches implemented</i>	75%
2.3	Improved institutional capacity for monitoring and support for action on findings across the region, including Pacific RAP progress for water investment planning (and International Waters SAP)	<i>National staff trained in monitoring and PM&amp;E</i>	50%

Output No.	Brief Activity Description	Brief Key Indicator Description	Progress (Feb 2012)
<b>Component 3: Supporting countries to develop national IWRM policies and water efficiency strategies, endorsed by both government and civil society stakeholders, and integrated into national sustainable development strategies</b>			<b>50%</b>
3.1	National IWRM plans and WUE strategies developed and endorsed	<i>National strategies in place (in the form of national policy, strategic framework, plan, etc) addressing explicitly both IWRM and water use efficiency</i>  <i>20% increase in national budget attributable to IWRM and WUE</i>	30%
3.2	Implementation of IWRM approaches agreed across national, community and regional organisations	<i>Best IWRM and WUE approaches defined for each country</i>  <i>Best approaches to IWRM and WUE mainstreamed into national and regional planning frameworks</i>	50%
3.3	Strengthened and sustainable APEX water bodies to catalyze implementation of national IWRM and WUE plans, including balanced gender membership	<i>Multi-sectoral APEX bodies established</i>	90%
3.4	Awareness raised across civil society, governments, education systems and the private sector	<i>Sectors actively engaged in formal multilateral communication on water issues</i>  <i>Proportion of community engaged in water related issues</i>  <i>Regional Communication strategy in place by July 2011</i>  <i>National Communication strategies implemented by July 2012</i>	60%
3.5	Sustainability strategies developed focusing on institutional and technical interventions required for Demonstration scaling up as part of National IWRM Plan development and implementation	<i>Technical and water use efficiency lessons from project applied in future national and project based activities by end of project</i>  <i>National lessons learned presentation packages with mainstreaming into national and regional approaches by end of project</i>  <i>National staff across institutions with IWRM knowledge and experience</i>	40%
<b>Component 4: Sustainable IWRM and WUE capacity development, and global SIDS learning and knowledge exchange approaches in place</b>			<b>60%</b>
4.1	National and regional skills upgraded in project management and monitoring including water champions and APEX bodies for both men and women	<i>National strategies in place (in the form of national policy, strategic framework, plan, etc) addressing explicitly both IWRM and water use efficiency</i>  <i>2.20% increase in national budget attributable to IWRM and WUE</i>	30%

Output No.	Brief Activity Description	Brief Key Indicator Description	Progress (Feb 2012)
4.2	Active twinning programmes in place between countries facing similar water and environmental degradation problems	<i>Five twinning exchange programs in place between countries by month 42 of the project and at least 1 program with the Caribbean on IWRM planning underway for a similar program with African SIDS Women form at least 2 of the 5 twinning exchange programme members by month 42 of the project</i>	85%
4.3	Effective knowledge management networking and information sharing inter and intra regional	<i>Cross-sectoral regional learning mechanisms (communities of practice) in place including x-project workshop attendance for the GEF funded projects: PACC, SLM, and the ADB CTI project reviewed annually GEF IW experience with IWRM upgraded for SIDS and highlighted at GEF IWC6, WWF5 Istanbul 2009, and WWF6 TBD 2012, including SIDS experience to support GEF in future IW Focal Area Strategy development and Strategic Programming</i>	85%

A review of the component outcomes from the project logical framework indicates that these are likely to be true outcomes resulting from project activities and outputs. This is examined further in the Review of Outcomes to Impacts (ROtI – Section 3.1.5 and Annex 7).

### 3.1.3 Relevance

The UNEP/UNDP/GEF Pacific IWRM Project's objective is closely aligned to the spirit of the GEF 4 IW SP 3: *Balancing Overuse and Conflicting Use of Water Resources in Transboundary Surface and Groundwater Basins* and the objectives of the Pacific Alliance for Sustainability. The national demonstration projects (Component 1) have been designed with testing various elements associated with IWRM and WUE issues and these are supported by the development of national IWRM plans and WUE policy (Component 3). These activities are further strengthened by capacity building across the region and the development of an indicator framework to monitor and assess the future impact of IWRM implementation. The project is rated as **Satisfactory** with regards to the *relevance*.

Whilst in such a large region comprising of island states there are minimal true transboundary impacts, it is clear that all the participating countries are subject to common concerns including: limited water resources and (national) conflicting use of both surface and groundwater, with consequential impacts on coastal water and habitat quality, leading to potential regional and global impacts. The project's goal and objective are consistent with the GEF PAS and are linked to national concerns on IWRM and WUE.

An assessment by the MTR of the relevance of each component concludes:

- Component 1 National Demonstration Projects: The projects were designed with the full involvement of national stakeholders and (with the exception of Papua New Guinea where there was insufficient capacity to implement) all planned demonstration projects are in progress. The national demonstration projects address a wide range of issues (see Table 1) that affect PICs and the results will benefit more than just the host country. The nature of



each project was country driven and consequentially this component is seen as **Highly Satisfactory** with regards to relevance at both national and regional levels.

- Component 2 National and regional indicator Framework: The long term need for an indicator framework for IWRM and WUE across the region and at a national level is considered necessary from discussions with the MTR during the mission. This will enable assessments to be performed and trends in status to be reported in a systematic means leading to improved management information that is anticipated to lead to improved management decisions. The MTR considers this component to be **Satisfactory** with regards to relevance at the national, regional and global levels.
- Component 3 National IWRM plans and WUE policies: This component has been considered as an 'advance' on the GEF IWCAM project concept by linking policy development with the practical results from demonstration projects. The development of national IWRM plans and WUE policies is also considered by the MTR as an important means to ensure long term sustainability of the GEF intervention and this component is considered to be **Highly Satisfactory** with regards to relevance at the national and regional levels.
- Component 4 IWRM and WUE capacity development: Availability of resources (human as well as financial) is considered to be a significant issue in the Pacific region. Improving the exchange of information and knowledge between PICs (and between other island regions – for example the Caribbean or African SIDS) is an important means to ensure that there are resources available to assist on IWRM and WUE activities. In addition the project supports a wide range of technical and procedural training that will assist the region with future project activities. The MTR considers that this component is **Satisfactory** with regards to relevance at both the national and regional levels.

#### 3.1.4 Efficiency

The UNEP/UNDP/GEF Pacific IWRM project is overall considered to be progressing well and broadly in line with planned expectations presented to the RSC. An assessment of both progress and committed budget (approximately 50 55% completed and 60% committed respectively) indicates that the project is on track and therefore considered by the MTR as being efficiently implemented. An area for concern is that the planned end date of the national demonstration projects and the overall regional project are the same (December 2013). This MTR is recommending that the Project seeks a 3 6 month extension through reallocation of existing (and under spending) budgets to prolong the role of the regional PCU to ensure adequate completion (and dissemination) of all the lessons/experiences etc. from the national projects at the regional level. Despite Component 3 not delivering the expected outputs this component has implemented (or initiated implementation) the expected range of activities. The project is rated as **Satisfactory** with regards to the *efficiency*.

Following CEO approval (December 2008) the project started in February 2009 (UNDP component) and in May (UNEP components). The Project is receiving a GEF grant of US\$ 9,025,688 (UNDP US\$ 6,727,891 and UNEP US\$ 2,297,797) and an EU grant of € 2,822,550, with a total (including the EU contribution) co financing estimated at over US\$ 83 M (see Annex 6 and Table 2 footnote). This gives a ratio of slightly over 9:1 with regards to the gearing obtained from the GEF funds. The GEF



contribution via UNEP to the Regional Project Management (personnel) costs is estimated at US\$ 1,380,271<sup>20</sup>.

The project is approximately 60% through its planned 60 months duration and estimates of budget commitment and activities completed are roughly in line with this. The Regional PCU and RSC are expecting the project (regional and national activities) to be completed according to the RSC agreed plan (December 2013). However this requires the completion of both the national demonstration projects and the Regional Pacific IWRM project simultaneously. It is the view of the MTR that an additional 3 6 months will be required for the Regional PCU to collate and disseminate the results from the demonstration projects to ensure that the regional benefits are achieved. Without this extension there is a risk that that the 12 national demonstration projects will be completed but, while providing national benefits in the countries of execution, the 'additional' regional benefit will not be achieved.

The budget reduction (approximately US\$ 1.5M) that was planned and requested prior to final approval<sup>21</sup> has compromised the regional coordination and benefits of this project. This resulted in a reduced budget for regional activities, including supporting the Regional PCU, that will ensure better linkages between the national policy development and the demonstration activities. The reduced budget and workplan were discussed at the first RSC leading to the adoption of a '*Communiqué of Concern*' highlighting the impact that this reduction in the regional budget had on the overall approach within the Pacific region.

Within these constraints the project is well executed and has been subjected to few delays – the most notable have been associated with the initiation of the national demonstration projects. Given the number and complexity of involving so many national agencies with differing approaches these risks could have been better anticipated in the Project Documents.

The EU funding of Component 3 has been critical to this project, especially following the GEF reduction of budget for this component. However the decision by the Executing Agency (SOPAC) to split the project management of the GEF and EU activities is seen by the MTR as an unnecessary additional complexity to the overall programme, although from the Mission it is clear that both project management teams work closely where possible. However the effective ending of the EU supported activities by June 2012 (with all resources committed by the end of 2011) is of concern, especially with the estimated 50% progress achieved (Table 3 – as of December 2011) on this component. Without the GEF project committing resources to complete any outstanding actions it seems unlikely that this component will be able to achieve its objective with a consequential detrimental impact on the overall GEF IWRM Project. The MTR considers it imperative that the next RSC examines the status of all Component 3 outputs and identifies key activities that need further actions to complete this important work and means to resource them.

A further complication is that the EU funding and GEF funding were not 100% aligned in time. The EU project was planned to be completed in December 2010 but obtained a no cost extension until June 2012 to complete activities, thus keeping closer in time with the GEF funded activities. This issue on synchronisation is almost inevitable when multiple donors are supporting a project,

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<sup>20</sup> Figure presented in Annex 12 of RSC 3 draft minutes.

<sup>21</sup> Request was made by the GEF to ensure that the overall GEF PAS remained within its planned budget

however the lack of any GEF funds to support this critical component (developing IWRM plans and WUE policy) is considered (by the MTR) to be detrimental to the overall goal of the project.

At the project inception it was anticipated that the IAs, EA and governments would further attempt to attract additional resources. SOPAC has made several attempts (unfortunately unsuccessful) to attract additional co finance to support the project. UNEP has tried to keep supporting the project (both in cash and in kind) through its annual work programme (presented at 3rd RSC). This includes (since 2010):

- Scientific assessments/monitoring/early warning – support the application of UNEP Methodological Guidelines on Vulnerability Assessment of Freshwater Resources to Environmental Change in the Pacific (UNEP/DEWA, 60,000 USD) through SOPAC;
- Regional and global cooperation – support the participation of SOPAC/RCU staff to UNEP organized conferences/seminar/forums, as well as awareness raising and knowledge management – ecosystem management training course (UNEP/DEPI)
- During 2010 2011, DEPI Freshwater had proposed \$50,000 budget for SSFA to be signed with SOPAC on application of freshwater ecosystem assessment and management tools. Unfortunately, after more than a year of discussion/negotiation on details of activities with the Regional PCU, due to the budget process, DEPI had to move the fund to support another region.

The MTR assessed the efficiency of the project components' implementation as:

- Component 1: National Demonstration Projects: With twelve national demonstration project under active implementation and estimated to be about 50% complete (with about 60% of the project duration past). Three projects are subject to a review of their work programmes and budgets due to initial delays. The MTR assesses Component 1 to be **Satisfactory** with regards to efficiency of implementation.
- Component 2: National and regional indicator Framework: This component was subject to a slow start but has delivered a national and regional indicator framework that was approved by PSC. The delays in formulating this framework has had consequential delays on establishing baselines for the national and regional project activities (these were anticipated within the first 6 months of project implementation). The MTR assess Component 2 as **Moderately Successful** with regards to efficiency of implementation.
- Component 3: National IWRM plans and WUE policies: This component is effectively ended with an estimated 50% completeness. Critically the Regional PCU with the RSC will need to establish what actions are necessary and where resources can be reallocated from to complete the expected key outputs of this component. Although not completed with regards to the scope of the GEF expectations this EU funded component has provided notable results and there were positive comments made during the MTR mission about its contribution (e.g. Samoa with regards to water allocation). However the low level of overall delivery against the Pacific IWRM Project expectations leads to the MTR assessing Component 3 as **Moderately Unsatisfactory** with regards to efficiency of implementation.

- Component 4: IWRM and WUE capacity development: This component underpins many of the other project activities by increasing the capacity to absorb new concepts and approaches within the region. The component has undertaken most of the expected tasks by the mid term review with over 80% completeness for two out of three main activities. The MTR assesses Component 4 as **Satisfactory** with regards to efficiency of implementation.

### 3.1.5 Review of Outcomes to Impacts (ROtI)

The project implementation has successfully followed the design presented in the Project Document by interlinking the activities of the four components. At the mid term of the Pacific IWRM project there are already positive signs of impacts (for example: from the demonstration project in Fiji that assisted with flood warnings in January 2012, the benefits from the twinning exchanges between Tuvalu and RMI on composting toilets and the post graduate experiences and networking by national experts, reduced pollution from washing cars in rivers in Samoa, etc.). Stress reduction activities (for example, planting trees in Samoa, introducing composting toilets, etc.) will have a positive environmental impact by reducing pollution and soil run off. Concerns were raised during the MTR about availability of resources to sustain the activities, however this is recognised by the regional and national projects and efforts are underway to secure funding and further support to the implementation of IWRM (for example, SOPAC has (unsuccessfully to date) applied for regional programmes from Australia, New Zealand, etc. to further assist the goals of this project). The project has led to a wide adoption of basin (or watershed) management committees that are inclusive of a wide range of stakeholders drawn from government, communities and the private sector respecting the importance of good gender representation and balance (all participation is recorded in disaggregated format, gender mainstreaming activities has been promoted through workshops and on line discussions by the post graduate IWRM participants). The MTR concludes that it is likely that the project will achieve its expected outcomes and these will lead to the desired impacts (subject to ensuring the objectives of Component 3 funded by the EU is completed satisfactorily as emphasised elsewhere).

Full details of the Review of Outcomes to Impacts (ROtI) is presented in Annex7.

## 3.2 B: Assessment of the progress towards sustainability of project outcomes

The UNEP/UNDP/GEF Pacific IWRM Project has already shown positive signs for replication of demonstration project activities with alternative funds and this is seen by the MTR as an indicator of sustainability of the projects activities. The project is overall rated as **Moderately Likely** with regards to the four elements of *sustainability*.

Although the project is only at about the mid point there are already encouraging signs of replication or the potential to replicate that were presented to the MTR mission (e.g. upscaling the catchment management approaches in Samoa and Fiji). It is also commendable that there are also clear signs of impacts from the demonstration projects (e.g. changes in behaviour of communities in RMI and Samoa with regards to pollution, farmers protecting riparian zones by planting trees in Fiji, etc.)

The Project Document identified the following cross cutting elements of sustainability that were expected by the Mid Term of the Project.

Sustainability approaches identified in Project Document expected by Project Mid Term	MTR's observations
Through developing and maintaining supporting partnerships – the project is aligned with the Pacific Partnership on Sustainable Water Resource Management. The Partnership will assist in the implementation of national and regional project activities and will act as a Regional Technical Advisory Group to the Project	The project has established a RTAG group that advises the Regional PCU and the RSC. This group has the potential to assist the project and is considered by the MTR as an important element in the design of the project. The RTAG needs to be further strengthened by ensuring dedicated meetings and sufficient resources are allocated. The work of the EA (SOPAC) also promotes partnerships across the region.
Through establishing links to the ADB Pacific Infrastructure Facility	No information was available on this issue
EU Water Facility co financing will work on developing and supporting partnerships to improve the IWRM Planning Process	The EU Water Facility has been an active partner providing substantial co finance to the project. By funding an important component to assist national governments with developing plans for IWRM and WUE policies it has facilitated the mainstreaming of these approaches nationally. The MTR was not able to determine the success of the EU Water Facility in developing partnerships to sustain the projects activities.
Promoting use of national consultants and staff to embed approaches and capacity in countries and avoid out sourcing capacity wherever possible	The project has had a significant activity to strengthen national capacity to enable governments to have the necessary human capacity to sustain IWRM plans and WUE policies. In addition the project (national demonstration and regional) have made extensive reach of national/regional capacity where possible assisting with the sustainability issue of building experience and expertise in the Pacific.
Through developing appropriate outputs from the project in terms of guidelines, toolkits, and focus less on academic based lessons inappropriately composed	Through the national demonstration projects the Pacific IWRM has provided practical guidance and experience that are based on real life examples. Where it has been beneficial this practical guidance has been supplemented at the regional level by more theoretical approaches (e.g. indicator frameworks) which are then utilised in the demonstration projects and tested/refined

	<p>on the basis of practical experiences. The Regional PCU has provided significant guidance (for example, at the RSC meetings) to project stakeholders on a range of topics including M&amp;E, co financing reporting, and stakeholder involvement assessments.</p>
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### 3.2.1 Financial resources

The UNEP/UNDP/GEF Pacific IWRM Project recognises the challenge of securing financial resources to sustain (and further replicate) project activities. The national demonstration projects are seeking additional funds from a range of sources and at the regional level the EA is active at trying to supplement the project's budget and to seek additional follow on support activities for IWRM and WUE. The project is rated as **Moderately Likely** with regards to *financial sustainability*.

All of the countries involved in this project are small (in terms of populations and economy) with limited resources. It is clear that financial resources are limited for IWRM and WUE related activities. However, from the MTR mission, reports and responses to the questionnaires it is clear that both IWRM and WUE issues are considered priority issues within these SIDS, and there is a clear recognition that the impact of climate change is likely to make both IWRM and WUE even more important in the future.

There are opportunities for further bilateral and multilateral donor interventions at the country level to further develop and begin implementation of IWRM and WUE activities, and some preliminary discussions on seeking private sector involvement (for example national demonstration project in Fiji is in discussions with representatives of the tourism sector). The regional PCU has also been helping to guide discussion on attracting private sector input and has achieved some limited support (e.g Oceania Television has been making 'reflection videos' at the RSC) but again the small population and limited number of larger private sector organisations is a challenge.

The anticipated level of co financing is likely to be achieved and it is clear that the project is attracting additional funding for demonstration activities (e.g. as reported by IUCN – additional US\$ 90k funds from the Dutch Government for EIA training in Nadi Basin in Fiji and US\$ 48k from JICA in the Solomon Islands for aquatic ecotourism). It is important that the national demonstration project managers, together with the Regional PCU, continue to track pre agreed commitments (including attempts by UNEP to introduce additional co finance) and also take note of new investments.

The Project Document identified the following financial elements of sustainability that were expected by the Mid Term of the Project.

Sustainability approaches identified in Project Document expected by Project Mid Term	MTR's observations
Through inviting Donors at the national level to PIC IWRM APEX Body meeting to raise issues faced by countries in ensuring sustainable development within the water sector and the cross cutting effects of not managing water resources appropriately	The Pacific IWRM project has been involved in a wide range of international meetings involving donors and sub regional summits promoting IWRM/WUE. The MTR was not able to establish whether donors had attended any National APEX meetings.
Through innovative approaches and use of co financing	The MTR was informed of additional co financing that had been attracted to each of the demonstration projects visited and heard reports

	of these projects actively seeking new opportunities for co financing. A concern recognised by all interviewees is the issue of long term resources and national commitments for IWRM and WUE. Clearly this is still a major challenge.
Through maintaining national project management salaries at local Public Service Commission levels to ensure comparable costs for government to consider funding in the future	Achieved on the basis of MTR discussions. However it was not possible to establish the willingness of governments to sustain the positions in the future.

### 3.2.2 Socio-political sustainability

The UNEP/UNDP/GEF Pacific IWRM project has been developed with good involvement of both the governments and national stakeholders in the PICs. This support demonstrates that the outputs of the projects (and the expected outcomes) are wanted by the countries and, through the national demonstration projects, are considered beneficial by communities. The project is overall rated as **Moderately Likely** with regards to *socio-political sustainability*.

The project's goal and objectives are well aligned to national stakeholders' requirements – to reduce threats from extreme events (specifically flooding) and protect limited water resources (through IWRM). In addition the project (both through the regional activities and national demonstration projects) has placed significant emphasis in seeking active engagement and support from a wide range of stakeholders promoting the concept of 'Ridge to Reef and Community to Cabinet'.

There have been situations where some of the expected actions of demonstration projects are in conflict with sections of the local population (for example in Samoa where the project is advocating restrictions on development to prevent erosion and flooding problems), but these challenges have been identified and the project is working to ensure that there is broader acceptance of the rationale behind the project's interventions.

The MTR mission observed a number of key situations where the benefits of the national PCUs active engagement assisted the goal of the project's activities, including:

- The Republic of the Marshall Islands – initial slow start of the project required considerable effort from the National PCU to bring the community of Laura Lens to support the project's activities. This was achieved through considerable face to face meetings by the PCU with local stakeholders.
- Samoa: Problems of pollution had been encountered where residents were washing cars in rivers. Where information was made available requesting this to stop, a change in behaviour was readily found, indicating that through simple communication and awareness raising community actions can be changed.



- Fiji: The floods in January 2012 were considered to have been adequately predicted and warnings given to alert communities through the actions of the demonstration project. The Commissioner of the Western District specifically emphasised this success to the MTR concluding that there was a governmental (and political) desire to expand the approach to neighbouring catchments using alternative sources of funding (national, JICA, etc.). It was also recognised by stakeholders the important role the demonstration project was having in developing and testing approaches for adaptation to climate change, specifically linked to concerns over the frequency and intensity of tropical storms, and providing protection to communities and their livelihoods through implementation of flood warning systems.

The Project Document identified the following socio political elements of sustainability that were expected by the Mid Term of the Project.

Sustainability approaches identified in Project Document expected by Project Mid Term	MTR's observations
Engaging with private sector and other key stakeholders who can provide resources in the future for investment – the key to sustainability is participation, targeting both men and women equally throughout the project	<p>The demonstration projects have had limited success to date engaging the private sector (this is explored elsewhere). But there have been some successes, for example in Nadi by involving a mobile phone operator to provide free text alerts to flood events as a result of the monitoring initiated by the project.</p> <p>The project has had a significant emphasis on encouraging equal participation in activities by men and women and has maintained disaggregated data on their involvement. The project has also actively promoted discussion on the issues of gender within IWRM.</p>
Targeting youth and schools to promote social change behaviour and through influencing school curricula	Both the national demonstration activities and the regional project have had a significant focus on awareness raising to change behaviour.

### 3.2.3 Institutional framework and governance

The UNEP/UNDP/GEF Pacific IWRM Project execution through SOPAC is considered by the MTR to be an important factor in assisting the long term sustainability of actions within the region. SOPAC as a regional body created and supported by PICs is well placed to provide regional assistance. Through the Pacific IWRM Project recommendations on changes to water governance (IWRM and WUE) are being made including the development of 'river basin management committees'. The project is overall rated as **Moderately Likely** with regards to the four elements of *institutional and governance sustainability*.



An important element of this project has been to assist with the formation of national APEX<sup>22</sup> bodies (effectively inter ministerial or inter sectoral committees) and, as indicated in Table 3, the project has achieved 90% progress. APEX bodies progress was reported to through the mid term reports prepared by the national demonstration projects. Through the national demonstration projects, national or local committees have been established at the basin (or groundwater body) level for example that bring interested governmental and non governmental representatives together to jointly manage the water body (examples, the Laura Lens Committee, Nadi Basin Co ordination Committee). The formation of both APEX bodies and the bodies established with responsibility for the national demonstration projects are seen as an important process in transforming the governance of water management, and assisting in ensuring broad representation of both civil society and government in this process. It would be beneficial for the Regional PCU to summarise at the next RSC the role and impact of APEX bodies that have been created. In addition the RSC should consider requesting that the Regional PCU compile exit strategies prepared by Component 3 (Annex 11 of RSC 3) and from both the regional and national project activities that should also examine the sustainability of APEX bodies and various community or river basin committees established.

A challenge for the region will be to establish a mechanism to sustain the project's work on increasing capacity through the post graduate courses and the twinning activities between projects. Both approaches were praised as effective means to increase knowledge in the region. It would be beneficial if the Regional PCU and EA (SOPAC) consider options to further support these activities post project and present recommendations to the RSC.

The Project Document identified the following institutional framework and governance elements of sustainability that were expected by the Mid Term of the Project.

Sustainability approaches identified in Project Document expected by Project Mid Term	MTR's observations
Through links with other GEF funded (PACC, SLM) and other donor projects to ensure cross sectoral lessons are learned	The MTR received information on information sharing both between demonstration projects and between the Pacific IWRM project and previous GEF IW projects (related to composting toilets). Additionally, shared offices in multiple countries (including Tuvalu, Nauru and Cook Islans) and shared steering committees in RMI and Niue, has enabled close linkages and exchanges between these projects, in many cases moving forwards on multiple initiatives in partnership.

<sup>22</sup> The aim of such bodies is to provide structures for coordination between different organizations involved in water resource management. In some cases water policy and management is centred in a specific body of government but in many situations responsibility for water is shared between a number of bodies (e.g. ministries for geology, environment and public works) that may not be able to operate easily together. Here an apex body may provide a useful co coordinating function. The creation of apex bodies can free water allocation decisions from being driven solely by sectoral interests, enabling more strategic allocation. GWP Handbook, *Catalyzing Change*

<p>Through constant support offered to the National IWRM APEX Bodies as cross sectoral decision making and learning bodies at the senior national level, including focussing on involving Finance and Economic Planning Units</p>	<p>The national demonstration projects established a number of steering committees and other cross sectoral or community groups (e.g. Nadi Basin Co ordination Committee in Fiji, Laura Lens Committee in RMI) that fulfilled some of these activities.</p>
<p>Promotion of IWRM approaches, using initial results from Demonstration Projects to highlight potential approaches for mainstreaming</p>	<p>Both the regional and national projects were active in promoting IWRM with a wide range of stakeholders. A clear example of where IWRM was being considered for 'mainstreaming' was in Fiji following the impacts of the demonstration projects actions in assisting with flood warnings and the development of future flood mitigation measures.</p>
<p>Through supporting national decision making for management of Demonstration Projects, encouraging national project staff and stakeholders to be responsible for, and take ownership of national projects</p>	<p>There was clear evidence of national decision making on the basis of project experiences, through the creation of management committees and by the projects activities being replicated by communities (in RMI local farmers understood the benefits of the mobile pig pens and were considering investing individually).</p>

### 3.2.4 Environmental

The UNEP/UNDP/GEF Pacific IWRM Project is having a direct impact on the environment through the national demonstration projects and via the development of plans and policies on IWRM and WUE. The project is overall rated as **Likely** with regards to the four elements of *environmental sustainability*.

The national demonstration projects fall into four categories: watershed management; wastewater and sanitation; water resource assessment and allocation, and; water use efficiency and water safety. Within these broad categories ten types of activities are in progress testing differing aspects of water management. The environmental sustainability of these activities is closely linked to the success of the projects, and on the basis of the MTR mission these were seen positively by the stakeholders interviewed. All these activities have a positive impact on both the environment and socio—economic aspects of the communities. For example: the planting of trees to reinforce river banks and reduce soil erosion (in both Samoa and Fiji – where local farmers are encouraged to grow saplings which are later purchased by the forestry authorities); or reducing pollution (in RMI by reducing waste from pigs impacting the aquifer).

At the regional level the Pacific IWRM Project is developing indicator frameworks that will enable better and more harmonised assessments to be made of environmental status leading to a better evaluation of the impacts on the environment, and consequentially better management decisions based on understanding of the causes and impact of pressures. The regional project and the national

projects are devoting considerable attention to increasing awareness (at all levels of the community) and strengthening the capacity of official bodies to improve management of the environment.

The Project Document identified the following environmental elements of sustainability that were expected by the Mid Term of the Project.

Sustainability approaches identified in Project Document expected by Project Mid Term	MTR's observations
Demonstration project approaches focus on promoting behaviour change and do not become stand alone activities	The MTR mission observed examples of behaviour change and recognition to upscale/replicate activities from all three demonstration projects visited.
Demonstration projects have national appeal and do not focus on site specific issues	There are already examples of where demonstration projects activities are being discussed nationally for application (e.g. Samoa and Fiji). In addition the twinning activities have further encouraged the sharing of concepts between PICs.
Links between cause and effect explicitly identified and recognised by stakeholders (especially fresh and coastal receiving waters)	Linkages between cause and effect were understood in all three PICs visited.

### 3.3 C: Catalytic role

The UNEP/UNDP/GEF Pacific IWRM Project has identified possible opportunities to up scale/replicate demonstration activities. The project has benefited from the experiences of the GEF IWCAM project and is continuing to develop lessons and experiences that will assist other SIDS programmes. The project is overall rated as **Satisfactory** with regards to *catalytic role*.

The overall design of the Pacific IWRM Project with a significant focus on the national demonstration projects, and the considerable co financing that were attached to these activities, has already led to potential for replication and attracted additional co finance. This is a credit to the design of the project by linking the activities closely with the expectations and needs of national stakeholders.

Examples of the catalytic activities and the replication that has already been achieved and indicated to the MTR mission, include:

- Fiji: The success of the national demonstration project in Nadi in developing holistic approaches to land and water management coupled with the installation of six rain gauges and six water level monitoring facilities within the Nadi River catchment to alert, protect and mitigate the impacts of flooding, has resulted in regional interest to replicate the approach to neighbouring catchments.
- Samoa: The catchment management approach adopted in the national demonstration project is expected to be replicated across the whole island.

- The Republic of the Marshall Islands: The demonstration project is in the process of procuring a number of mobile pig pens to assist with reducing contaminating loads of animal waste from impacting the Laura Lens aquifer. The mobile nature of these pig pens will prevent high levels of nutrients, organic compounds and pathogens from concentrating in one area and are expected to improve the water quality of the aquifer. Additional pig pens are expected to be obtained using local resources due to the high level of interest from farmers.

The Regional PCU has provided guidance and assistance to the demonstration projects on up scaling and replication (see annex 10 of the RSC 3 minutes). The MTR considers this key to addressing sustainability and replication of the project activities and this guidance should be a core part of the Regional Project's exit strategy. In addition the quarterly reporting undertaken by the national demonstration projects encourages demonstration project and national authorities to present the lessons learned from their activities which will further stimulate replication between countries when this material is compiled by the Regional PCU.

The Regional PCU should also be further encouraged to assist in preparing detailed exit strategies for all the countries that will enable an overview of the full catalytic nature of the Pacific IWRM project to be determined by summarising all national catalytic and replications actions as an aid to overall sustainability. The EU funded component (national IWRM plans and WUE policy) has prepared a summary<sup>23</sup> of 'National Exit Plans' on a country by country basis and this should be compiled with the GEF funded activities as an overall Exit Strategy.

SOPAC, as the EA, has an important role both within the project execution and regionally as a centre of excellence on IWRM and WUE which responds to the wishes of the countries of the Pacific. Both the work of the Project and the reputation of SOPAC will serve as important catalysts for future activities promoting IWRM within the region.

Based on the successes so far, it is considered likely that this project will attract even more resources for replication from the demonstration activities by the end of the project.

### 3.4 D: Assessment of Monitoring and Evaluation Systems

The UNEP/UNDP/GEF Pacific IWRM has a well defined M&E system at both the regional level and in the national demonstration projects. The Project has a key component to assist with developing (and applying) an indicator framework that will be of benefit to this project but will also provide the PICS and the region with a comprehensive reporting structure to assess environmental impacts and status post project. The project is overall rated as **Satisfactory** with regards to overall *Monitoring and Evaluation Systems*.

The project logframe for the Pacific IWRM Project contains a number of SMART indicators for project monitoring. Following the project inception, these indicators were considered in detail by the RTAG and the RSC. The result of this was a regionally agreed Project Monitoring and Evaluation Framework for use in tracking and measuring the impact of project in its key result areas. This information is uploaded to the project's website to ensure ease of access to project indicators and reporting templates by National IWRM Project Management Units, Demonstration Project Coordinating

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<sup>23</sup> Annex 11 of RSC 3 draft minutes

Committees, and APEX Water Bodies in Pacific Island Countries. These mechanisms assist with mainstreaming the M&E approach throughout the project and providing information to project stakeholders on the performance of the work.

### 3.4.1 M&E design

The UNEP/UNDP/GEF Pacific IWRM Project meets the expectations of GEF IW and, coupled with the inclusion of a component focused on indicators, is expected to deliver processes for M&E that will be of long term benefit to the region. The project is overall rated as **Satisfactory** with regards to *M&E design*.

The Project Document provides a detailed account of the planned approach to the M&E for the Pacific IWRM project. The project, in full consistency with the use of GEF SMART indicators for Process, Stress Reduction and Ecosystem & Socio economic Status, adopted a participatory approach<sup>24</sup> to M&E. However, the logframe did not provide any targets or milestones for the mid term of the project. The end of project targets are still appropriate. An important element in the design of the project has been to include a component on developing regional and national indicator frameworks for IWRM and WUE (following a similar approach to the GEF IWCAM project). Not only will these indicator frameworks assist with the M&E within the project (both the regional and national demonstration projects) but is likely to increase familiarisation across the wider stakeholder groups involved in the project on the benefits of robust M&E within such programmes and will assist with any post project monitoring by the countries.

The Project Document also clearly specified the various stages of the project (from pre start up through inception and implementation) and the processes that would be taken to ensure that the agreed project programme would be followed. In addition the key monitoring and reporting steps (including: Regional Steering Committee meetings, project logical framework use, audits and review and responsibilities for different monitoring actions, etc.) were defined. Responsibilities for M&E actions are defined in the Project Document.

The design also identified periodic reports including PIRs, quarterly reports, technical reports etc., and provided a summary of the expectations of the mid term and terminal evaluations. The indicative budget presented in the Project Document<sup>25</sup> for M&E (US\$ 520,000 excluding staff costs) appears appropriate for a project of this scope, however it was not possible for the MTR to validate how this budget has been utilised<sup>26</sup>.

The design (and implementation) of the M&E specified that the logframe and indicators used by the regional project and the national demonstration projects was reviewed during the inception phase.

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<sup>24</sup> Participatory Monitoring and Evaluation focuses on five principles: (i) *Participation* – stakeholders participate in all aspects of choosing indicators and in collecting and analysing data; (ii) *Negotiation* – stakeholders negotiate over what will and will not be monitored and evaluated, how and when data will be collected, and how findings will be presented; (iii) *Learning* – participation, negotiation, and collective working leads to learning, ownership and investment in those findings; (iv) *Flexibility* – is essential, as the purpose of PM&E is improved learning for improved results, leading to ongoing change and adaptation in approaches; (v) *Stakeholder Involvement* – when multiple stakeholders work together (a key principle of IWRM) to develop indicators, they also clarify expectations and priorities, negotiate common approaches, and build ownership of outcomes.

<sup>25</sup> Table 13 UNEP Project Document; Table 14 UNDP Project Document

<sup>26</sup> Neither the UNEP budget breakdown nor the project's summaries at the RSC allows this to be assessed

There were no significant changes in the logframe of the overall regional project although some minor wording changes to indicators have been proposed by the RTAG and these are included in the Project Monitoring and Evaluation Framework.

The approach developed through Component 2 (regional and national indicator frameworks for IWRM and WUE) was adopted by the last Regional Steering Committee Meeting (RSC 3), which is now enabling the national demonstration projects (under the guidance of the Regional PCU) to collect data and establish national baselines for the work. Although the Project Document had suggested that baseline data would be collected within the first six months of the project it is clear at the MTR that this would not be possible until the output from the major component on indicators was approved (this applies to both the regional activities and the national demonstration projects).

### 3.4.2 M&E plan implementation

The UNEP/UNDP/GEF Pacific IWRM Project undertakes all the expected M&E activities. Through the national demonstration projects, the role of M&E is being introduced to all PICs together with the development of a regional/national indicator framework for future reporting of water /environment status. The project is overall rated as **Satisfactory** with regards to *M&E plan implementation*.

The key tool for long term monitoring of the project's impact (developed under Component 2) is still in development, but the key indicator framework has been approved by the RSC3 and countries are in the process of assembling required baseline information.

The Pacific IWRM Project has held three Regional Project Steering Committees<sup>27</sup> since the GEF CEO approval. Minutes of the meetings are prepared by the Regional PCU. Comments were received by the MTR that there has been an increasing time lag between the RSC meeting and the distribution of the minutes. For RSC 1 the minutes were available within about a month of the meeting but subsequent meetings the distribution of the minutes were significantly delayed. The MTR recommends that the Regional PCU strives to re establish the good record from the first meeting for all future RSC meetings to ensure participants are able to respond to any actions and to make comments addressing any errors etc.

The RSC meetings (which combine both the formal proceedings of a steering committee with training workshops for participants) are extended in duration over about five days. This provides additional opportunities for national project staff and stakeholders to familiarise with the project activities and for the Regional PCU (supported by IAs and EA) to give administrative guidance / training (for example on the requirements of financial reporting) and to continue, for example, with increasing awareness on M&E requirements. While a five day RSC is unusually long for a GEF IW project it is an important 'adaptive management' response by the Project to the reduce costs for regional travel and to maximise the involvement of key stakeholders in project activities (see Section 5 – Lessons). It is clear that in the Pacific region the time for travel and the associated costs are significant compared to other regions (for example the GEF IWCAM project in the Caribbean) hence the decision to utilise these regional meetings for multiple purposes is to be commended.

In addition to assisting the national demonstration projects with M&E issues during the RSC meetings, two specific workshops have been held on M&E for national PCU staff (September 2011,

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<sup>27</sup> RSC 1: Nadi, Fiji Islands, 14<sup>th</sup> – 18<sup>th</sup> September 2009; RSC 2: Koror, Republic of Palau, 19<sup>th</sup> – 23<sup>rd</sup> July 2010; and RSC 3: Rarotonga Island, Cook Islands, 25<sup>th</sup> – 31<sup>st</sup> July 2011.



in Nadi for 9 countries and in Palau for the remaining 3 countries). This awareness raising on M&E is also undertaken by the Regional PCU during country visits, including providing workshops at national demonstration project steering committee meetings.

The RSC, through the Regional PCU, requests a high level of M&E and reporting from the national demonstration projects. All demonstration projects complete quarterly reports (technical and financial) following an agreed format that includes key M&E indicators relevant to the project. In addition the demonstration projects have prepared a detailed mid term report<sup>28</sup> that gives clear information on the overall progress, of each activity. It has been acknowledged by the RSC that the reporting is a significant work load on the national demonstration projects (several person weeks per quarter), but due to the distributed nature of this project and the relatively limited budget for regional activities (including travel for the Regional PCU) the MTR considers that this is desirable and a good example for overall project management/oversight plus is an opportunity to strengthen national capacity for reporting and M&E.

The regional project has established an impressive and comprehensive web site enabling M&E information (guidance and, in the future, results) to be viewed on line, providing good stakeholder information about the state of the project and its likely impacts on the environment. The level of detail within the indicator framework and the access to this information through the project website is commendable and should changes be required the information is readily available and auditable. The scope of the web site had not been fully anticipated in the project design and the Regional PCU should be complimented for their efforts in achieving this beneficial project tool.

### 3.4.3 Budgeting and funding for M&E activities

The UNEP/UNDP/GEF Pacific IWRM Project Document provides an indicative budget for M&E activities which appears consistent with the overall project design. The project is overall rated as **Satisfactory** with regards to *budgeting and funding for M&E activities*.

The outline budget presented in the Project Document is considered to be appropriate for the scope of this project. The final revisions to the project budget (prior to GEF CEO approval) resulted in limited resources for travel/subsistence for regional activities (approximately US\$ 20,000 per year) which is considered by the MTR to be low when considering the geographical scale of the project and the number of participating countries. The Regional PCU has been able to mobilise resources from within the overall allocation to provide sufficient budget and enable wide participation to ensure good representation at the five day RSC meetings.

The initial Project Document budget for RSC meetings was US\$ 99,000 and this was increased to \$266,707 during the inception meeting. The costs of the first three RSC meetings was estimated by UNEP at US\$177,144 leaving less than US\$90,000 for the remaining two planned RSC meetings. The next RSC will need to closely examine the available budget for these important meetings and to identify means, if necessary, for any cost savings. The presentation of the budget at the RSC does not allow a breakdown to establish the actual costs of specific M&E activities to be established by the MTR.

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<sup>28</sup> Mid term reports are part of the expected reporting by the national demonstration projects and their delivery was not linked to this MTR. By March 2012 nine projects had compiled mid term reports and these are available on the project website and listed in Annex 4.



### 3.4.4 Long-term monitoring

The UNEP/UNDP/GEF Pacific IWRM Project component on an indicator framework provides the basis for a mechanism for long term monitoring in the Pacific region on IWRM and WUE implementation. The project is overall rated as **Satisfactory** with regards to *long-term monitoring* for M&E.

The inclusion of a specific component on indicator frameworks for IWRM and WUE within the project design will assist in sustaining the concept of M&E and reporting within the region. This is further enhanced through the participatory approach adopted in developing and collecting information for the M&E system and the further use of this data in the preparation of national and regional 'outlooks' (equivalent to state of the environment reports).

The mainstreaming of indicators and the overall approach to M&E within the wider project activities, in particular the national demonstration projects, is considered to be highly beneficial by the MTR and may result in an additional outcome from the project. The project has given the countries the tools and the capacity to monitor progress and may provide some means for post project monitoring of the project's impacts.

## 3.5 E: Assessment of processes that affected attainment of project results

### 3.5.1 Preparation and readiness

The UNEP/UNDP/GEF Pacific IWRM Project was designed with good PICs support and involvement. The countries were well placed to implement the national demonstration projects although in some cases recruitment of national project teams took longer than anticipated. The project is overall rated as **Satisfactory** with regards to *preparation and readiness*.

The national demonstration projects underwent a detailed development phase under the GEF PDF B grant. Specifically this enabled comprehensive diagnostic reports to be prepared (and associated supporting documents) leading to detailed project proposals through wide stakeholder consultation resulting in well defined national projects largely meeting the demands of the differing stakeholder needs and expectations.

The regional components (regional and national indicator framework, IWRM and WUE policy development and capacity building) also went through rigorous development resulting in a final agreed project document. Unfortunately at the last moment GEF financial limitations on resources for the whole GEF PAS were exceeded and a significant reduction (approximately 15%) was required in the Pacific IWRM Project to enable final CEO approval of the Project Document.

The Pacific IWRM project is an extension of the concept tested in the Caribbean through the UNEP/UNDP/GEF IWCAM project bringing with it some of the lessons learnt from that region. The Pacific IWRM project was further enhanced over the IWCAM by including a distinct linkage between the demonstration projects and the development of policies. The IWCAM project had beneficially employed an 'IA EA' advisory group to help steer the administration of the project. This Caribbean group (comprising of UNDP, UNEP and the three EAs with the PCU acting as secretariat) met prior to the Project Steering Committee meeting. The MTR considers that it would have been beneficial for the Pacific IWRM project to have formed a similar advisory group.

The project was designed with SOPAC as the EA and this institution is regionally respected and resourced to provide the project execution. The Regional PCU was provided via SOPAC and located within their offices in Suva (Fiji). At the time of project signature the final management arrangements for the national demonstration projects was not confirmed, and in some cases identifying appropriate project managers and assistants with the national lead agencies took a significant time, and delayed the start of the demonstration activities. These delays were not well anticipated although this seems to be a relatively common issue with GEF projects involving demonstration activities.

Co financing has been made available as planned and the project is expected to exceed the figures presented in the Project Document. Despite the reduction in the GEF grant the MTR considers that the Project is on track to meet its planned outputs (and thereby outcomes); a critical concern is on Component 3 where the funding from the EU has been committed but only with estimated 50% progress against target. The Regional PCU should present suggested means to address this regional concern to the next RSC (possibly utilising savings from the national demonstration projects as indicated above in Component 1).

### 3.5.2 Implementation approach and adaptive management

The UNEP/UNDP/GEF Pacific IWRM Project has demonstrated examples of good adaptive management within the project implementation, however the decision by the EA to create two project co ordination units was considered by the MTR to be less efficient than a single unit. The project is overall rated as **Satisfactory** with regards to *implementation approach and adaptive management*.

The project has been designed with four interlinking components, however the execution arrangements within SOPAC with two project management units to execute the GEF funded and the EU funded activities is not considered ideal by the MTR. The MTR believes that a single management would have further enhanced the co ordination between the components. The MTR has found a range of views regarding the level of interaction between the EU funded national policy activities and the national demonstration projects with mixed reactions about on the overall impact of Component 3. These opinions varies: in Samoa, the IWRM information from Component 3 was considered less beneficial than the guidance (and experiences) obtained from the national demonstration project (although the work on water allocation was very appreciated), in RMI where the work was considered beneficial – but had not gone far enough to develop IWRM plans and this was now having to be resourced through national funds to complete the work (effectively additional co finance). However, the questionnaires returned from a number of PICs indicated that stakeholders considered that there was good co operation and co ordination between the GEF and EU funded IWRM activities (e.g. Niue, Palau).

The Project reported that there were real synergies between the GEF and EU funded activities in the PICs. The GEF activities have supported real on the ground projects giving impetus to local IWRM and the EU has complimented this by supporting increasing awareness of water policy. The EU work has supported a number of technical support contracts to provide expertise to develop national water policy (e.g. in Nauru) complementing the demonstration project to assist in delivering this policy. Similar examples are available in Micronesia (Palau, RMI and FSM) indicating the close co operation between the EU funded and GEF funded activities.

The project Documents established the formal management and oversight structures for this project. These include:

- Regional Steering Committee (RSC) comprised of: representatives of countries and national demonstration activities; IA (UNEP and UNDP), EA (SOPAC), the Regional PCU, NGOs and other stakeholders. This body had oversight of the overall project, subject to the agreed workplans and agreements with the IAs;
- National demonstration project steering committees comprised of representatives of communities and government and specified in the project proposals. The MTR mission met representatives from each steering committee from the countries visited. The structures and functions differed (e.g. in RMI the Laura Lens was highly focused on the community and protection of the aquifer, in Fiji the river basin committee had wide representation from stakeholders and strong support from the Commissioner Western) but there was positive feedback about the role of the steering committee.
- Regional Technical Advisory Group (RTAG) comprised of: Regional PCU, IUCN, CROP<sup>29</sup>, Utility representative, country representative, national project manager, UNDP, UNEP, EU project leader and IWC<sup>30</sup>. This body provided technical and scientific advice on project outputs and planned activities.
- Regional PCU and 12 national demonstration project PCUs. Who were responsible for the day to day management and implementation of the planned project(s).

The project document identified the key institutional relationships and management structures for the project (RSC, RTAG, Regional PCU, national PCUs etc.). However it did not provide for an inter agency co ordination mechanism (involving the IAs and EA/Regional PCU) which has proved beneficial for the GEF IWCAM Project.

To assist the financial reporting by the national demonstration projects, SOPAC provided a linked spreadsheet to enable effective (and consistent) approach. At each RSC further guidance was provided to the national demonstration projects to strengthen their capacity on managing internationally funded projects. Positive comments were received by the MTR during the mission for this assistance.

The Regional PCU (with the endorsement support of the RSC) imposed strict reporting on the demonstration projects requiring quarterly technical and financial reports. While this did impose significant burdens on the national projects (with estimates of the effort required determined at the RSC 3 and specific examples of up to 3 weeks given to the MTR during the mission) this is not considered to be unreasonable by the MTR considering the limited budget for travel by the PCU and the wide geographical nature of this project.

At the time of the MTR the demonstration projects were in the process of completing planned Mid Term Reports, and 9/12 national demonstration projects had submitted reports that are available on

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<sup>29</sup> Council of Regional Organisations of the Pacific (formally the South Pacific Co ordinating Committee (SPOCC)

<sup>30</sup> International Water Centre

the project's website<sup>31</sup>. The format and content of these reports (including detailed achievements of all activities and utilising the agreed M&E approach for the demonstration project) were discussed and agreed at two demonstration project workshops and this has assured a high level of consistency and level of detail from the projects. This approach is considered to have been very effective and provided good information on the project's activities and achievements.

Examples of adaptive management include:

- The work of the Regional PCU and the RTAG, with the approval from the RSC, to develop a mechanism to reallocate unspent (or under spending) resources among national demonstration projects. This proactive approach will enable the management to adapt to future needs and priorities. The RSC may need to also consider utilising these resources to support regional activities identified by this MTR as requiring priority assistance (e.g. finalising road maps for IWRM implementation, extending the Regional PCU activities for 3 6 months to finalise regional activities including dissemination of lessons from the national demonstration projects);
- UNDP Fiji MCO demonstrated a flexible and adaptable management approach to the concerns of the national demonstration projects on the need to have disbursed 80% of funds before any additional resources could be made available.
- Three national demonstration projects experienced difficulties at start up necessitating the Regional PCU to take a very proactive role in addressing the problems and developing creative solutions to progress the work. This intervention by the Regional PCU has led to the three national demonstration projects being implemented (albeit with revisions to their workplans and budgets as a result of the delays). These adaptive management steps demonstrate the importance and need of a dedicated and creative body to oversee the activities of the national demonstration projects (together with national project steering committees) and a fully engaged RSC that understands the need for procedures to address under spending activities and reallocate funds where needed (discussed and agreed at RSC 3).

### 3.5.3 Country ownership/drivenness

The UNEP/UNDP/GEF Pacific IWRM Project's activities (especially the national demonstration projects) are in line with PICs needs and wishes. The Project benefits from active discussions and involvement from the PICs representatives at RSC meetings. The project is overall rated as **Satisfactory** with regards to *country ownership and drivenness*.

The Pacific region suffers from many common problems, acknowledged by the GEF PAS. The Pacific IWRM Project has been designed to address some of these common issues through a series of national demonstration projects and regional activities. The governments and wider stakeholder community were closely involved in the design and development of the project document, and continue to show their support by honouring their commitments to co financing the national demonstration projects (as reported in the quarterly and mid term reports from the demonstration projects).

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<sup>31</sup> [http://www.pacific.iwrm.org/mid\\_term\\_reports/](http://www.pacific.iwrm.org/mid_term_reports/)

The Pacific IWRM can be considered a good example of national involvement in identifying and designing demonstration projects within a regional framework, resulting in activities that are needed and funded nationally. There have been clear signs, as reported during the MTR mission (from Republic of the Marshall Islands, Samoa and Fiji), of the perceived importance and value of these demonstration projects, and in these case, stakeholder commitment and wish to sustain and expand the work.

### 3.5.4 Stakeholder involvement and public awareness

The UNEP/UNDP/GEF Pacific IWRM Project has placed a significant emphasis on stakeholder involvement and increasing awareness on the issues being addressed by the Project. This involvement is evident from the preliminary work undertaken in the PDF B stages to design the project through to the positive examples seen in the national demonstration activities stakeholder involvement (in the form of participation in steering committees, basin or community management groups, etc.). In addition, the Project has provided considerable effort in to capacity building and awareness raising for stakeholders, both for national technical representatives and for schools and communities. The project is overall rated as **Highly Satisfactory** with regards to *stakeholder involvement and public awareness*.

The Pacific IWRM Project has had a strong stakeholder involvement since the design phase and continues to engage a wide range of stakeholders, particularly through the RSC and RTAG process, and assist with raising public awareness on a range of IWRM and WUE issues. While many GEF IW projects have impressive stakeholder and public awareness campaigns, the Pacific IWRM has 'mainstreamed' these activities into the way the 'project works' at multiple levels of action. In addition the project has played a considerable role in raising gender issues in IWRM within the region and proactively collects gender disaggregated data on stakeholder participation.

The development and final design of the national demonstration projects during the PDF B stage involved a range of governmental and non governmental stakeholders prepared detailed diagnostic reports leading to a common and accepted proposal for each demonstration project<sup>32</sup>.

From the MTR mission it was clear that active stakeholder was encouraged through involvement through steering committee meetings and other bodies created to direct the national demonstration projects and regional activities. Examples of direct national and regional stakeholder involvement include:

- The Republic of the Marshall Islands: Initial involvement of the Lara Lens Committee helped to redefine the scope of the project and to match better the budget/time scale with the local expectations. The committee is composed of a range of interested stakeholders from the area. The Committee has been active in helping to drive the project and provides a wider link to the community of Laura Lens.
- Fiji: The demonstration project created the Nadi Basin Catchment Committee (NBCC) which acts both as a steering committee for the project and is expected to operate post project as an on going 'basin committee' with wide representation of stakeholders from the region.

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<sup>32</sup> With the exception of Kiribati

- EU Component: Component 3 (IWRM and WUE policy) has held a number of thematic meetings and 'National Water Summits' (for example in FSM, Palau and RMI in March 2011). These summits brought together wide stakeholder interests (with about 300 participants in RMI). The topics included: Water quality, sanitation and health; water supply and climate change; governance and water management; and, steps towards national policy development.

The Pacific IWRM Project also has a considerable focus on awareness raising, both at community level through the demonstration projects and at the regional level through a very active Project website. Examples of public involvement and awareness raising includes:

- Samoa: providing information boards to reduce pollution from car washing in streams by local inhabitants (a lesson from a twinning exchange with the Cook Islands)
- RMI: the construction of a local information centre for school children and local farmers in Laura Lens.
- Fiji: In conjunction with the Ministry of Information, the project has worked on 'water literacy' by encouraging school children to write stories on water relate issues as a competition with over 150 participants.
- The project has encouraged discussion forums, following gender mainstreaming courses within the region, that have focused on participant led discussions of gender roles within water management in a number of PICs (e.g. Fiji and Samoa) as a element of awareness raising of gender issues amongst stakeholders..

### 3.5.5 Financial planning and management

The UNEP/UNDP/GEF Pacific IWRM Project has a strong financial management design focus at the regional level and for the national demonstration project level, with considerable effort being directed to ensuring the correct reporting of finances. The Project is also proactive in seeking additional co financing and is expected to achieve (or possibly exceed) the target. Project finances are presented (for the UNEP components) at the RSC and changes to budget lines discussed and agreed. However, the EA has yet to provide UNEP with all financial reports and justifications for budget line changes as agreed by the RSC. The project is overall rated as **Moderately Satisfactory** with regards to *financial planning and management*.

#### Overall Pacific IWRM Project

The involvement of multiple GEF Implementing Agencies (UNDP and UNEP) and the EU places additional pressure on the Executing Agency in complying with differing technical and financial reporting requirements. The GEF budgets are managed through the Regional PCU and the EU grant through a separate project management unit (also housed within SOPAC).

This project differed from the GEF IWCAM project where the national demonstration projects were executed through UNOPS. The Regional Project Manager considered that the approach adopted for the Pacific IWRM Project provided direct 'control' and oversight of the demonstration project's budget (along with the technical progress) giving an advantage through an improved understanding of the national demonstration projects. This approach also provided a means to further strengthen



the capacities of the national demonstration projects by giving higher level of ownership and accountability by working with SOPAC.

SOPAC is an established regional body with extensive experience of managing (technically and financially) projects, funded from bilateral and multilateral donors, and clearly has the necessary financial management infrastructure (and capacity) to execute the Pacific IWRM Project.

The Regional PCU is funded only from the UNEP components and UNDP funds the national demonstration activities. From the MTR's perspective, the project could have been further enhanced if UNDP's budget had funded specific role(s) within the Regional PCU. It is evident that a significant (if not the majority) of the Regional PCU's time is devoted to the supervision of the national demonstration projects. Such an arrangement would also have facilitated the recommendation of this MTR to reallocate funds from the demonstration activities (UNDP funds) to the Regional PCU (currently only UNEP funded) to ensure that the project completion is more effective (see Section 6 – Recommendations). If this is agreed by the RSC meeting then the two IAs will have to develop an acceptable modality to ensure this reallocation of resource (or alternatively by UNDP directly funding staff within the Regional PCU) is implemented.

The Regional Steering Committee meeting is the body to approve (subject to overall IA validation) the work programme, progress and constraints of the project together with detailed budget plans for oversight and approval. Only the UNEP administered budgets (Components 2 and 4 plus project management) are presented at the RSC. The lack of presentation and discussion on the Component 1 budget (funded by GEF through UNDP) and the Component 1 budget (funded through the EU) looks unbalanced as the RSC is addressing issues of the whole project. For completeness it would be appropriate for the RSC to receive a financial summary of the UNDP resources.

Operationally the Regional PCU has the day to day responsibility for managing the project budget and from the processes in place (PIR reporting and RSC minutes) it is apparent that they are effective at ensuing good financial planning and management. There were some initial problems associated with reporting budgets in the correct format and in accordance with accounting practices described in the Project Document (although there is not suggestion or indication of any financial mismanagement). The initial budget presented at the first RSC meeting showed a deficit budget which is counter to accepted approach. Following discussions at RSC 1 this was addressed by the Regional PCU/EA.

The UNEP Fund Management Officer also indicated that the presentation of 'currency exchange losses' as a separate budget line would not be acceptable and these costs will have to be reallocated to the appropriate budget line costs. However at the time of the MTR mission, the Regional PCU reported that this request had not been passed from UNEP to the Regional PCU /EA. It is likely that currency fluctuation reporting will also be an issue with the UNDP funds disbursed to the demonstration projects. This should be summarised by the Regional PCU and discussed at the RSC with advice from the UNEP and UNDP Fund Management Officers on how this should be presented and addressed in future financial statements.

While the overall budget of the UNEP funded activities has not been changed, however there have been some considerable changes between budget lines. Although this has been 'approved' by the RSC (recording in the minutes UNEP's concerns on the deficit budget presented in RSC 1) it is not

clear to the MTR if these changes have been approved/authorised by UNEP. The UNEP Project Document does (paragraph 194) indicate that changes in excess of 20% on budget sub lines require authorisation by UNEP. Whilst this does not affect the performance of the project it is desirable that these changes are formally presented by the EA to UNEP and approved.

The Regional PCU had also faced challenges in addressing the need for national demonstration project audits. This necessitated a last minute rush to comply with deadlines. The UNDP Fiji MCO indicated that there was some misunderstanding on the timings of the audit (although the requirements and specifications were stated in the UNDP Project Documents) however an effective solution to the demonstration project audits was developed by the UNDP Fiji MCO and the Regional PCU/EA to ensure that national projects are audited effectively in future.

There is a need to ensure that the budget changes (see Table 4 for the anticipated changes in the UNEP budget lines) approved by the RSC are formally accepted by the IA. There is a responsibility on the EA to ensure that the request is prepared in the correct format with appropriate justification and approved as this has already been presented (and agreed) at RSC 3 involving both IAs.

**Table 4: Summary of UNEP Project Document and RSC 3 budget per overall cost codes.**

UNEP code	Activity	ProDoc Budget	RSC3 Budget	Difference	%age change from ProDoc
<b>10 Project Personnel Component</b>					
1199	Project Personnel	1,508,000	1,130,371	377,629	33
1299	Consultants	48,900	20,000	28,900	145
1399	Administration	0	100,513	100,513	100
1699	Travel	105,500	216,702	111,202	51
<b>1999</b>	<b>TOTAL</b>	<b>1,662,400</b>	<b>1,467,586</b>	<b>194,814</b>	<b>13</b>
<b>30 Training Component</b>					
3299	Group training	174,297	109,543	64,754	59
3300	Meetings	165,500	356,044	190,544	54
<b>3999</b>	<b>TOTAL</b>	<b>339,797</b>	<b>465,587</b>	<b>125,790</b>	<b>27</b>
<b>40 Equipment and Premises</b>					
4199	Expendable equipment	20,000	27,526	7,526	27
4299	Non expendable equipment	33,100	32,670	430	1
4399	Rent	10,000	4,876	5,124	105
<b>4999</b>	<b>TOTAL</b>	<b>63,100</b>	<b>65,072</b>	<b>1,972</b>	<b>3</b>
<b>50 Miscellaneous</b>					
5199	O&M equipment	12,500	19,780	7,280	37
5299	Reporting	15,000	0	15,000	
5399	Sundry	15,000	7,984	7,016	88
5599	Evaluation	190,000	190,000	0	0
<b>5999</b>	<b>TOTAL</b>	<b>232,500</b>	<b>217,764</b>	<b>14,736</b>	<b>7</b>
	Fees & exchange gains/losses		81,788	81,788	



	<b>TOTAL UNEP</b>	<b>2,297,797</b>	<b>2,297,797</b>	<b>0</b>	<b>0</b>
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### Pacific IWRM Co financing

A debate at RSC 3 was held on the inclusion of co financing for a water utility investment in Papua New Guinea following the withdrawal of their national demonstration project. However it was agreed by the RSC to continue to account for this co financing (approximately US\$ 32M) as Papua New Guinea had been actively trying to establish their national demonstration project at the time the water utility construction was completed. It will be important that the EA/Regional PCU (with support of the IAs) summarises the difficulties encountered with this demonstration project and the lessons learned for the benefit of future GEF IW projects.

A summary of the co financing planned and achieved to date is presented in Annex 6<sup>33</sup> of this report. It has been clear during the MTR mission that additional co financing from national and regional initiatives has been obtained from the interviews with national projects and stakeholders (for example, in the Republic of the Marshall Islands, additional national resources are being used to complete work initiated by the EU activities to develop national IWRM plans, and as reported by IUCN – additional US\$ 90k funds from the Dutch Government for EIA training in Nadi Basin in Fiji and US\$ 48k from JICA in the Solomon Islands for aquatic ecotourism) but this information has not yet been assembled by the national demonstration or regional projects. The MTR recommends an even more proactive approach by the Regional PCU to identify additional resources that are being deployed in the implementation of the project.

### National Demonstration Project finance planning and financial management

Common to many GEF IW projects, the needs of financial management and reporting have proved very demanding and complex to the individual national demonstration projects. The Regional PCU has devoted significant effort to assisting (providing specific guidance and coaching in completing national demonstration project financial reports at the workshops linked to the RSC meetings, for example) and facilitating the work of financial reporting by preparing a linked spreadsheet to ensure costs codes and approach are consistent. This software tool was repeatedly complimented as an effective reporting aid by the three national demonstration projects visited on the MTR mission, and will be an important lesson for the Regional PCU to disseminate for the benefit of other GEF IW projects. The projects also faced a number of challenges which have been accommodated (through capacity building and adopting more flexible approaches by the Regional PCU and UNDP).

The demonstration projects have struggled (as reported to the MTR) with the UNDP procurement rules of requiring that 80% of funds have been spent prior to replenishment. The main issues associated with this (and reported to the MTR mission) included: the funds did not arrive in country until late in the quarter (by the second month) leaving little time to make payments; slowness of national financial administration departments/ministries, project staff working on the basis of

<sup>33</sup> During the Project Inception phase the Regional PCU identified that US\$83M co financing had been provided in commitment letters. The figure of US\$90M presented in the Project Document appears to be erroneous and resulting from a mistaken double counting of national contributions at the time of submission.

financial 'commitments' as opposed to the 'cash' position, etc. This was raised at several RSC and a compromise reached whereby 60% was required to be spent by project prior to replenishment.

The PCU reported that, overall, the national demonstration projects had spent 47% of their budget (based on cash position) with over 60% of the budget committed (as of December 2011). This is in line with the estimates of project progress given in Table 3 which indicates that Component 1 is about 50% complete.

The main problems that have been encountered:

- An understanding of cash versus commitments by national demonstration projects;
- National PCUs reportedly faced problems in assuming that payments have been made when they have authorised payments (with a likely cause identified were during the discussions: inter department communications between finance ministries and the lead agency) leading to an apparent audit difference between the national project managers understanding of the budget and the actual level of disbursement;
- Demonstration projects also faced challenges in obtaining formal receipts/invoices for some services purchased. For example in Fiji the hiring of horses from local farmers to carry the rain and water gauges to remote locations has proved difficult. While a robust approach to financial management is essential, it is clear that in 'development' situations there should be some flexibility to the financial rigour expected.
- The UNDP requirement to have disbursed 80% of the advance cash funds on a quarterly basis before further advance payments are eligible caused difficulties for a number of projects met. These projects reported that there was a significant time lag between the request for advance payment and payment being received by demonstration projects – comments received by the MTR indicated that the delay could be as much as 2 months in a quarter leaving only one month for payments. This has been reduced to a figure of 60% with corresponding commitment to speed up the transfer to the projects by UNDP Fiji MCO;
- Delays were encountered with the need for all demonstration projects to submit compliant financial statements before any UNDP transfers were made (although this is a useful 'peer pressure' tool for the Regional PCU to ensure all demonstration projects reported on time.

### Co financing for National IWRM Project Activities

Based on the material presented at the RSC 3 the following estimates can be made regarding co financing for the national demonstration projects.

Table 5: Summary of Co financing (cash and in kind) for Component 1

Country	Amount Committed US\$	Amount Realised (RSC 3) US\$
Cook Islands	1,654,434	1,354,352
FSM	8,853,796	3,626,400
Fiji	4,544,987	1,588,000
Nauru	1,615,791	580,000 Note 1

Niue	3,060,100	1,715,100
Palau	1,899,500	796,314
PNG	33,161,885	Note 2
RMI	3,302,583	1,326,250
Samoa	2,037,000	1,808,000
Solomon Islands	1,943,797	1,366,761
Tonga	9,720,000	176,500 note 3
Tuvalu	3,117,200	1,965,000

**Notes:**

- 1: This figure was estimated by the MTR as the list of co financing had not been summed in the draft minutes of RSC 3.
- 2: The RSC 3 draft minutes show that the meeting had agreed to include approximately US\$ 32,000,000 for the construction of a water treatment facility as co financing as per the Project Document.
- 3: There was no update on US\$ 8,500,000 of Government cash and in kind investments

The national demonstration projects were funded through GEF funds (via UNDP) and significant national (US\$ 24 M) and other (US\$ 59 M) co financing. Based on the assessment of co financing (see Annex 6) over 50% of the expected co finance for the national demonstration projects has materialised at the time of the MTR.

### 3.5.6 UNEP/UNDP supervision and backstopping

The UNEP/UNDP/GEF Pacific IWRM Project has received support from UNEP and UNDP on financial and administrative issues of the project. The project is overall rated as **Satisfactory** with regards to *UNEP/UNDP supervision and backstopping*.

UNEP, as the lead IA, participates along with UNDP at the annual RSC. Technical supervision is undertaken by the UNEP GEF Task Manager (based at the Regional Office for Asia and Pacific in Bangkok), the UNDP GEF Regional Technical Advisor (based at the UNDP Asia Pacific Regional Centre in Bangkok) and the UNDP Fiji Multi Country Office. Financial supervision is undertaken by the UNEP Fund Management Officer in Nairobi and by the UNDP Fiji MCO for the national demonstration projects.

Discussions and questionnaires returned by the UNDP Fiji MCO indicate that they consider this project to be 'exceptional with transforming results in at least four Pacific Islands', and that the project is on target to achieve its objectives as set out in the project document and will assist with achieving a number of MDGs targets within the region. However UNDP recognises that the project has had delays due to financial reporting and issues associated with audits linked to UNDP timelines (see Section 3.5.5 Financial Management). With RSC approval, UNDP has demonstrated a flexible (adaptive management approach) to financial reporting by relaxing the 80:20 rule associated with fund disbursement to 60:20:20 in each financial reporting quarter. Significant progress has been achieved by UNDP Fiji MCO in reducing the time lag experienced by national demonstration projects with no current (Q1 2012) outstanding acquittals.

The UNEP Fund Management Officer has also raised issues over financial reporting over the initial regional project budget presentation. Issues associate with budget presentation (showing a deficit representing other costs associated with undertaking the project) were raised by UNEP at the first RSC meeting. The budget presented and agreed at the RSC meeting is consistent with the overall UNEP budget but there still seem to be a number of issues that have to be resolved jointly by the EA and UNEP and finally approved by the IA. Some of these initial concerns have been addressed,

although the shifts between budget lines approved by the RSC3 which still requires formal acceptance by UNEP.

Significant attention at the RSC meetings has been directed to the question of the IA fee (10% as approved by the GEF). This was raised and discussed at both RSC 2 and RSC 3 when the IAs were invited to give an explanations of the fee. It is unclear why this issue has become so contentious and repeatedly raised in this project, especially as it is not part of the main project budget but a cost to the GEF. The MTR considers that it would have been beneficial if the 'IA' fee had been clarified with the PICs, EA and other stakeholders prior to project start.

Requests were made during the MTR by stakeholders for a higher visibility of the IAs within the region for this project, rather than just 'attending' the RSC, for example by having more in country visits to assist with programme development etc. There was also concerns raised by some stakeholders (not project or EA staff) that due to the significant quantity of background material prepared for the RSC that the IAs were not able to familiarise themselves sufficiently with all the outputs and other documents for the RSC. The suggestion was made to the MTR for a more succinct digest of the pre meeting documents to be prepared to brief all participants. This issue could further be assisted by ensuring that the RSC material is distributed sufficiently early by the Regional PCU.

## 4 Conclusions and Rating

In response to the key questions asked in the MTR's ToR (Annex 1) the following summary conclusions can be made:

### 1. Is the project on track to meet its objective?

On the basis of the key assessments (see Section 3.1) the project is on track to meet its overall objective (subject to concerns raised about Component 3 and completion of these tasks by the GEF funded components). The demonstration activities are considered by UNDP Regional Office to be 'exceptional'.

The only significant concern raised by this MTR is on the extent that the GEF Regional Project can ensure that the work of Component 3 (development of IWRM plans and WUE policies) is effectively linked with the work of the national demonstration projects and leads to national roadmaps for IWRM implementation.

### 2. Is the project likely to contribute to the achievement of the MDG targets for water supply and sanitation?

UNDP Fiji MCO reported progress on MDG Goals 1, 3 4, 5, 6, 7 and 8 with regards to UNDP's portfolio in the region and specifically on the transformations on at least four Pacific Island Countries in their water policy, watershed management, composting toilets and improving awareness of IWRM in their communities, including:

- MDG 1: This has been done through watershed management improving access to clean water
- MDG 3: Although not articulated in the project document, we have been reporting on the gender disaggregated data showing an improvement in the ATLAS software. The logic is half the members of the communities are women and children, therefore any positive spin offs affects these communities.
- MDG 4: Child mortality although not directly linked would be indirectly impacted with the drafting and gazetting and implementation of water use policy in national frameworks. Improvements water management also has an indirect result improving child mortality.
- MDG 5: Improved water management nationally in the various demo sites will indicate an ease in flood prone areas along with better water management, therefore improving maternal health. The access to water facilities as provided by IWRM projects in its various demo sites is a consequent improvement in maternal health.
- MD 6: the same as the above.
- MD 7: Improved watershed management and water use/management has improved demo sites whereas it did not exist before.

- MDG 8: SOPAC SPC has begun partnerships with Caribbean communities as a way of sharing solutions with communities facing similar challenges. The problems are local ones, and the solutions are global and universal through the implementation of the IWRM project with SOPAC SPC.

### 3. To what extent is the project aligned with the GEF PAS?

The Project Goal is aligned with the goal of the GEF PAS: *to contribute to sustainable development in the Pacific Islands Region through improvements in water resource and environmental management*. The project's activities (both the national demonstration projects and the regionally focused actions to assist PICs implement IWRM plans and WUE policies) will lead to improved natural resources/environmental management, and specifically, will assist with sustainable water management. The project will also assist with the GEF objective of improving the protection of freshwater resources and reducing pressure from pollutants (and sediments) on coastal and marine waters.

The project, through the operation of 12 national demonstration projects, aims to provide local benefits leading to long term sustainability and water security, national and regional policy reform, and an improved natural resource base wider than water alone. The replication and scaling up plans being developed from lessons learned in implementing national IWRM demonstration projects will form part of national IWRM Plans aimed at ensuring selected issues and actions included in planning of future investments in freshwater, coastal management, and climate change are of priority from the perspective of achieving national, regional, and global environmental benefits. It is anticipated that these national IWRM Plans will be used to develop a "Pacific Framework for Water, Sanitation and Climate" aimed at guiding major regional investment and assistance programmes in this critical sector for Pacific SIDS. These objectives and planned outcomes of the project are in line with the GEF Pacific Alliance for Sustainability which aims to improve efficiency and effectiveness of GEF support to the PICs via the aggregation national programmes at the regional level to scale up GEF impact throughout the Pacific.

### 4. Have the demonstration projects effectively initiated and functioned (based on a participatory approach) to remove barriers to implementation of IWRM and WUE at the local level (Component 1)?

The demonstration projects were designed with a wide participatory approach. The design phase (PDF B) resulted in a detailed analysis report that was the basis of the proposed national and regional project activities. While the national demonstration projects have taken longer to initiate than expected (recruiting national PCUs etc.) 12 out of the planned 13 projects are progressing according to agreed plans. There has been significant focus on developing national project steering committees and/or 'basin committees' that will also offer a long term mechanism for future sustainability of the project's activities. Examples of the efforts to engage stakeholders and to include key sectors have been seen during the MTR's mission to the region. The national demonstration projects are working to completion by December 2013 and it is important that this deadline is maintained. Currently this is also the deadline for completing the Regional Project (as presented at RSC 3) and it is a

recommendation of this MTR that the regional Project is extended to enable the many results from the national activities to be effectively compiled and disseminated.

During the MTR mission climate change impacts were raised a number of times by both project staff and senior governmental officials as a concern. This issue has increased the awareness and acceptance by all stakeholders of the need to improve water resource management as seen in the Fiji demonstration project in Nadi. This demonstration project is aimed at reducing flood risk and increasing flood preparedness through integrated land and water management approaches within an IWRM framework. Preliminary results from the initial installation of water level and rain gauges provided by the project throughout the catchment were effective in giving sufficient advance warning to the population in Nadi of pending floods in January 2012, especially compared to the impacts of the 2008 floods where considerable impacts resulted. The benefits of the project's work to date (addressing also improved land use approaches as alleviation) were stressed by Commissioner Western in Fiji, where the importance of IWRM was emphasised as being of great importance within the administration as a means to mitigate floods and their impacts.

**5. Has the process of IWRM indicators and monitoring been effectively implemented (Component 2)?**

The work in developing the regional indicator framework has been slower than planned although the approach has now been presented to, and approved by, the RSC and is expected to be utilised at the regional and national level. This work will also enable the national demonstration projects to compile baselines using a common and agreed approach. It is important that the momentum in developing the indicator framework is maintained and even more effort should be to ensure a good understanding of the processes involved, the benefits and use of this data. During the MTR's mission there was some uncertainty by both national project teams and stakeholders of the importance and potential benefit of this component, which is likely to stem from a lack of awareness on this topic, and consequential a need for Components 2 and 4 to assist further in explaining the value of the indicator framework.

**6. Has the process of developing IWRM plans and WUE policies been effectively implemented (Component 3)?**

The development of national IWRM plans and WUE policies has been an important evolution from the GEF IWCAM project by linking national demonstration activities with policy development. The reduction of the GEF budget prior to approval led to this component being totally co financed (by the EU). The work has certainly achieved significant advancements as testified by the results presented in reports, however the reaction from national representatives of this work given to the MTR was mixed. Clearly the planned output of developing IWRM plans and WUE policies has not been universally achieved and it will be very important that the regional components/PCU assists in finalising the development of roadmaps for IWRM implementation prior to closure of the project to facilitate any follow on GEF project in this region. Any follow on activity is likely to further build on SOPAC's position as a regional body supported by the countries as an organisation with an appropriate overview of the subject and the region.



**7. Has the process to ensure sustainable IWRM and WUE capacity development been effective Component 4)?**

At both the regional and the national level considerable effort has been directed to increasing capacity and awareness of practitioners and stakeholders in IWRM and WUE. Exchanges through the twinning programmes and the post graduate qualification training have also strengthened the regional co operation

**8. Has the process in developing a partnership mechanism to measure effects of investments and management actions been effective?**

The Regional PCU is encouraging the national demonstration projects to report co financing and other key national activities on a quarterly basis. This tracks the progress to meeting the obligations of co financing but also helps setting up mechanisms to monitor and assess future co operative actions. The national demonstration projects are also important to developing longer term sustainability plans for IWRM and WUE concepts by providing positive examples of good practices and the benefits from these actions. It will be important that such issues (sustainability and replication plans) are included in the final reports from the demonstration projects and that these are summarised and disseminated across the region by the Regional PCU when completed.

**9. Has there been an effective regional/national co ordination mechanism established?**

The Regional Steering Committee meetings have been an effective means to supervise the overall project and, through more of a workshop environment, provide opportunities for capacity building on project management issues. There is a need to ensure that the material to be discussed by the RSC is distributed sufficiently early for participants to absorb and that the minutes are distributed quickly after the meeting to allow comments and actions to be implemented.

The RSC operates over five days – long by GEF IW standards, but the cost (flights and time) of travel within this region necessitate getting the maximum benefits out of these annual meetings. However the Project utilises the opportunity of the RSC to conduct other training and awareness raising exercises to the benefit of the project, with the ‘formal’ part of the RSC being conducted over 1 – 2 days. The Regional PCU cited that the ‘Clinics’ offered at the RSC, where PICs could meet and address specific issues of concern with the IAs, EA and Regional PCU.

The RTAG is considered less successful, primarily as there was insufficient budget allocated to fund this body and meetings of the RTAG are held in the margins of the RSC. The work of the RTAG (to date and planned) is considered important and if a mechanism could be found to increase the number of meetings this would be considered beneficial by stakeholders. At a national level, various committees have been established to oversee the progress of the demonstration activities that are likely to continue as long term management bodies for the water body (examples include the Laura Lens Committee in RMI and the Nadi Basin Co ordination Committee in Fiji).



Specifically, the following conclusions have been drawn by the Mid Term Review under the headings of:

- **Project Design:**
  - A strength of this project has been the extensive input from stakeholders in the design of the demonstration projects and the robust situation analysis undertaken.
  - The loss of originally planned GEF budget from regional activities and in particular in supporting the work of Component 3 (developing IWRM plans and WUE policies) is considered by the MTR to have been detrimental to the overall objective of this project.
- **Project Management and Oversight**
  - The decision by SOPAC (the EA) to have separate management units for the EU and the GEF funded activities was considered by the MTR to have been less efficient than a single PCU.
  - Insufficient funds were originally available for the RTAG and the Regional PCU should make a recommendation to the RSC to indicate the level of resources necessary for this body to fulfil its expected tasks.
  - Local inter ministerial (or inter sectoral) committees as created in Fiji are considered as effective and a means to assist in ensuring that the actions and processes are sustained post project. However there is little (or no) clear commitment for resources to sustain these activities post project at the MTR stage. Additional efforts should be placed on identifying and securing funds to sustain future workplans by the national demonstration projects (with the support of the Regional PCU/RSC/IAs where needed) as an element of the final report of these projects.
  - The initial project budget identified resources for key project staff only for the first 3 years – this has now been addressed and the PCU is funded for the expected duration (60 months) of the project. However, the concern for many projects is how to retain staff as the activities near an end and to ensure that there is effective closure of the project. It is obvious that most project staff are on time limited contracts and inevitably as the contract nears and end then their attention is likely to be diverted to finding the next employment, and this new employment may start before the current project is completed. Persuading staff to remain to the very end is clearly a challenge and innovative solutions (e.g. golden hand cuffs) need to be investigated. This issue has been raised by both the Regional PCU and the EA (SOPAC) as a concern for the Pacific IWRM Project. This should be considered as a trial that could be applied to other GEF IW projects if successful. It is suggested that SOPAC and the Regional PCU explore means within existing budgets to maintain critical staff levels to the conclusion of the project. Lessons learned from this exercise will be of benefit to the wider GEF IW community.
- **Project achievements**

- A key success of this project is to have progressed 12 out of 13 national demonstration projects effectively. This has been achieved by the Regional PCU and national teams together but it is clear that without the strong driving force from the Regional PCU it would have been less effective.
- The development of an indicator framework has been completed and approved by the RSC. This is now being utilised to determine project baseline parameters and to be utilised in the routine M&E and reporting activities;
- Considerable progress has been made in assisting countries with developing IWRM plans and WUE policies, particularly with regards to water allocation. While this work has not been completed (and the funding ending in June 2012) this is still an important achievement although it is essential that the GEF Pacific IWRM Project makes efforts to finalise this work;
- All the regional and national activities have been underpinned by a coherent approach to improving the capacity of regional/national stakeholders to implement IWRM and WUE policies. Of specific importance from the MTR's assessment have been the innovative Post Graduate IWRM course and the twinning activities and these have had direct benefits on the national demonstration projects (e.g. Samoa: the use and protection of riparian buffer strips have been directly influenced by the course). These have also strengthened the networks of 'IWRM practitioners' between PICs – a key benefit in a region where technical resources are limited and sharing information and knowledge is a significant benefit in this large transboundary location.
- **Stakeholder Engagement**
  - The project (nationally and regionally) has effectively mainstreamed stakeholder involvement in to all activities and this can be seen in the level of support for the national activities (and increases in IWRM awareness).
  - Gender information is collected (disaggregated data) and the project's approach considers all stakeholders.
- **Monitoring & Evaluation**
  - The project has a detailed component on developing indicators as an important activity within the overall M&E approach. This framework is currently being used to help establish baselines within the 12 national demonstration projects.
  - The regional (and national) projects compile periodic and annual reports as required and also prepare detailed PIRs (the results from the national projects are compiled by the Regional Project for submission to UNEP and UNDP)
- **Replication and Sustainability**
  - As in all projects, ensuring national budgets to sustain the projects' work is a challenge. This view was expressed repeatedly to the MTR with limited possibilities

considered available for private sector investments (although these are actively being followed in Fiji, for example with the tourism sector). However the significant national in kind co financing provided to the national demonstration projects is encouraging, as was the positive statements made to the MTR during the mission regarding up scaling and replicating actions in all three countries visited.

- **Cross cutting issues:**

- A pilot gender training workshop was held in Tuvalu. The project has encouraged discussion forums following gender mainstreaming courses within the region that have focused on participant led discussions of gender roles within water management in a number of PICs (e.g. Fiji and Samoa). The gender mainstreaming sessions provided to all PICs assisted the RMI demonstration project in an initiative to appoint the First Lady as National Water and Sanitation Champion.
- A key major threat (and equally a driver for adopting IWRM plans and WUE policies) is climate change – clearly a significant concern in SIDS with low water resources and often little protection from major storms and sea water rise. It is expected that by the end of the project all the demonstration projects will have identified approaches to mitigate and adapt to extreme weather events (reduced flooding, improved water resource protection or quantity, etc.) that will not only benefit the specific location of the national demonstration but the wider country and the region. This final dissemination and sharing of experiences is considered to be of great importance to the regional success of the project by the MTR leading to the recommendation that the Regional PCU completion is extended.

Table 6: Mid Term Review Ratings

Criterion	Reviewers' Summary Comments	Reviewer's Rating
<p><b>Attainment of project objectives and results (overall rating)</b></p> <p>Sub criteria (below)</p>	<p>Overall the Project has made satisfactory progress towards the overall project objective. The four components are rated:</p> <p><b>Component 1: S</b>  <b>Component 2: S</b>  <b>Component 3: MS</b>  <b>Component 4: S</b></p>	S
Achievement of outputs and activities	<p><b>Component 1: S.</b> Impacts have been reported with potential replication/ up scaling planned.</p> <p><b>Component 2: MS.</b> Although this component has been delayed, the indicator framework has been delivered /approved by RSC and the process of collecting project baseline information is now in progress</p> <p><b>Component 3: MU.</b> This component has not yet achieved the expected outputs. The component is 100% co financed and this funding is effectively ended. The Pacific IWRM Project will need to find adaptive means to further assist PICs develop the expected IWRM plans and WUE policies.</p> <p><b>Component 4: S.</b> A wide range of capacity building exercises have been undertaken which helps to underpin both the national demonstration projects and the regional/national activities.</p>	S
Effectiveness	<p><b>Component 1: S:</b> 12/13 planned demonstration projects being implemented and progress reported on a quarterly basis.</p> <p><b>Component 2: S:</b> Although slightly delayed this has now prepared important guidance and structure for reporting indicators (and progress)</p> <p><b>Component 3: MS:</b> The component has implemented a wide range of planned activities although a key element for the GEF Pacific IWRM Project (assisting PICs to develop IWRM plans) has not been completed</p> <p><b>Component 4: S:</b> Key outputs have included the twinning between PICs, the post graduate IWRM course, inter regional co operation, etc. that have assisted with strengthening capacity in the region</p>	S

Criterion	Reviewers' Summary Comments	Reviewer's Rating
Relevance	<p><b>Component 1: HS:</b> The national demonstration projects were designed with a wide stakeholder involvement nationally and are in line with PICs priorities</p> <p><b>Component 2: S:</b> The development of national/regional framework of indicators to assess will be of significant importance for the future management of water resources.</p> <p><b>Component 3: HS:</b> This component is considered to be highly relevant to the PICs in developing and strengthening approaches to IWRM and WUE.</p> <p><b>Component 4: S:</b> The region has a shortage of capacity for IWRM and WUE and this component assists with strengthening available regional resources.</p>	S
Efficiency	<p><b>Component 1: S:</b> The national demonstration projects are considered to be approximately 50% complete at the mid point.</p> <p><b>Component 2: MS:</b> Although delayed the component has now satisfactorily delivered the indicator framework</p> <p><b>Component 3: MU:</b> This component is effectively ended with some remaining actions still to be completed.</p> <p><b>Component 4: S:</b> This component is estimated at being about 80% complete and through the training activities has made a valuable contribution to the overall IWRM and WUE capacity in the region.</p>	S
<b>Sustainability of Project outcomes (overall rating)</b> <b>Sub criteria (below)</b>	Initial signs of replication through national actions are visible.	ML
Financial	As in all GEF IW projects, financial resources are always a challenge. At both the national level (through demonstration projects) and the regional level (through EA and IAs) additional financial resources are being sought. Some successes are seen at the national level with options to up scale project activities.	ML
Socio Political	The project has worked closely (both in preparation stage and now in implementation) with governments and communities. There is wide support as experienced by the MTR for this project's activities.	ML
Institutional framework and governance	The execution of this project through SOPAC is considered to be an important aid to the sustainability of the actions undertaken. As a regional body with good national support SOPAC is well placed to continue to guide and assist PICs with implementing IWRM plans and WUE policies.	ML

Criterion	Reviewers' Summary Comments	Reviewer's Rating
Environmental	The national demonstration projects actions are expected to have an on going benefit on the environment.	L
<b>Monitoring and Evaluation (overall rating)</b> Sub criteria (below)	The overall M&E was well designed and met the GEF SMART criteria. The project benefits from a component dedicated to developing an indicator framework that will both assist the project and provide a mechanism for potentially long term monitoring	S
M&E Design	The Project Documents contained an appropriate design for M&E	S
M&E Plan Implementation	M&E activities were well integrated to the main elements of the work programme. The RSC meetings were used for reviewing progress and, through adaptive management processes, make recommendations to modify the programme (e.g. reallocation of funds between demonstration activities). The Regional PCU also required all the national demonstration projects to implement a detailed M&E plan.	S
Budgeting and Funding for M&E activities	The project has undertaken the tasks expected according to the design.	S
Long tem monitoring	The Project, through the development of regional / national indicator framework, has a mechanism to enable the PICs to continue to report progress on IWRM and WUE indicators post project (subject to national will)	S
Catalytic Role	Up scaling / replication of some national demonstration project activities are being planned.	S
Preparation and readiness	The overall project was well designed with a comprehensive PDF B stage. The national demonstration projects received considerable attention involving broad stakeholder input. Some delays in appointing national project teams were encountered.	S
Country ownership / driveness	The Pacific IWRM project overall is well aligned to the regional issues in the Pacific. The national demonstration projects (having been largely developed in country) are also in line with national needs and priorities.	S
Implementation approach and adaptive management	The execution of the project through SOPAC is considered by the MTR to contribute to the potential sustainability of the project's activities. The MTR considered that it would have been more efficient to have had a single PCU for both the EU and GEF funded activities, although it is clear that the two PCUs strived to co ordinate and ensure the synergies between the national demonstration projects and the development of IWRM plans and WUE policies were	S

Criterion	Reviewers' Summary Comments	Reviewer's Rating
	maintained.	
<b>Stakeholders involvement</b>	Stakeholders have been actively involved since the project design stage and continue to be a key focus for the regional and national activities. The benefits from the wide representation of stakeholders can be seen with the operation of basin committees and communities committees to both oversee national demonstration projects and to potentially continue the work post project	<b>HS</b>
<b>Financial planning</b>	The project has had a strong emphasis on financial planning/reporting at both the regional level and through the national demonstration projects. The demands of the financial reporting at the national level has been a challenge but the Regional PCU as provided significant assistance and through a flexible approach to replenishment of project resources adopted by UNDP some of the initial problems faced by the projects have been overcome. The RSC is presented annually with a detailed UNEP budget and has recommended changes to budget lines to reflect the work programme requirements. However, these changes have still to be formally presented by the EA to UNEP and approved.	<b>MS</b>
<b>UNEP&amp; UNDP Supervision and backstopping</b>	UNDP and UNEP participated at the annual Project RSC. UNDP Fiji MCO provided assistance and oversight to the national demonstration projects (via SOPAC as aEA).	<b>S</b>
<b>Overall Rating</b>	The MTR considers that this project, through good design, management and country ownership with wide stakeholder involvement is on track to meet its overall objectives. The only area of significant concern is to ensure that the project completes the assistance to countries in the development of IWRM plans that has been initiated through the EU co finance. Successful completion of the IWRM plans (together with road maps for implementation) together with the national demonstration project results and the indicator framework will be an important pre requisite for any follow on GEF activity to assist with IWRM implementation.	<b>S</b>

## Explanation of ratings<sup>34</sup>

### Rating of project objectives and results

- **Highly Satisfactory (HS):** The project had no shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.
- **Satisfactory (S):** The project had minor shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.
- **Moderately Satisfactory (MS):** The project had moderate shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.
- **Moderately Unsatisfactory (MU):** The project had significant shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.
- **Unsatisfactory (U)** The project had major shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.
- **Highly Unsatisfactory (HU):** The project had severe shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

**Note:** Relevance and effectiveness will be considered as critical criteria. The overall rating of the project for achievement of objectives and results may not be higher than the lowest rating on either of these two criteria. Thus, to have an overall satisfactory rating for outcomes a project must have at least satisfactory ratings on both relevance and effectiveness.

### Ratings on sustainability

- **Likely (L):** There are no risks affecting this dimension of sustainability.
- **Moderately Likely (ML):** There are moderate risks that affect this dimension of sustainability.
- **Moderately Unlikely (MU):** There are significant risks that affect this dimension of sustainability
- **Unlikely (U):** There are severe risks that affect this dimension of sustainability.

All the risk dimensions of sustainability are critical. Therefore, overall rating for sustainability will not be higher than the rating of the dimension with lowest ratings. For example, if a project has an

### Ratings of project M&E

- **Highly Satisfactory (HS):** There were no shortcomings in the project M&E system.
- **Satisfactory(S):** There were minor shortcomings in the project M&E system.
- **Moderately Satisfactory (MS):** There were moderate shortcomings in the project M&E system.
- **Moderately Unsatisfactory (MU):** There were significant shortcomings in the project M&E system.
- **Unsatisfactory (U):** There were major shortcomings in the project M&E system.
- **Highly Unsatisfactory (HU):** The Project had no M&E system.

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<sup>34</sup> As provided in the MTR's ToR – Annex 1



All other ratings will be on the GEF six point scale (HS – HU).

## **5 Lessons Learned**

At the mid term of the Pacific IWRM project several important lessons and experiences have been identified. These are presented below:

### **Design, implementation and management of national demonstration projects involving wide stakeholder engagement and regional co operation**

Significant effort went into the PDF B stage to design the national demonstration projects. Detailed stakeholder consultation was undertaken together with the preparation of comprehensive diagnostic analyses leading to the proposed project. The effort at this stage has resulted in well targeted activities with significant national relevance and interest. The importance of this stage is also reflected in the level of co financing attracted to the demonstration projects – and the on target delivery of this co financing. Clearly the demonstration projects were ‘country driven’ which improves the likelihood of both sustainability and replication. As indicated elsewhere, there have already been positive signs of (or potential for) up scaling/ replication of national demonstration projects in RMI (increasing the number of portable pig pens), Samoa (extending the approach of catchment management to the whole island) and Fiji (expanding the rain and water monitoring stations together with improved catchment management to adjacent river basins).

Where there was slight misalignment between project activities and expectations (for example in RMI, see below – stakeholder involvement) these were resolved by community consultation. The Regional PCU has also demonstrated the importance of proactive management to assisting the demonstration projects’ inception and implementation phases by giving guidance through training activities and support material to ensure a common approach. Where there have been additional difficulties with demonstration project technical and financial management the Regional PCU has further assisted by working with national stakeholders to restructure projects to meet the requirements of the Pacific IWRM project (as with the Cook Islands, Vanuatu and Federated States of Micronesia).

The Project has encouraged regional co operation through many of its activities (e.g. twinning programme, post graduate IWRM course, etc.)and these are seen by the MTR as an important vehicle to assist sustainability through mutual co operation. Examples include:

- Co operation between Republic of the Marshall Islands and Tuvalu on composting toilets;
- Use of the ‘network’ established between the 15 post graduate IWRM students to discuss implementation of national demonstration projects (reported to the MTR in Samoa);
- Support was provided by FSM (Pohnpei Utilities Corporation) to Vanuatu to address the government utility improve their water distribution network and exchange/share experiences.

### **Achieving wide stakeholder involvement and supporting gender mainstreaming**

Stakeholder engagement is a central part of all GEF IW projects. The Pacific IWRM Project has pushed the concept of involvement from 'ridge to reef and community to cabinet' at all levels of activities. From the design phase (see above) through the project implementation (formation of community based committees – e.g. RMI where community surveys indicated very high levels of support for the project work, and river basin committees on Fiji) and by embarking on an extensive programme of capacity building for a wide range of interested stakeholders. The Pacific IWRM Project website is also seen as a very proactive tool for engaging stakeholders. This is more than just an 'information portal' but through, for example, the 'Kava Bowl' (a community discussion space on the website) is a means to involve stakeholders from across a wide geographical region. The importance of the information rich and topical issues on the web is seen as a key success of this project. Again the split of the GEF and EU IWRM project management has also resulted in two websites which detracts from the desire to present a coherent and single project or programme.

The Project has undertaken a number of initiatives to support awareness of gender issues by encouraging the collection of gender disaggregated data on stakeholders' involvement, promoting gender mainstreaming through IWRM, and including gender debates within the post graduate IWRM students on barriers and opportunities to greater gender equality in water management.

The Pacific IWRM project has identified a creative method of getting senior political involvement in the project and its activities. By inviting senior figures to be involved in making video recordings it has encouraged the political leaders to become both more aware of the issues (and potential solutions) offered by the Pacific IWRM Project and to be a motivating driver for the wider population by acting as a committed spokesperson for the solutions offered. Senior figures are unlikely to make recordings without a full background and in appealing to their electorate they will provide convincing performances and endorse the project's approach.

### **The benefits of strong Supervisory/Management/Advisory bodies**

The project has a number of supervisory and advisory bodies at both the regional level (e.g. RTAG and RSC) and the national level (project steering committees, community groups, river basin management bodies). The RTAG is intended to be a key technical advisory group and is expected to comment and provide direction on a wide range of issues, including the development and use of the indicator framework. While the RTAG has already met more often than planned, it is clear from the discussions during the MTR that these meetings are linked to other meetings (e.g. side meeting at the RSC) rendering the proceedings rushed in an already busy programme. The logic for holding the RTAG meetings in conjunction with other activities is down to insufficient budget for the RTAG. The key lesson here is that for the RTAG concept to be a major contributor and driver to the technical content of the project it has to be appropriately funded.

The duration of the RSC meetings (about 5 days) is seen as important lesson from this project. Having incurred the cost of assembling key project stakeholders it is considered highly beneficial to use their 'availability' to address a range of project related issues including an excellent opportunity to provide targeted capacity building. In addition to the comprehensive review of the technical activities and procedural issues (such as reallocation of funds) It is important that the RSC fully considers all aspects of the project's activities including the need to proactively review and comment on financial and management issues associated with project oversight. This will be especially important in reviewing recommendations in this MTR on extending regional activities to ensure that

the objectives of the project (including Component 3) are attained and the results from the demonstration projects are widely disseminated.

## **Planning and organising project reviews/evaluations**

The first discussions on this MTR were initiated at the RSC 3 meeting where participants identified that several weeks (if not months) notice were needed to organise national programmes for the review. The final programme for the MTR was only assembled a week before the mission began and a number of national stakeholders commented on the short warning. The lesson from this experience has been to initiate the planning of the terminal review/evaluation at least 3 months prior to the mission. Due to the difficulties of travel in the region (time taken and availability of flights), the MTR considers it would be beneficial if the planning followed the following steps:

- Agreement on demonstration sites to be visited;
- Regional PCU to define flight route with a start and finish at the PCU;
- Confirming national programmes and final intra regional flights;
- Obtaining flights (due to the regional complexity of flights the MTR considers it beneficial if the Regional PCU purchases the intra regional flights and the IA procures the international flight(s) to and from Fiji. An early agreement on this would also enable lower cost intra regional flights to be obtained for the precise routing and timing agreed)

For the MTR, three countries were visited to review progress on the demonstration projects and to obtain feedback on the Pacific IWRM Project from stakeholders. For the TE it is considered beneficial to visit at least six countries, ideally involving two evaluators. As indicated above, it is strongly recommended that the mission begins and concludes with meetings with the Regional PCU in Fiji and that sufficient time is allocated to these meetings to address all components of the overall project.

## 6 Recommendations

The Pacific IWRM Project is overall rated as 'Satisfactory' in terms progress to date. The MTR identified the following recommendations that is believed would further strengthen this project and ensure that the region is best placed for any follow on GEF activity.

### **Recommendation 1: Extension of the Pacific IWRM Project by 6 months to complete regional activities including the finalisation of IWRM plans and the dissemination of the national demonstration projects**

The current work programme anticipates that the national demonstration projects and the overall Pacific IWRM Project end in December 2013. Even if all the demonstration projects complete on time this would not leave any opportunity for the Regional Project to compile and disseminate the experiences and lessons from the national activities. The MTR believes that this will result in the loss of valuable information and fail to capitalise on the 'regional' nature of this project.

In addition, the original reduction in the budget for regional activities has limited the overall sharing of results and curtailed some of the other important regionally supported actions (e.g. twinning exchanges). There is also an important need to finalise the development of national IWRM plans and road maps for implementation that have not been completed by the EU funded activities.

Furthermore, the two countries that do not have demonstration activities (Papua New Guinea and Kiribati) need to be encouraged through regional activities in IWRM and WUE activities and the important regional lessons and experiences identified from the national demonstration activities are made available in these countries.

The RSC has defined a mechanism for reallocating unspent resources (and resources from under spending projects) and reallocating to other demonstration activities. The MTR recommends that by extending this redistribution mechanism to include supporting other project activities these resources (from the cancellation of the PNG project and reductions in any additional projects that are falling too far behind schedule) could be used to promote additional regional actions and to promote the dissemination of the experiences of the project across the wider Pacific region by the Regional PCU. This extension of the regional project and reallocation of funds between components will require modalities for funding to be established as the demonstration projects are funded via UNDP and the PCU by UNEP.

The MTR recommends that the Regional PCU is continued for approximately six months (to June 2014) and regional activities to promote sharing are further supported. The EA (SOPAC) together with the IAs (UNEP and UNDP) are recommended to identify mechanism to effect this extension and report to the next RSC on improving the ending of this important GEF Pacific IWRM project.

### **Recommendation 2: Developing a sustainability plan for IWRM and WUE approaches in the Pacific region.**

The current level of completeness of Component 3 (estimated at 50% by the Regional PCU) is of concern, especially as the EU funding activity will end in June 2012 with some critical tasks (e.g.

national IWRM plans) still pending. The EU funded activities have developed National Exit Plans on a country by country basis.

The Regional PCU should develop a strategy to both complete this task and to identify means to elaborate road maps for IWRM implementation as an aid to sustaining the important work undertaken by Component 3. A road map for IWRM implementation will also serve as an important output to assist with any follow on project from the GEF focusing on IWRM implementation, and this should form an element of the Pacific IWRM Project's overall 'Exit Strategy'.

**The MTR recommends that the Regional PCU develops a strategy to assist PICs complete the development of national IWRM plans and outlines for a road map for IWRM implementation. This should be presented to the next RSC for approval.**

**Recommendation 3: To develop a strategy to improve the utilisation the technical resources of the RTAG**

The level of funding for the RTAG is considered by the MTR has being too low to enable this body to deliver its expected impact in directing and advising the Pacific IWRM Project on technical issues. Additional resources were found at the start of the project to fully support the RSC it is also important that funds are found for the RTAG meetings. The RTAG has performed some important tasks (for example, reviewing the indicator framework proposed under Component 2) and can be expected to make further contributions towards the end of the project, including: assisting with identifying and highlighting important lessons, assisting with exit strategies, and aiding the IAs/EA with the development of a follow on GEF project towards IWRM implementation. An addition technical task should also be considered by the RTAG: to assist the Regional PCU to compile stress reduction information from all the national demonstration projects for reporting in the GEF Tracking Tool.

**The MTR recommends that the Regional PCU (in consultation with the RTAG) clarifies the resources needed (time and funding) to enable the RTAG to meet as required and to propose a means to reallocate sufficient funds to the next RSC for approval.**

**Recommendation 4: To integrate and better link the demonstration projects into the regional website.**

The Pacific IWRM Project has developed a very active and informative website. This could be further enhanced by including more information regarding the national demonstration activities (currently only four (RMI, Fiji, FSM and Cook Islands) are linked to the regional website) and other national activities associated with the overall project. Making this information more widely available will also assist with the points in recommendation 1 to further disseminate the activities supported (or related) to the Pacific IWRM Project.

**The MTR recommends that the Regional PCU, together with the national project teams and national focal points makes this additional information available to the wider region, in addition to utilising the resources of the GEF IW:LEARN project.**

**Recommendation 5: To continue to record co financing delivered to the project at both the regional and national levels.**

The national demonstration projects and the regional activities collect and report co financing delivered against the Project Document figures. It was evident during the MTR that the Project continues to attract positive attention and new co financing is apparent. In addition to welcoming the additional co financing it would be beneficial if the Regional PCU could identify the rationale behind the additional finance to provide lessons for other projects.

**The MTR recommends that the national demonstration project managers and the Regional PCU continue to track pre agreed commitments and to collate and report new co financing.**

**Recommendation 6: To improve the understanding by stakeholders of the indicator framework under development**

During the MTR's mission there was some uncertainty by both national project teams and stakeholders of the importance and potential benefit of this component. This is likely to stem from a lack of awareness on this topic, and consequential a need for Components 2 and 4 to assist further in explaining the value of the indicator framework.

**The MTR recommends that the Regional PCU presents a report to the RSC meeting (summer 2012) on means to improve the awareness and uptake of the indicators developed.**



## **Annexes**

Annex 1 – Mid Term Review Terms of Reference

Annex 2 – Mid Term Review Mission programme

Annex 3 – List of persons met

Annex 4 – Documents reviewed

Annex 5 – Interview questionnaire/guide

Annex 6 – Summary of project expenditure and co financing

Annex 7 – ROTI – Review of Outcomes to Impacts analysis

Annex 8 – Project Risk Matrix

Annex 9 – Brief CV of the Mid Term Review Consultant.

Annex 10 – Comments on the MTR by the Regional PCU and responses from the MTR

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## Annex 1 – ToR TERMS OF REFERENCE

### For Consultants (2) to conduct a Mid term Review of the UNDP/UNEP/GEF Project on “Implementing Sustainable Water Resources and Wastewater Management in Pacific Island Countries”

**Closing Date:** Friday, 26 August 2011 (5.00 PM, Bangkok Time)

#### **PART I PROJECT BACKGROUND AND OVERVIEW**

##### **Summary of Project Rationale and Objective (Excerpts from the Project Document):**

###### PROJECT INFORMATION

GEFSEC PROJECT ID: 2586

GEF AGENCY PROJECT ID: PIMS 3311 (UNDP)/  
GFL/2328 2731 4A51 (UNEP)

COUNTRY(IES): The Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu

PROJECT TITLE: Implementing Sustainable Water Resources and Wastewater Management in Pacific Island Countries

GEF AGENCY(IES): UNDP, UNEP

OTHER EXECUTING PARTNER(S): Pacific Islands Applied Geoscience Commission (SOPAC)

GEF FOCAL AREA(S): International Waters

GEF 4 STRATEGIC PROGRAM(S): IW SP3: Balancing Overuse and Conflicting Uses of Water Resources in Transboundary Surface and Groundwater Basins.

NAME OF PARENT PROGRAM/UMBRELLA PROJECT: PACIFIC ALLIANCE FOR SUSTAINABILITY (PAS)

Expected Calendar	
Milestones	Dates
Work Program (for FSP)	April 2008
GEF Agency Approval	July 2008
Implementation Start	February 2009
Mid term Review (if planned)	September 2011
Implementation Completion	December 2013

Pacific Island Countries (PICs) vary considerably in their size, geomorphology, hydrology, economics and political approaches. The Pacific region has a wide variety of island types ranging from the large, high volcanic islands characteristic of Papua New Guinea to the tiny low coral atolls of Kiribati and the Marshall Islands in Micronesia. Consequently, there is a need for a variety of different water governance and resource management strategies and approaches focusing on different scales, and different levels of capacity and need to protect and manage the freshwater environment in PICS, including understanding the links and mitigating the negative effects of land based pollutants entering coastal receiving waters.

The ability of SIDS to manage their resources and ecosystems in a sustainable manner while sustaining their livelihoods is crucial to their social and economic well being, and is clearly directly related to GEF's mandate for protection and sustainable management of biodiversity and international waters.<sup>35</sup> In SIDS the majority of the population dwells on and earns a living from the

<sup>35</sup> The project is consistent with the GEF IV Strategic Objective to address transboundary water concerns, and **Annexes** Mid Term Review of the GEF project “Implementing Sustainable Water Resources and Wastewater Management in Pacific Island Countries”

coast. This concentrates pollutants and other environmental degradation along the coastal strip, the estuarine environment and inshore marine areas. The small and fragile ecosystem nature of small islands has resulted in low ecological resilience to pollutants and changing land use practices. This is of immediate concern to countries that are endowed with naturally rich terrestrial, coastal and marine biodiversity. The Pacific contains the most extensive system of marine habitats globally (especially coral reefs) which are critical to maintain biodiversity. These habitats play a number of different roles, and are recognised as being globally significant as natural filters of land based pollution and as natural protection against storms and sea level rise. The natural filters help maintain the health of offshore waters, ecosystems and associated species including oceanic fisheries through their function as breeding, nursery, and feeding grounds.

The project works within the Pacific Region with the following countries: the Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu.

The overall Goal<sup>36</sup> of this project is: 'To contribute to sustainable development in the Pacific Island Region through improvements in natural resource and environmental management'. The project is jointly implemented by UNEP and UNDP. Both agencies have comparative advantages which will benefit the project objectives.

The project is focus on freshwater (surface and ground) and coastal receiving waters through the overall project Objective which is: 'To improve water resources management and water use efficiency in Pacific Island Countries in order to balance overuse and conflicting uses of scarce freshwater resources through policy and legislative reform and implementation of applicable and effective Integrated Water Resources Management (IWRM) and Water Use Efficiency (WUE) plans'. The overall project Objective is achieved through four Component objectives and outcomes summarised in Table 1 below.

**Table 1: Summary Project Logframe**

<b>Impact [IW]</b>	<b>Project Goal:</b> To contribute to sustainable development in the Pacific Island Region through improvements in natural resource and environmental management	1.
	<b>Overall Objective:</b> To improve water resources management and water use efficiency in Pacific Island Countries in order to balance overuse and conflicting uses of scarce freshwater resources through policy and legislative reform and implementation of applicable and effective Integrated Water Resources Management (IWRM) and Water Use Efficiency (WUE) plans*	2.
	Project Components	

specifically under GEF IV Strategic Programme III (SP 3) focusing on addressing overuse and conflicting uses of water resources (with a specific focus on SIDS to protect community surface and groundwater supplies).

<sup>36</sup> Note that the Goal of this project is aligned with the GEF PAS to ensure the strategic programmatic goal is driving all projects under the GEF PAS.

	C1: Demonstration, Capture and Transfer of Best Practices in IWRM and WUE	C2: IWRM and WUE Regional Indicator Framework	C3: Policy, Legislative and Institutional Reform for IWRM and WUE	C4: Regional and National Capacity Building and Sustainability Programme for IWRM and WUE, including Knowledge Exchange and Learning and Replication	
	Component Objectives				
	Practical demonstrations of IWRM and WUE focused on removing barriers to implementation at the community/local level and targeted towards national and regional level learning and application	IWRM and environmental stress indicators developed and monitored through national and regional M&E systems to improve IWRM and WUE planning and programming and provide national and global environmental benefits.	Supporting countries to develop national IWRM policies and water efficiency strategies, endorsed by both government and civil society stakeholders, and integrated into national sustainable development strategies	Sustainable IWRM and WUE capacity development, and global SIDS learning and knowledge exchange approaches in place	
	Component Outcomes				
Effectiveness	Lessons learned from demonstrations of IWRM and water use efficiency approaches replicated and mainstreamed into existing cross sectoral local, national and regional approaches to water management	National and Regional adoption of IWRM and WUE indicator framework based on improved data collection and indicator feedback and action for improved national and regional sustainable development using water as the entry point	Institutional change and realignment to enact National IWRM plans and WUE strategies, including appropriate financing mechanisms identified and necessary political and legal commitments made to endorse IWRM policies and plans to accelerate Pacific Regional Action Plan actions	Improved institutional and community capacity in IWRM at national and regional levels	3.

<b>Efficiency</b>	Outputs [OP]	<b>4.</b>
	Activities (Inputs [IP])	

### Relevance to GEF Programmes

The project will specifically contribute to achievement of the MDG targets for water supply and sanitation as spelled out in the national sustainable development strategies and specifically the MDG target of setting processes in motion towards National IWRM Plans.

The project is consistent with the GEF IV strategic objective for International Waters: (a) 'to play a catalytic role in addressing transboundary water concerns by assisting countries to utilize the full range of technical assistance, economic, financial, regulatory and institutional reforms that are needed', through supporting and building on existing political commitments (such as the Pacific RAP) and through promoting sustainable water use and improved water management now, making it easier to address the challenges of the future as climatic variability affects water resources further.

### Executing Arrangements

The Pacific Islands Applied Geoscience Commission (SOPAC)<sup>37</sup> based in Suva, Fiji, is responsible for overall project execution as the Executing Agency (EA). The Project is jointly implemented by the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP). This arrangement has been made in order to benefit from the comparative advantages of both organizations, each of which has large GEF International Waters portfolios utilizing the Transboundary Diagnostic Analysis/Strategic Action Programme (TDA/SAP) approach to the protection and remediation of transboundary waterbodies. Specifically, UNDP will serve as the Implementing Agency (IA) for Component 1 (National Demonstration Projects). UNEP will serve as the IA for Components 2 (Regional Indicator Framework) and Component 4 (Regional and National Capacity Building and Sustainability Programme), with an oversight function for Component 3 (Policy, Legislative and Institutional Reform) which is co-financed entirely by the EU Water Facility. Both the EU Water Facility Team and the GEF Regional Project Coordination Unit are based at SOPAC in Fiji, and together form key resources of the Pacific IWRM Resource Centre established by SOPAC to ensure collaboration and knowledge sharing among IWRM projects in the Pacific.

The Project is implemented through two levels of executing arrangements: a) Regional Execution Arrangement comprising the Regional Project Steering Committee (RSC) as the primary policy making body for the Project, the Regional Technical Advisory Group (RTAG), and the Regional Project Coordination Unit (PCU) headed by the Regional Project Manager; and b) National Management Arrangements (for Component C1 of the project through UNDP) comprising the National Project Steering Committee (NSC), the National Project Managers, the National Project Assistants, and the Pacific IWRM Focal Points.

Different categories of stakeholders are involved in the full project including national governments, regional government agencies, donors, the private sector, NGO's, advocacy groups, local

<sup>37</sup> On 1<sup>st</sup> January 2011, SOPAC became "The Applied Geoscience and Technology Division (SOPAC) of the Secretariat of the Pacific Community (SPC)."

communities and groups and business organizations. A participatory approach has been adopted through the project design phase, and this continues during full implementation. The project approach at the national level follows a framework provided by the PCU during the Inception Phase when Demonstration Project designs are re visited and stakeholders are engaged to ensure projects address the correct needs, and that activities are correctly focused. Project stakeholder groups have been identified, including politicians, water and wastewater service providers, water resources or environment agencies, health departments, Department of Rural development, non government organizations, schools and colleges, community based organizations, youth and children, and local communities.

### Project Activities and Progress to Date

The project duration is 60 months starting February 2009 and ending January 2014. The project has a number of components and activities including:

Component 1: Practical demonstrations of IWRM and WUE focused on removing barriers to implementation at the community/local level and targeted towards national and regional level learning and application

#### Activities:

1. Improved access to safe drinking water supplies
2. Reduction in sewage release into coastal receiving waters
3. Reduction in catchment deforestation and sustainable forest and land management practices established
4. Water Safety Plans developed and adopted
5. Integrated Flood Risk Management approaches designed and developed
6. Expansion in eco sanitation use and reduction in freshwater use for sanitation purposes
7. Improved community level engagement with national institutions responsible for water management
8. Increase in water storage facilities
9. Technical and Allocative Water Use Efficiency approaches designed and adopted
10. Identification and adoption of appropriate financing approaches for sustainable water management

### **Demonstration Project per Country and by Sub Group**

IWRM Sub Group	Country	Title of Demonstration Project	GEF Support (\$)
1. Watershed Management	Federated State of Micronesia	Ridge to Reef: Protecting Water Quality from Source to Sea in the FSM	500,000
	<b>Project Purpose:</b>	<i>Improved drinking water quality and a significant reduction in pollutants entering fresh and marine waters around Pohnpei Island and in Chuuk State</i>	
	Palau	Ngerikiil Watershed Restoration for the Improvement of Water Quality	587,400
	<b>Project Purpose:</b>	<i>Improved water quality through reducing soil erosion and sedimentation, nutrient, fertilizer and pesticide</i>	

IWRM Sub Group	Country	Title of Demonstration Project	GEF Support (\$)
		<i>pollution, solid waste disposal, forest protection to reduce the possibility of invasive species and wildlife habitat loss</i>	
	Papua New Guinea <sup>38</sup>	Rehabilitation, Management and Monitoring of Laloki River system for economical, social and environmental benefits	568,500
		<i>To promote the sustainable use of the Laloki River water resources for the economic and social benefit city and the surrounding area</i>	
	Samoa	Rehabilitation and Sustainable Management of Apia Catchment	525,000
	<b>Project Purpose:</b>	<i>To rehabilitate and manage the Apia catchment in a sustainable manner in order to improve the quality and quantity of the water resources for enhanced water supply and hydropower generation, socio-economic advancement and reduced environmental adverse impacts</i>	
	Vanuatu	Sustainable Management of Sarakata Watershed	516,328
	<b>Project Purpose:</b>	<i>To prepare an integrated Sarakata Watershed Management Plan involving the existing Sanma Provincial and National Water Resources Advisory committees and stakeholders. It will provide a model from which lessons can be learnt and best practice replicated in other watersheds</i>	
2. Wastewater Management & Sanitation	Marshall Islands	Integrated Water Management and Development Plan for Laura Groundwater Lens, Majuro Atoll	500,000
	<b>Project Purpose:</b>	<i>To implement the agreed remediation strategies for the protection of the Laura Groundwater Lens and to raise public awareness for protection and promotion of sustainable development of the groundwater resources at Laura through building capacity of members to understand the water related issues affecting the community.</i>	
	Nauru	Enhancing water security for Nauru through better water management and reduced contamination of groundwater	500,000
	<b>Project Purpose:</b>	<i>To adopt a system of affordable as well as a working system for the sustainable integrated water resource and management of wastewater</i>	
	Tuvalu	Integrated Sustainable Wastewater Management	564,000

<sup>38</sup> PNG requested to early terminate the demonstration project implementation on 6<sup>th</sup> July 2011.



IWRM Sub Group	Country	Title of Demonstration Project	GEF Support (\$)
		(Ecosan) for Tuvalu	
	<b>Project Purpose:</b>	<i>To demonstrate that improved sanitation technology and practices can provide protection of primary and secondary water resources, marine biodiversity, livelihood, and food security, and practically demonstrate the links between public health and the conservation of natural assets</i>	
3. Water Resources Assessment & Protection	Cooks Islands	<b>Integrated freshwater and coastal management on Rarotonga</b>	501,163
	<b>Project Purpose:</b>	<i>To demonstrate through a process of policy change, capacity building and technical information gathering and management, the delivery of improved water quality in the freshwater and near coastal environments and an improved water resource management structure</i>	
	Fiji Islands	<b>Environmental and Socio Economic Protection in Fiji: Integrated Flood Risk Management in the Nadi River Basin</b>	500,000
	<b>Project Purpose:</b>	<i>To improve flood preparedness and integrate land and water management planning within the Nadi Basin using an integrated flood management approach.</i>	
	Niue	<b>Using Integrated Land Use, Water Supply and Wastewater Management as a Protection Model for Alofi Town Groundwater Supply and Nearshore Reef</b>	500,000
	<b>Project Purpose:</b>	<i>To develop a sustainable national IWRM capacity and institutional framework by demonstrating the effectiveness of IWRM approaches to protecting the groundwater supplies and near-shore fisheries of Alofi Town from polluting and potentially land-based</i>	
4. Water Use Efficiency & Water Safety	Solomon Islands	<b>Managing Honiara City Water Supply and Reducing Pollution through IWRM Approaches</b>	515,000
	<b>Project Purpose:</b>	<i>To demonstrate management strategies and protection measures for critical watersheds, aquifers and well-fields within Honiara city</i>	
	Tonga	<b>Improvement and Sustainable Management of Nieafu Aquifer Groundwater Resources in Vava'u Islands</b>	519,000
	<b>Project Purpose:</b>	<i>Improved understanding of the quality and quantity of surface water, groundwater, rainwater, coastal</i>	

IWRM Sub Group	Country	Title of Demonstration Project	GEF Support (\$)
		<i>receiving waters, and their vulnerabilities to land based pollution</i>	

Component 2: IWRM and environmental stress indicators developed and monitored through national and regional M&E systems to improve IWRM and WUE planning and programming and provide national and global environmental benefits.

Activities:

1. Process, Stress Reduction, Environmental and Socio Economic Status, WUE, Catalytic, Governance, Proxy, and X Cutting Regional Indicator Framework (RIF) established and in use
2. Aggregation of Demonstration Project Indicators
3. Draft Regional Indicator Framework
4. Regional Indicator Framework in place (linked to NSDS, NEAPs, etc)
5. Participatory M&E adopted within Demonstration Projects [C1] and mainstreamed into national best practice
6. PM&E Plan developed per Demonstration Project
7. PM&E promotion with APEX Body using MSC, reflection & learning techniques
8. Training Needs Analysis
9. Training in M&E
10. Improved institutional capacity for monitoring and support for action on findings across the region, including Pacific RAP progress for water investment planning (and International Waters SAP)
11. Regional Action Matrix fully developed
12. National Monitoring Plan development
13. Logframe development and review, SMART<sup>39</sup> indicator review and baseline information collection
14. National indicator development for IWRM and database storage

Component 3: Supporting countries to develop national IWRM policies and water efficiency strategies, endorsed by both government and civil society stakeholders, and integrated into national sustainable development strategies

Activities:

1. National IWRM plans and WUE strategies developed and endorsed
2. EU IWRM Planning Meeting (Pre Inception – co financed)
3. Draft IWRM Plans developed
4. Final IWRM Plans in place
5. Draft Water Use Efficiency Strategies developed
6. Final Water Use Efficiency Strategies in place
7. Implementation of IWRM approaches agreed across national, community and regional organizations
8. IWRM Roadmapping process –country driven options for support (C3)

<sup>39</sup> Specific, Measurable, Attainable, Relevant, Time bound

9. Policy/legislative review, baseline update based on Diagnostic Analysis
10. Institutional review & recommendations for APEX body hosting/resources
11. Development of associated policies (i.e.: National Sanitation Action plans)
12. Strengthened and sustainable APEX water bodies to catalyze implementation of national IWRM and WUE plans, including balanced gender membership
13. National APEX Body Support person recruited
14. Multi sectoral IWRM APEX Body participation (ToRs, membership, etc)
15. Partnership support and facilitation
16. Awareness raised across civil society, governments, education systems and the private sector
17. IWRM Resource Centre development – website, links to IW:LEARN
18. Regional Strategic IWRM Communications Plan developed
19. IWRM toolkit development through IWRM Resource Centre
20. Sustainability strategies developed focusing on institutional and technical interventions required for Demonstration scaling up as part of National IWRM Plan development and implementation
21. National Communication Plan development
22. National Communication Plan implementation
23. Replication Framework for Demonstration projects
24. Replication Toolkit developed
25. National scaling up & replication strategies in place based on Demo's

Component 4: Sustainable IWRM and WUE capacity development, and global SIDS learning and knowledge exchange approaches in place

Activities:

1. National and regional skills upgraded in project management and monitoring including water champions and APEX bodies for both men and women
2. Cross sectoral regional learning mechanism in place (through National IWRM APEX Bodies) – cross project attendance (PACC/SLM/CTI/etc)
3. Training of Trainers based on TNAs through National IWRM APEX Bodies
4. Economic Tool development and implementation for Demonstrations
5. Questionnaires development and roll out for tailored Continuing Professional Development (CPD) package design
6. Identification, promotion and support to National IWRM Champions
7. Active twinning programmes in place between countries facing similar water and environmental degradation problems
8. 5 twinning exchange programmes in place
9. 1 twinning programme with Caribbean and African SIDS
10. Effective knowledge management networking and information sharing inter and intra regional
11. Awareness program development and integration in national institutional practice
12. Development of education materials for integration in national school curricula
13. Attendance, presentation, sharing and learning and feedback at GEF IWC
14. Attendance, presentation, sharing and learning and feedback at WWF 5
15. Attendance, presentation, sharing and learning and feedback at WWF 6

16. Support and sharing between Virtual Water Learning Centre in IWRM Resource Centre development
17. IWRM Resource Centre development – material production, website, links to IW:LEARN

Since the Project commenced in February 2009, the Project has made considerable progress – the following meeting minutes and reports provide information on the key highlights to date:

- Minutes of the first regional steering committee (RSC1)
- Minutes of the second regional steering committee (RSC2)
- 2009 and 2010 Half Yearly Progress Reports, including financial and audit reports
- 2009/2010 Project Implementation Report, including GEF International Waters Tracking Tools and Annual Project Performance Results

### Project Budget

The total budget is US\$ 99,605,487 with US\$ 9,025,688 funded by the GEF Trust Fund (UNDP: \$6,727,891 and UNEP: \$2,297,797) and in kind co funding from the Pacific governments and other sources.

#### Summary of Total Project Costs and Financing (US\$)

Project Components	Co financing Governments	Co financing other source	TOTAL GEF
	(in USD)		
1. Demonstration, Capture and Transfer of Best Practices in IWRM and Water use Efficiency	23,523,897	58,895,006	6,727,891
<b>2. IWRM and WUE Regional Indicator Framework</b>		<b>2,221,074</b>	<b>800,463</b>
3. Policy, Legislative and Institutional Reform for IWRM and WUE*		2,626,141	<i>Co-financed</i>
<b>4. Regional and National Capacity Building and Sustainability Programme for IWRM and WUE, including Knowledge Exchange and Learning and Replication</b>		<b>3,313,681</b>	<b>1,497,334</b>
<b>TOTAL Co Financing</b>	<b>23,523,897</b>	<b>67,055,902</b>	<b>90,579,799</b>
<b>Total Project Financing</b>			<b>99,605,487**</b>

\* UNEP will retain an oversight function on Component C3 which is entirely co financed by the EU Water Facility. As of July 2011, the EU IWRM project total budget in Euro is €3,842,750; with EU contribution of €2,822,550 and €1,020,200 co financing.

\*\* Not including PDF A&B

## PART II TERMS OF REFERENCE FOR THE REVIEW

### 1. Objective and Scope of the Review

The Mid term Review of the project “Implementing Sustainable Water Resources and Wastewater Management in Pacific Island Countries” will serve a two fold accountability and learning objective. On one side, **the review is undertaken to assess project’s performance in terms of efficiency and effectiveness**, by looking at the extent to which activities were implemented as planned and confronting actual results against intended outputs. The risks to achievement of project outcomes and objectives will also be appraised (see Annex 5). On the other, **The Mid Term Review focuses on identifying the corrective actions needed for the project to achieve maximum impact. Review findings will feed back into project management processes through specific recommendations and ‘lessons learned’ to date.**

The review focuses on the following main questions:

- Is the project on track to achieve its objective “To improve water resources management and water use efficiency in Pacific Island Countries in order to balance overuse and conflicting uses of scarce freshwater resources through policy and legislative reform and implementation of applicable and effective Integrated Water Resources Management (IWRM) and Water Use Efficiency (WUE) plans?”
- Is the project likely to contribute to the achievement of the MDG targets for water supply and sanitation as spelled out in the national sustainable development strategies, and specifically the MDG target of setting processes in motion towards National IWRM Plans?
- To what extent the project is aligned with the goal of the GEF PAS “to contribute to sustainable development in the Pacific Islands Region through improvements in water resource and environmental management?”
- Have the demonstration projects/activities effectively initiated and functioned, based on participatory approach, to remove barriers to implementation of IWRM and WUE at the community/local level and targeted towards national and regional level learning and application?
- Has the process of “IWRM and environmental stress indicators development and monitoring through national and regional M&E systems to improve IWRM and WUE planning and programming and provide national and global environmental benefits” been initiated and effective? What actions should the project take to improve the efficiency and effectiveness of this process?
- Has the process of “supporting countries to develop national IWRM policies and water efficiency strategies, endorsed by both government and civil society stakeholders, and integrated into national sustainable development strategies” been effective and efficient? What actions should the project take to improve the efficiency and effectiveness of this process?
- Has the process to ensure the “sustainable IWRM and WUE capacity development and global SIDS learning and knowledge exchange approaches in place” been effective and efficient? What actions should the project take to improve the efficiency and effectiveness of this process?
- Has progress been made in developing a partnership mechanism to objectively measure effects of investment initiatives and management actions? How efficiency is the process?
- Has there been an effective regional/national coordination mechanism established and functioning? How efficiency is the process?

## 2. Overall Approaches and Methods

The mid term review will be conducted under the overall joint responsibility of UNEP and UNDP. It will be carried out by two independent consultants, using a participatory approach; whereby UNEP, UNDP, SOPAC/SPC and the Project RCU and other relevant stakeholders are kept informed and consulted throughout the review process. A Review Coordination Team (RCT) will be established to jointly plan, manage and review the MTR process and deliverables. The RCT comprises 5-6 members representing UNEP, UNDP, and EU Delegation for the Pacific. A member of the UNEP Evaluation Office will also participate in the RCT team, to provide quality assurance on the review process. The project participating governments, partners, the SOPAC/SPC, the Project RCU, and other relevant stakeholders will be kept informed and regularly consulted throughout the review. The consultants for MTR review will liaise with the RCT on any logistic and/or methodological issues to properly conduct the review in as effective way as possible, given the circumstances and resources offered. The draft report will be first delivered to RCT in English and then circulated to the Project RSC, SOPAC/SPC, and project management staff for review and comments. All the comments to the draft report will be collated by RCT and the consultant(s) will be advised of any necessary revisions.

The findings of the review will be based on the following:

1. A desk review of project documents including, but not limited to:
  - (a) Relevant background documentation, including – inter alia – national and environmental development agenda, national IWRM plans and WUE strategies.
  - (b) The project documents, outputs, monitoring reports (such as progress and financial reports to UNEP, UNDP and GEF annual Project Implementation Review report) and relevant correspondence.
  - (c) Notes from the Regional Steering Committee and RTAG meetings.
  - (d) Other project related material produced by the project staff and partners.
  - (e) Relevant material published on the project web site.
2. Person to person interviews with project management and technical support including Dr. Jimmie Rodgers (Director General, SPC); Dr. Russell Howorth (Director, SOPAC/SPC); Mr. Marc Wilson (Regional Project Manager) and the RCU staff including Mr. David Duncan, Mr. Chris Paterson, Ms. Ruth Urben (if possible), Mr. David Hebblethwaite, Mr. Tiy Chung, Ms. Kelly Hines, Ms. Subhashni Raj, Mr. Reynaldo Molina, Mr. Mohammed Irfaq (if possible), and Mrs. Verenaisi Bakani; Ms. Rhonda Robinson (Deputy Director, Water and Sanitation Programme, SOPAC); NSC members and national project staff of selective (5-7) national demonstration projects, as well as selective (5-7) consultants/advisors from the other components.
3. Person to person interviews and/or telephone interviews with selective members of the Regional Steering Committee and RTAG, as well as executives and/or staff of the key Partner Agencies (i.e. EU, IUCN, SPREP, UNESCO, IWC, USP, etc.). There will be telephone interviews with lead existing and potential donors, including the Delegation of the European Union for the Pacific and IUCN Regional Office for Oceania representatives.
4. Person to person interviews and/or telephone interviews with the UNDP Project Regional Technical Advisor (Mr. Jose Padilla), the UNEP Project Task Manager (Ms. Ampai Harakunarak), the UNEP Fund Management Officers (Mr. Rodney Vorley), the UNDP Fiji Multi

Country Office (Ms. Asenaca Ravuvu, Ms. Emma Mario, and Mr. Naheed Hussein), and other relevant staff of UNEP and UNDP, including UNEP/DEPI Freshwater Branch and UNDP country offices. The evaluator(s) shall also gain broader perspectives from discussions with relevant GEF Secretariat staff.

5. The Review Team shall seek additional information and opinions from representatives of National Pacific IWRM Focal Points, relevant Government agencies, health departments, Department of Rural development, non government organizations, schools and colleges, community based organizations, youth and children, and local communities by e mail, through telephone communication, or by actual meetings.
6. Visit 4 9 demonstration sites involved in the project (number and location for visit to be discussed).

### Key Review Principles

Review findings and judgments should be based on sound evidence and analysis, clearly documented in the review report. Information will be triangulated (i.e. verified from different sources) to the extent possible, and when verification was not possible, the single source will be mentioned.<sup>40</sup> Analysis leading to evaluative judgments should always be clearly spelled out.

In attempting to evaluate any outcomes and impacts that the project may have achieved, evaluator(s) should remember that the project's performance should be assessed by considering the difference between the answers to two simple questions "**what happened?**" and "**what would have happened anyway?**". These questions imply that there should be consideration of the baseline conditions and trends in relation to the intended project outcomes and impacts. In addition it implies that there should be plausible evidence to attribute such outcomes and impacts to the actions of the project.

Sometimes, adequate information on baseline conditions and trends is lacking. In such cases this should be clearly highlighted by the evaluator, along with any simplifying assumptions that were taken to enable the evaluator to make informed judgements about project performance.

### 3. Project Review Parameters

#### A. Attainment of objectives and planned results (progress to date):

The assessment of project results seeks to determine the extent to which the project objectives were achieved, or are expected to be achieved, and assess if the project has led to any other positive or negative consequences. While assessing a project's outcomes the review will seek to determine the extent of achievement and shortcomings in reaching the project's objectives as stated in the project document and also indicate if there were any changes and whether those changes were approved. If the project did not establish a baseline (initial conditions), the evaluator should seek to estimate the baseline condition so that achievements and results can be properly established (or state simplifying

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<sup>40</sup> Individuals should not be mentioned by name if anonymity needs to be preserved.

assumptions used). Since most GEF projects can be expected to achieve the anticipated outcomes by project closing, assessment of project outcomes should be a priority.

Outcomes are the likely or achieved short term and medium term effects of an intervention's outputs. Examples of outcomes could include but are not restricted to stronger institutional capacities, higher public awareness (when leading to changes of behaviour), and transformed policy frameworks or markets. The review should assess the extent to which activities have been implemented as planned, and whether the project's major relevant objectives were effectively and efficiently achieved or are expected to be achieved and their relevance.

- Achievement of outputs and activities: the review will assess the project's success in producing each of the programmed outputs to date under the four components as presented in the Project Document, both in quantity and quality, as well as the efficiency and effectiveness of inter linkages between and among project components (particularly how EU funded component 3 contributing to the other components). The review will assess to what extent the project outputs produced so far have the weight of authority/credibility, necessary to influence policy and decision makers, particularly at the national or regional levels. It will also briefly explain why the project was successful or less successful in achieving its different outputs, cross referencing as needed to more detailed explanations under section E (which covers the processes affecting attainment of project objectives)
- *Effectiveness*: Review/evaluate how, and to what extent, the stated project objectives have been met, taking into account the "achievement indicators" specified in the project document and logical framework.
- *Relevance*: The review will assess, in retrospect, whether the project's outcomes consistent with the focal areas/operational program strategies and country priorities? The review should also assess the whether outcomes specified in the project document and or logical framework are actually outcomes and not outputs or inputs.
- *Efficiency*: The review will assess the cost effectiveness and timeliness of project execution, and describe any cost or time saving measure taken to bring the project to a successful implementation within the programmed time and budget. The assessment will be based on the following questions: Was the project cost effective? Was the project the least cost option? Was the project implementation delayed and if it was then did that affect cost effectiveness? The review should assess the contribution of cash and in kind co financing to project implementation and to what extent the project leveraged additional resources.
- Review of Outcomes to Impacts (ROtI): the review will appreciate, to the extent possible, any progress towards impacts, taking into account achieved outputs and outcomes, assumptions and impact drivers, using the methodology presented in the GEF Evaluation Office's ROtI Practitioner's Handbook. The analysis should revolve around the quality of the logical framework and consider whether the necessary impact drivers have been present. The review will particularly focus on assessing to what extent the project outputs produced so far have the weight of authority/credibility necessary to influence policy and decision makers, particularly at the national or regional levels.

Specifically the review shall:

- Review/evaluate the progress towards the outcomes and objectives in each of the four main components of the project; and,



- Recommend specific actions the project should take to improve the efficiency and effectiveness of project activity implementation and ensure the achievement of the anticipated outcomes by project closing.

**B. Assessment of the progress towards sustainability of project outcomes:**

Sustainability is understood as the probability of continued long term project derived outcomes and impacts after the GEF project funding ends. The review will identify and assess the key conditions or factors that are likely to contribute or undermine the persistence of benefits after the project ends.

***At mid-term, identification of any likely barriers to sustaining the intended outcomes of the project is especially important.*** Some of these factors might be outcomes of the project, e.g. stronger institutional capacities or better informed decision making.

Four aspects of sustainability should be addressed: financial, socio political, institutional frameworks and governance, and environmental (if applicable). The following questions provide guidance on the assessment of these aspects:

- *Financial resources.* To what extent are the outcomes of the project dependent on continued financial support? What is the likelihood that any required financial resources will be available to sustain the project outcomes/benefits once the GEF assistance ends (resources can be from multiple sources, such as the public and private sectors, income generating activities, and market trends that support the project's objectives)? Was the project successful in identifying and leveraging co financing?
- *Socio-political:* To what extent are the outcomes of the project dependent on socio political factors? What is the likelihood that the level of stakeholder ownership will allow for the project outcomes/benefits to be sustained? Is there sufficient public/stakeholder awareness in support of the long term objectives of the project?
- *Institutional framework and governance.* To what extent are the outcomes of the project dependent on issues relating to institutional frameworks and governance? What is the likelihood that institutional and technical achievements, legal frameworks, policies and governance structures and processes will allow for the project outcomes/benefits to be sustained? While responding to these questions consider if the required systems for accountability and transparency and the required technical know how are in place.
- *Environmental.* Are there any environmental factors, positive or negative, that can influence the future flow of project environmental benefits?

As far as possible, also identify the potential longer term impacts considering that the review is taking place at mid term and that longer term impact is expected to be seen in a few years time.

**C. Catalytic role**

The mid term review will also describe any catalytic or replication effect of the project, both within the project (such as the replication of demonstrations) and outside of the project. Replication

approach, in the context of GEF projects, is defined as lessons and experiences coming out of the project that are replicated (in different geographic areas) or scaled up (in the same geographic area but on a much larger scale and funded by other sources) in the design and implementation of other projects. The review will assess the approach adopted by the project to promote replication effects, including any existent strategy, and appreciate to what extent actual replication has already occurred or is likely to occur in the near future, with special attention given to dissemination strategies used to promote project outputs, positive experiences and lessons learned.

#### D. Assessment of Monitoring and Evaluation Systems:

- **M&E design.** Does the project have a sound M&E plan to monitor results and track progress towards achieving project objectives? The Mid term Review will assess whether the project met the minimum requirements for the application of the Project M&E plan (Minimum requirements are specified in Annex 4). The review shall include an assessment of the quality, application and effectiveness of project monitoring and review plans and tools, including an assessment of risk management based on the assumptions and risks identified in the project document. The M&E plan should include a baseline (including data, methodology, etc.), SMART (see Annex 4) indicators and data analysis systems, and evaluation studies at specific times to assess results. The time frame and budget for various M&E activities and standards for outputs should have been specified. Roles and responsibilities for monitoring activities should be clearly defined too.
- **M&E plan implementation.** Is an M&E system in place? Does it facilitate tracking of results and progress towards projects objectives? Are Annual project reports complete, accurate and with well justified ratings? Has the information provided by the M&E system been used during the project to improve project performance and to adapt to changing needs?
- **Budgeting and Funding for M&E activities.** Have adequate budget provisions been made for M&E and have such resources been made and have such resources made available in a timely fashion during implementation?
- **Long term Monitoring.** Is long term monitoring envisaged as an outcome of the project? If so, comment specifically on the relevance of such monitoring systems to sustaining project outcomes and how the monitoring effort will be sustained.

#### E. Assessment of Processes that Affected Attainment of Project Results.

The review will give consideration to the following issues that may have affected project implementation and the attainment of project results:

- i. **Preparation and readiness.** Were the project's objectives and components clear, practicable and feasible within its timeframe? Were capacities of the executing institutions and counterparts properly considered when the project was designed? Were lessons from other relevant projects properly incorporated in design? Were the partnership arrangements properly identified and the roles and responsibilities negotiated prior to implementation? Was

availability of counterpart resources (funding, staff, and facilities), passage of enabling legislation, and adequate project management arrangements in place at project entry?

- ii. **Implementation approach and adaptive management.** This includes an analysis of approaches used by the project, its management framework, the project's adaptation to changing conditions, the performance of the implementation arrangements and partnerships, relevance of changes in project design, and overall performance of project management. The review will
  - Ascertain to what extent the project implementation mechanisms outlined in the project document have been closely followed. In particular, assess the role of the various committees established and whether the project document was clear and realistic to enable effective and efficient implementation, whether the project was executed according to the plan and how well the management was able to adapt to changes during the life of the project to enable the implementation of the project.
  - Evaluate the effectiveness and efficiency and adaptability of project management and the supervision of project activities/project execution arrangements at all levels (1) policy decisions: Steering Committees (at regional and national levels); (2) day to day project management (Regional Project Coordinating Unit and National Project Management Unit); and, (3) GEF guidance: UNEP and UNDP.
  - Identify administrative, operational and/or technical problems and constraints that influenced the effective implementation of the project, and how the project management and partners tried to overcome these problems
- iii. **Country ownership/drivenness.** This criterion assesses the relevance of the project to national development and environmental agendas, recipient country commitments, and regional and international agreements. Examples of possible evaluative questions include: Was the project design in line with the national sectoral and development priorities and plans and regional agreements? Were the relevant country representatives, from government and civil society, involved in the project? Did the partner governments maintain their financial commitments to the project?
- iv. **Stakeholder involvement and public awareness.** Did the project involve the relevant stakeholders through information sharing, consultation and by seeking their participation in project's design, implementation, and monitoring and evaluation? For example, did the project implement appropriate outreach and public awareness campaigns? Did the project consult and make use of the skills, experience and knowledge of the appropriate government entities, NGOs, community groups, private sector, local governments and academic institutions in the design, implementation and evaluation of project activities? Were the perspectives of those that would be affected by decisions, those that could

affect the outcomes and those that could contribute information or other resources to the process taken into account while taking decisions? Were the relevant vulnerable groups and the powerful, the supporters and the opponents, of the processes properly involved? Specifically the review will:

- Assess the mechanisms put in place by the project for identification and engagement of stakeholders in each participating country and establish, in consultation with the stakeholders, whether this mechanism was successful, and identify its strengths and weaknesses.
  - Assess the degree and effectiveness of collaboration/interactions between the various project partners and institutions during the course of implementation of the project.
  - Assess the degree and effectiveness of any various public awareness activities that were undertaken during the course of implementation of the project.
- v. **Financial planning and management.** Evaluation of financial planning requires an assessment of the quality and effectiveness of financial planning and control of resources to allow management to make informed decisions regarding the budget the timely flow of funds? Specifically, the review should:
- Planning to allow the project management to make informed decisions regarding the budget and allow for a proper and timely flow of funds for the payment of satisfactory project deliverables throughout the project's lifetime.
  - Present the major findings from the financial audit if one has been conducted.
  - Did promised co financing materialize? Identify and verify the sources of co financing as well as leveraged and associated financing (in cooperation with the IAs and EA).
  - Assess whether the project has applied appropriate standards of due diligence in the management of funds and financial audits.
  - Appreciate other administrative processes such as recruitment of staff and procurement of goods and services to the extent that these might have influenced project performance.
  - Assess the strength and utility of financial controls, including reporting, and
  - Provide a breakdown of final actual project costs by activities compared to budget (variances), financial management (including disbursement issues), and co financing. This information will be prepared by the relevant UNEP/UNDP/GEF Fund Management Officers of the project for scrutiny by the reviewers attached in Annex 2: Co financing and leveraged resources).
- vi. **UNDP/UNEP Supervision and backstopping.** Did UNDP/UNEP staff identify problems in a timely fashion and accurately estimate their seriousness? Did UNDP/UNEP staff provide quality support and advice to the project, approved modifications in time and restructure the project when needed? Did UNDP/UNEP provide the right staffing levels, continuity, skill mix, frequency of field visits?
- vii. **Co financing and Project Outcomes & Sustainability.** If there was a difference in the level of expected co financing and actual co financing secured, then what are the reasons for this? Will the extent of materialization of co financing affect

- the project's outcomes and/or sustainability, and if it might affect outcomes and sustainability then in what ways and through what causal linkages?
- viii. **Delays and Project Outcomes & Sustainability.** If there were delays in project implementation the review will summarise the reasons for them. Have delays affected the likelihood that the project's outcomes will be achieved and/or affect the likely sustainability, and if so in what ways and through what causal linkages?

The project will be rated according to each of the mentioned evaluation criteria. The **ratings will be presented in the form of a table** with each of the categories rated separately and with **brief justifications for the rating** based on the findings of the main analysis. An overall rating for the project should also be given. The rating system to be applied is specified in Annex 1:

#### 4. Deliverables, Review Report Format, and Review Procedures

##### Deliverables

The deliverables from the Review, all in English, include:

1. A short inception report (maximum 10 pages), summarizing the approach and methodology the consultants will adopt in conducting the review; and,
2. A Final Review Report, including a draft and final mid term review, executive summary and power point presentation.

The report should be brief (no more than 50 pages, excluding annexes) and to the point and written in plain English. It must explain; the purpose of the review, exactly what was evaluated and the methods used. The report must highlight any methodological limitations, identify key concerns and present evidence based findings, consequent conclusions, recommendations and lessons. The report should provide information on when the review took place, the places visited, who was involved and be presented in a way that makes the information accessible and comprehensible. Any dissident views in response to the review findings will be appended in footnote or an annex as appropriate. The report should include:

- i) An **executive summary** (no more than 3 pages): providing a brief overview of the main conclusions and recommendations of the review;
- ii) **Introduction and background**: giving a brief overview of the evaluated project, the objective and status of the activities' implementation;
- iii) **Scope, objective and methods** of the review, including the review criteria used and questions to be addressed;
- iv) **Project Performance and Impact**: providing factual evidence relevant to the questions asked by the reviewers and interpretations of such evidence. This is the main substantive section of the report and should provide a commentary on all review aspects (A – E above).
- v) **Conclusions and rating** of project implementation success giving the reviewers' concluding assessments and ratings of the project against given review criteria and

standards of performance. The conclusions should provide answers to questions about whether the project can be considered successful or not so far, and whether it is likely to produce the intended results within its timeframe;

- vi) **Lessons learned** presenting general conclusions from the standpoint of the design and implementation of the project, based on good practices and successes or problems and mistakes. Lessons should have the potential for wider application and use. All lessons should stand alone and should:
- Specify the context from which they are derived
  - State or imply some prescriptive action;
  - Specify the contexts in which they may be applied (if possible who when and where)
- vii) **Recommendations.** High quality recommendations should be *actionable* proposals that are:
- Implementable within the timeframe and resources available
  - Commensurate with the available capacities of project team and partners
  - Specific in terms of who would do what and when
  - Contain results based language (i.e. a measurable performance target)
  - Include a trade off analysis, when its implementation may require utilizing significant resources that would have otherwise been used for other project purposes.
- viii) **Annexes** include Terms of Reference, list of interviewees, documents reviewed, brief summary of the expertise of the review team, a summary of co finance information and ROTI analysis. Dissident views or management response to the review findings may be also appended in an annex.

Examples of UNEP GEF Mid term Review/Evaluation Reports are available at [www.unep.org/eou](http://www.unep.org/eou).

### Review of the Draft Mid Term Review Report

The draft mid term review report is submitted to UNEP and UNDP and it will be jointly reviewed by all members of the RCT, before circulating it to the SOPAC/SPC and other relevant partners/stakeholders. Relevant staff will comment on the draft review report, provide feedback on any errors of fact, and highlight the significance of such errors in any conclusion. The comments may also address the feasibility of the recommendations suggested. All comments are collated by UNEP for onward transmission to the consultants/reviewers for their consideration in preparing the final version of the report.

Under the guidance of the UNEP Evaluation Office, the RCT will prepare a quality assessment of the final report (see Annex 3), which is a tool for providing structured feedback to the review consultants.

### 5. Submission of Final Mid term Review Report

The final report shall be submitted in electronic form in MS Word format in English and should be sent to the following persons:

Ms. Maryam Niamir Fuller  
Director, GEF Coordination Office  
United National Environment Programme  
P.O. Box 30552 00100, Nairobi, Kenya  
Tel: + 254 20 762 4166  
Fax: + 254 20 762 4041  
Email: [maryam.niamir\\_fuller@unep.org](mailto:maryam.niamir_fuller@unep.org)

Mr. Andrew Hudson  
Principle Technical Advisor, International Waters  
UNDP GEF  
United Nations Development Programme  
9<sup>th</sup> Floor, 304 East 45<sup>th</sup> Street  
New York, N.Y. 10017, USA  
Tel.: + 1 212 906 6998  
Email: [andrew.hudson@undp.org](mailto:andrew.hudson@undp.org)

And,  
Ms. Ampai Harakunarak  
Task Manager, International Waters  
UNEP/DEPI/ROAP  
2<sup>nd</sup> Floor, Block B, UN Building  
Rajdamnern Nok Avenue  
Bangkok, Thailand  
Tel: + 66 2 288 1977  
Fax: + 66 2 280 3829  
Email: [ampai.harakunarak@unep.org](mailto:ampai.harakunarak@unep.org)

The final Mid term Review Report will be disseminated to: National GEF Operational Focal Points, the national Government agencies in charge of the GEF Pacific IWRM Project, relevant Government representatives, UNDP, UNEP, European Union for the Pacific, the project's Executing Agency (SOPAC/SPC) and project technical and management staff (RCU and Technical Advisors), and other interesting partners and stakeholders (to be specified). The full list of intended recipients is attached in Annex 6.

## **6. Resources and schedule of the review**

This mid term review will be undertaken by two independent consultants, who will function as a team (the Review Team) comprising a lead consultant (with primary expertise in evaluation on IWRM WUE in SIDS) and a consultant with complementary sub expertise (i.e., Governance and/or project financial management), contracted by the UNEP. The contract(s) for the Review Team will begin on **Monday, 3 October 2011 to Friday, 30 December 2011 (30 days) spread over 13 weeks.**

The Review Team shall submit to the UNEP Task Manager (Ms. Ampai Harakunarak) an **Inception Report on 14 October 2011**; and a draft review report on **Tuesday, 15 November 2011**. Comments to the final draft report will be sent to the Review Team by **Monday, 28 November 2011**, after which the Review Team will submit the **final report no later than Friday, 16 December 2011**.

With the aim of having an objective and independent assessment, the Mid term Review consultants are expected to conduct the project review according to international criteria and professional norms and standards as adopted by the UN Evaluation Group.<sup>41</sup> The consultants should be familiar with the projects that address issues of overuse and conflicting uses of scarce freshwater resources through policy and legislative reform and implementation of applicable and effective Integrated Water Resource Management (IWRM) and Water Use Efficiency (WUE) plans in small islands developing states; and shall have relevant field based experience in monitoring and evaluation of projects. They should have experience working in the Pacific region; and have excellent cross cultural communication skills. Knowledge of UNDP and UNEP programmes and GEF activities is desirable. Fluency in oral and written English is necessary.

## 7. Schedule of Payment

The consultants shall select one of the following two contract options.

### **Lump Sum Option**

The consultants will receive an initial payment of 30% of the total amount due upon acceptance of the inception report. A further 30% will be paid upon submission of the draft report. A final payment of 40% will be made upon satisfactory completion of work. The fee is payable under the individual Special Service Agreement (SSA) of the reviewer and IS inclusive of all expenses such as travel, accommodation and incidental expenses.

Or,

### **Fee only Option**

The consultants will receive an initial payment of 40% of the total amount due upon acceptance of the inception report. Final payment of 60% will be made upon satisfactory completion of work. The fee is payable under the individual SSAs of the reviewer is NOT inclusive of all expenses such as travel, accommodation and incidental expenses. Ticket and DSA will be paid separately.

**The consultants' choice of payment option will be specified in the signed contract with UNEP.**

In case, the consultants do not provide the products in accordance with the ToRs, the timeframe agreed, or their products are substandard, the payment to the reviewer could be withheld, until such a time the products are modified to meet UNEP's, standard. In case the consultants fail to submit a satisfactory final product to UNEP the product prepared by the consultants may not constitute the final report.

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<sup>41</sup> [http://www.uneval.org/normsandstandards/index.jsp?doc\\_cat\\_source\\_id=4](http://www.uneval.org/normsandstandards/index.jsp?doc_cat_source_id=4)



## ANNEX 1 – OVERALL RATING TABLE

Criterion	Reviewers' Summary Comments	Reviewer's Rating
<b>Attainment of project objectives and results (overall rating)</b> Sub criteria (below)		
Effectiveness		
Relevance		
Efficiency		
<b>Sustainability of Project outcomes (overall rating)</b> Sub criteria (below)		
Financial		
Socio Political		
Institutional framework and governance		
Ecological		
<b>Achievement of outputs and activities</b>		
<b>Monitoring and Evaluation (overall rating)</b> Sub criteria (below)		
M&E Design		
M&E Plan Implementation (use for adaptive management)		
Budgeting and Funding for M&E activities		
<b>Catalytic Role</b>		
<b>Preparation and readiness</b>		
<b>Country ownership / driveness</b>		
<b>Stakeholders involvement</b>		
<b>Financial planning</b>		
<b>UNEP Supervision and backstopping</b>		
<b>Overall Rating</b>		

## RATING OF PROJECT OBJECTIVES AND RESULTS

Highly Satisfactory (HS): The project had no shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Satisfactory (S): The project had minor shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Moderately Satisfactory (MS): The project had moderate shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Moderately Unsatisfactory (MU): The project had significant shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Unsatisfactory (U) The project had major shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

Highly Unsatisfactory (HU): The project had severe shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.

**Please note:** Relevance and effectiveness will be considered as critical criteria. The overall rating of the project for achievement of objectives and results **may not be higher** than the lowest rating on either of these two criteria. Thus, to have an overall satisfactory rating for outcomes a project must have at least satisfactory ratings on both relevance and effectiveness.

## **RATINGS ON SUSTAINABILITY**

Sustainability will be understood as the probability of continued long term outcomes and impacts after the GEF project funding ends. The Mid term review will identify and assess the key conditions or factors that are likely to contribute or undermine the persistence of benefits after the project ends. Some of these factors might be outcomes of the project, i.e. stronger institutional capacities, legal frameworks, socio economic incentives /or public awareness. Other factors will include contextual circumstances or developments that are not outcomes of the project but that are relevant to the sustainability of outcomes..

### Rating system for sustainability sub criteria

On each of the dimensions of sustainability of the project outcomes will be rated as follows.

Likely (L): There are no risks affecting this dimension of sustainability.

Moderately Likely (ML). There are moderate risks that affect this dimension of sustainability.

Moderately Unlikely (MU): There are significant risks that affect this dimension of sustainability

Unlikely (U): There are severe risks that affect this dimension of sustainability.

All the risk dimensions of sustainability are critical. Therefore, overall rating for sustainability will not be higher than the rating of the dimension with lowest ratings. For example, if a project has an Unlikely rating in either of the dimensions then its overall rating cannot be higher than Unlikely, regardless of whether higher ratings in other dimensions of sustainability produce a higher average.

## **RATINGS OF PROJECT M&E**

Monitoring is a continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing project with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds. Evaluation is the systematic and objective assessment of an on going or completed project, its design, implementation and results. Project evaluation may involve the definition of appropriate standards, the examination of performance against those standards, and an assessment of actual and expected results.

The Project monitoring and evaluation system will be rated on 'M&E Design', 'M&E Plan Implementation' and 'Budgeting and Funding for M&E activities' as follows:

Highly Satisfactory (HS): There were no shortcomings in the project M&E system.

Satisfactory(S): There were minor shortcomings in the project M&E system.

Moderately Satisfactory (MS): There were moderate shortcomings in the project M&E system.

Moderately Unsatisfactory (MU): There were significant shortcomings in the project M&E system.

Unsatisfactory (U): There were major shortcomings in the project M&E system.

Highly Unsatisfactory (HU): The Project had no M&E system.

“M&E plan implementation” will be considered a critical parameter for the overall assessment of the M&E system. The overall rating for the M&E systems will not be higher than the rating on “M&E plan implementation.”

All other ratings will be on the GEF six point scale.

<b>GEF Performance Description</b>	<b>Alternative description on the same scale</b>
HS = Highly Satisfactory	Excellent
S = Satisfactory	Well above average
MS = Moderately Satisfactory	Average
MU = Moderately Unsatisfactory	Below Average
U = Unsatisfactory	Poor
HU = Highly Unsatisfactory	Very poor (Appalling)

## ANNEX 2. CO FINANCING AND LEVERAGED RESOURCES

### Co financing (basic data to be supplied to the consultants/reviewers for verification)

\* Other is referred to contributions mobilized for the project from other multilateral agencies, bilateral development cooperation agencies, NGOs, the private sector and beneficiaries.

#### **Leveraged Resources**

Leveraged resources are additional resources—beyond those committed to the project itself at the time of approval—that are mobilized later as a direct result of the project. Leveraged resources can be financial or in kind and they may be from other donors, NGO's, foundations, governments, communities or the private sector. Please briefly describe the resources the project has leveraged since inception and indicate how these resources are contributing to the project's ultimate objective.

Co financing (Type/Source)	IA own Financing (mill US\$)		Government (mill US\$)		Other* (mill US\$)		Total (mill US\$)		Total Disbursement (mill US\$)	
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
- Grants										
- Loans/Concessional (compared to market rate)										
- Credits										
- Equity investments										
- In kind support										
- Other (*)										
<b>Totals</b>										

Table showing final actual project expenditure by activity to be supplied by the UNDP/UNEP Fund management Officer. (insert here)

## ANNEX 3 – QUALITY CONTROL AND ASSESSMENT

### Review of the Draft Report

Draft reports submitted to UNEP are shared with the corresponding Programme or Project Officer and his or her supervisor for initial review and consultation. The UNEP and senior Executing Agency staff provide comments on the draft review report. They may provide feedback on any errors of fact and may highlight the significance of such errors in any conclusions. The consultation also seeks agreement on the findings and recommendations. UNEP collates the review comments and provides them to the reviewers for their consideration in preparing the final version of the report. General comments on the draft report with respect to compliance with these TOR are shared with the reviewers.

### Quality Assessment of the Review Report

All UNEP GEF Mid Term Reports are subject to quality assessments by UNEP. These apply GEF Office of Evaluation quality assessment and are used as a tool for providing structured feedback to the evaluator.

The quality of the draft review report is assessed and rated against the following criteria:

GEF Report Quality Criteria	UNEP EOU Assessment	Rating
A. Did the report present an assessment of relevant outcomes and achievement of project objectives in the context of the focal area program indicators if applicable?		
B. Was the report consistent and the evidence complete and convincing and was the ratings substantiated when used?		
C. Did the report present a sound assessment of sustainability of outcomes?		
D. Were the lessons and recommendations supported by the evidence presented?		
E. Did the report include the actual project costs (total and per activity) and actual co financing used?		
F. Did the report include an assessment of the quality of the project M&E system and its use for project management?		
G. Quality of the lessons: Were lessons readily applicable in other contexts? Did they suggest prescriptive action?		
H. Quality of the recommendations: Did recommendations specify the actions necessary to correct existing conditions or improve operations ('who?' 'what?' 'where?' 'when?'). Can they be implemented? Did the recommendations specify a goal and an associated performance indicator?		
I. Was the report well written? (clear English language and grammar)		
J. Did the report structure follow EOU guidelines, were all requested Annexes included?		
K. Were all evaluation aspects specified in the TORs adequately addressed?		

L. Was the report delivered in a timely manner		
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$\text{GEF Quality of the MTE report} = 0.3*(A + B) + 0.1*(C+D+E+F)$
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$\text{EOU assessment of MTE report} = 0.3*(G + H) + 0.1*(I+J+K+L)$
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$\text{Combined quality Rating} = (2* \text{'GEF EO' rating} + \text{EOU rating})/3$
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The Totals are rounded and converted to the scale of HS to HU
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Rating system for quality of mid term review

*A number rating 1-6 is used for each criterion: Highly Satisfactory = 6, Satisfactory = 5, Moderately Satisfactory = 4, Moderately Unsatisfactory = 3, Unsatisfactory = 2, Highly Unsatisfactory = 1, and unable to assess = 0.*

### Minimum Requirement 1: Project Design of M&E<sup>42</sup>

All projects must include a concrete and fully budgeted monitoring and evaluation plan by the time of Work Program entry (full sized projects) or CEO approval (medium sized projects). This plan must contain at a minimum:

- SMART (see below) indicators for project implementation, or, if no indicators are identified, an alternative plan for monitoring that will deliver reliable and valid information to management
- SMART indicators for results (outcomes and, if applicable, impacts), and, where appropriate, corporate level indicators
- A project baseline, with:
  - a description of the problem to address
  - indicator data
  - or, if major baseline indicators are not identified, an alternative plan for addressing this within one year of implementation
- An M&E Plan with identification of reviews and evaluations which will be undertaken, such as mid term reviews or evaluations of activities
- An organizational setup and budgets for monitoring and evaluation.

### Minimum Requirement 2: Application of Project M&E

- Project monitoring and supervision will include implementation of the M&E plan, comprising:
- Use of SMART indicators for implementation (or provision of a reasonable explanation if not used)
- Use of SMART indicators for results (or provision of a reasonable explanation if not used)
- Fully established baseline for the project and data compiled to review progress
- Evaluations are undertaken as planned
- Operational organizational setup for M&E and budgets spent as planned.

**SMART INDICATORS** GEF projects and programs should monitor using relevant performance indicators. The monitoring system should be “SMART”:

1. **Specific:** The system captures the essence of the desired result by clearly and directly relating to achieving an objective, and only that objective.
2. **Measurable:** The monitoring system and its indicators are unambiguously specified so that all parties agree on what the system covers and there are practical ways to measure the indicators and results.
3. **Achievable and Attributable:** The system identifies what changes are anticipated as a result of the intervention and whether the result(s) are realistic. Attribution requires that changes in the targeted developmental issue can be linked to the intervention.
4. **Relevant and Realistic:** The system establishes levels of performance that are likely to be achieved in a practical manner, and that reflect the expectations of stakeholders.
5. **Time bound, Timely, Trackable, and Targeted:** The system allows progress to be tracked in a cost effective manner at desired frequency for a set period, with clear identification of the particular stakeholder group to be impacted by the project or program.

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<sup>42</sup> <http://gefweb.org/MonitoringandEvaluation/MEPoliciesProcedures/MEPTools/meptstandards.html>



## ANNEX 5 – RISK FACTOR TABLE

*Reviewer(s) will use this table to summarize risks identified in the **Project Document** and reflect also **any new risks** identified in the course of the evaluation in regard to project implementation. The **Notes** column should be used to provide additional details concerning manifestation of the risk **as relevant**.*

INTERNAL RISK Project management										
Risk Factor	Indicator of Low Risk	Indicator of Medium Risk	Indicator of High Risk	Low	Medium	Substantial	High	Not Applicable	To be determined	NOTES
<b>Management structure</b>	Stable with roles and responsibilities clearly defined and understood	Individuals understand their own role but are unsure of responsibilities of others	Unclear responsibilities or overlapping functions which lead to management problems							
<b>Governance structure</b>	Steering Committee and/or other project bodies meet periodically and provide effective direction/ inputs	Body(ies) meets periodically but guidance/ input provided to project is inadequate	Members lack commitment (seldom meet) and therefore the Committee/ body does not fulfil its function							
<b>Internal communications</b>	Fluid and cordial	Communication process deficient although relationships between team members are good	Lack of adequate communication between team members leading to deterioration of relationships and resentment /factions							
<b>Work flow</b>	Project	Some	Major delays							

	progressing according to work plan	changes in project work plan but without major effect on overall implementation	or changes in work plan or method of implementation							
<b>Co financing</b>	Co financing is secured and payments are received on time	Is secured but payments are slow and bureaucratic	A substantial part of pledged co financing may not materialize							
<b>Budget</b>	Activities are progressing within planned budget	Minor budget reallocation needed	Reallocation between budget lines exceeding 30% of original budget							
<b>Financial management</b>	Funds are correctly managed and transparently accounted for	Financial reporting slow or deficient	Serious financial reporting problems or indication of mismanagement of funds							
<b>Reporting</b>	Substantive reports are presented in a timely manner and are complete and accurate with a good analysis of project progress and implementation issues	Reports are complete and accurate but often delayed or lack critical analysis of progress and implementation issues	Serious concerns about quality and timeliness of project reporting							
<b>Stakeholder</b>	Stakeholder	Consultation	Symptoms of							

<b>involvement</b>	analysis done and positive feedback from critical stakeholders and partners	and participation process seems strong but misses some groups or relevant partners	conflict with critical stakeholders or evidence of apathy and lack of interest from partners or other stakeholders							
<b>External communications</b>	Evidence that stakeholders, practitioners and/or the general public understand project and are regularly updated on progress	Communications efforts are taking place but not yet evidence that message is successfully transmitted	Project existence is not known beyond implementation partners or misunderstandings concerning objectives and activities evident							
<b>Short term/long term balance</b>	Project is meeting short term needs and results within a long term perspective, particularly sustainability and replicability	Project is interested in the short term with little understanding of or interest in the long term	Longer term issues are deliberately ignored or neglected							
<b>Science and technological issues</b>	Project based on sound science and well established technologies	Project testing approaches, methods or technologies but based on sound analysis of options and risks	Many scientific and/or technological uncertainties							
<b>Political</b>	Project	Signs that	Project is							

influences	decisions and choices are not particularly politically driven	some project decisions are politically motivated	subject to a variety of political influences that may jeopardize project objectives							
Other, please specify. Add rows as necessary										

**ANNEX 6 LIST OF INTENDED RECIPIENTS FOR THE MID TERM REVIEW**

Name	Affiliation	Email
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<b>Executing Agency/Partners</b>		
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Ms. Rhonda Robinson	Deputy Director Water and Sanitation Programme, SOPAC of SPC, Suva, Fiji	<a href="mailto:rhondar@sopac.org">rhondar@sopac.org</a>



## Annex 2 – Mid Term Review Programme

Date	Itinerary/ Location	Activities
13 15/2/12	Brussels – Abu Dhabi – Manila – Guam – Majuro	Travel
16/2/12	Majuro – Republic of the Marshall Islands	Meetings with IWRM Focal Point and National demonstration project staff and stakeholders; site visits to Laura Lens
17/2/12	Majuro & depart for Honolulu	Meetings with project staff, GEF Focal Point. Travel
18/2/12	Honolulu Apia	Travel
19/2/12	Apia Samoa	Preliminary meeting with national Project Manager
20/2/12	Apia	Meetings with IWRM Focal Point, Project Manager and key stakeholders. Site visits
21/2/12	Apia	IWRM Focal Point and PMU meetings
22/2/12	Apia – Nadi  Nadi (Fiji)	Travel (overnight)  Meetings with PMU and key stakeholders. Site visits
23/2/12	Nadi  Nadi Suva	Meetings with PMU and stakeholders, site visits.  Travel
24/2/12	Suva	Meetings with UNDP Regional Office, EU representative, IUCN, IWRM Focal Point, SOPAC (EA), EU Project (component 3) staff and Regional PCU
25/2/12	Suva	Meeting with Regional Project Manager
26/2/12	Suva Nadi	Travel
27 28/2/12	Nadi – Seoul – Bangkok – Abu Dhabi Brussels	Travel

## **Annex 3 – Stakeholders interviewed**

### **Republic of the Marshall Islands (15<sup>th</sup> – 16<sup>th</sup> February 2012)**

- Ms Deborah Manase – IWRM Focal Point/EPA General Manager
- Ms Renee Cabral – IWRM Project Assistant
- Mr Biuma Samson – Director of CMI Land Grant
- Mr Jina David – Water Quality Extension Agent /
- Mr Julius Lucky – Aquaculture Extension Agent / IWRM Advisory Committee
- Mr Jorelik Tibon – Chair of Laura Lens Committee & Director of Majuro Waste Company
- Mr. Rondio Jomule – Laura Farmers Association Rep./ Laura Lens Committee
- Mr. Alton Wanej – Majuro Water and Sewer Company (MWSC) Representative.
- Mr Roderik Kabua – Majuro Atoll Local Government Rep.(MALGOV'T)/ IWRM Advisory Group
- Mr Halston DeBrum – Majuro Water and Sewer Company
- Ms Kino Kabua – Secretary of Foreign Affairs/ Political GEF Focal Point

### **Samoa (17<sup>th</sup> – 21<sup>st</sup> February 2012)**

- Mr Suluimalo Amataga Penaia – IWRM Focal Point / CEO Water Resources Division, Ministry of Natural Resources and Environment
- Mr Sopoaga Sam Semisi – IWRM Project Manager
- Ms Lita Lamafana – Ministry of Finance
- Ms Frances Brown – Manager Water Sector co ordinating unit
- Mr Moefaauro Tainau – GM SWA
- Mr Tafeamalii Kerslake – SWA – Manager Engineer

### **Fiji (21<sup>st</sup> – 27<sup>th</sup> February 2012)**

#### **Nadi**

- Mr Vinesh Kumar – IWRM Project Manager
- Mr Bryan Watson – Chair NBCC
- Mr Aisea Tuidraki – Nadi Special Administrator

- Mr S Koroi – WAF
- Mr Asaeli – Divisional Forestry Officer
- Mr Mahen Kumar – LWRM
- Mr Jone Kokoi – Fiji Military Force
- Ms Bale – Assistant to District Officer
- Ms Varanisese – Ministry of Information
- Mr Joeli Cawaki – Commissioner Western
- Mr Rupeni Fonmanu – CEO Denarau Corporation Ltd

#### Suva

- Mr Colin Simmons – IWRM Focal Point/Land and Water Resource Management Division, Ministry of Primary Industries
- Ms Winifereti Nainoca – UNDP Team Leader – Environment
- Mr Laiakina Waqanisau – UNDP Environment Associate
- Mr Naheed Hussein – UNDP Programme Support Unit
- Mr Ioannis Pavlos Evangelidis – EU Attaché
- Dr Milika Sobey – IUCN
- Mr Marc Overmars – ADB
- Mr Mohinish Kumar – SOPAC – Divisional Deputy Director
- Ms Rhonda Robinson – SOPAC (EU Component Leader)
- Mr David Hebblethwaite – SOPAC (EU Component staff)
- Mr Tiy Chung – SOPAC – Communications Advisor
- Mr Marc Wilson – SOPAC – GEF Pacific IWRM Regional Project Manager
- Mr David Duncan – SOPAC GEF Pacific IWRM Environmental Engineer
- Mr Chris Paterson – SOPAC GEF Pacific IWRM Mainstreaming and Indicators Advisor
- Dr Ampai Harakunarak – UNEP
- Mr James Dalton IUCN

#### **Annex 4 – Documents Reviewed**

1. UNEP Project Document
2. UNDP Project Document
3. PIR 2010 (UNEP)
4. PIR 2011 (UNEP)
5. PIR 2011 (UNDP)
6. Regional Steering Committee Meeting Minutes 2009
7. Regional Steering Committee Meeting Minutes 2010
8. Regional Steering Committee Meeting Minutes 2011 (draft)
9. Pacific Partnership Newsletter (April 2010)
10. Republic of the Marshall Islands draft Water and Sanitation Policy
11. Republic of the Marshall Islands Institutional Background Analysis
12. Republic of the Marshall Islands Laura Lens Governance Case Study
13. Republic of the Marshall Islands Mid term Report
14. Samoa – IWRM demonstration project document
15. Samoa – IWRM Diagnostic Report
16. Samoa – Mid term Report
17. Fiji – IWRM Demonstration Project Document
18. Fiji – IWRM Diagnostic Report
19. Fiji – Mid term Report
- 20.

## Annex 5 – Interview Guide/Questionnaire

Two interview guides were used for this review: one focused at ‘stakeholders’ and the second for demonstration project managers. The main purpose was to guide interviewees on the issues of specific interest to the reviewer. By the end of the review 14 questionnaires were completed and returned by participants in the project.

### UNEP/UNDP/GEF: Implementing Sustainable Water Resources and Wastewater Management in Pacific Island Countries

#### Stakeholder questionnaire

1. Interviewee’s name, organisation and contact details
2. Role in the Project (& which activities involved in)
3. General impression on the project and how it is being executed.
4. Is the project on target to achieve its objective through completion of components and activities? Please give specific information on successes or problems
5. How will the IWRM and WUE plans assist in meeting the objective?
6. How will the Project assist in achieving the MDG targets within national development strategies? Please give specific examples.
7. How does the Project contribute to the overall goals of the Pacific Alliance for Sustainability (PAS)?
8. What progress has been made in developing partnership mechanisms to objectively measure impacts of investment and management actions? Was the approach adopted effective (please explain how/why)?
9. How has the regional / national co ordination been effective? How could this be further improved?
10. How effective have the linkages been between the EU funded Component 3 and the other Project activities?
11. How are the activities relevant to your region?
12. Have there been any delays to the project’s activities? What were these and how were the delays resolved?
13. How have gender issues been included and recorded in the project activities and priorities?
14. How have the demonstration projects involved stakeholders? (examples)
15. How have the demonstration projects assisted in reducing barriers to participatory approaches on IWRM and WUE at local and national level?

16. How has the Project targeted national and regional level learning with regards to IWRM and WUE?
17. In what way have the indicators monitoring developed assisted with improving the IWRM and WUE planning?
18. What national, regional or global benefits (and successes) have been achieved through the development and use of these indicators?
19. What are the key successes of these actions?
20. What enhancements could be made to improve the efficiency and/or effectiveness of these actions?
21. What training has been completed in your area on M&E? What further training is needed?
22. What is the status of the preparation of IWRM policies/plans and WUE strategies, in terms of the following:
  - a. Existence of a draft policy/plan/strategy
  - b. Level of adoption of the policy/plan/strategy
  - c. Integration In what way have the IWRM policies and WUE strategies been integrated in to National development plans?
23. Have the policies/strategies involved wide government and civil society in their development and approval?
24. What are the key successes of these actions?
25. What are your expectation on achievements of planned outputs, and how to ensure delivery sustainability (after EU funding ends)
26. What enhancements could be made to improve the efficiency and/or effectiveness of these actions?
27. What benefits have been accrued from the capacity development activities – locally, nationally and regionally?
28. How will this improve the sustainability of the overall approach to IWRM & WUE?
29. Has the approach to capacity development and awareness raising been effective? Please give examples.
30. What are the key successes from these actions?
31. What are the risks to long term sustainability to IWRM and WUE approaches?
32. What further could be done to improve the sustainability of IWRM & WUE approaches?
33. Have the Steering Committee meetings met your expectation and how have they helped guide the project ?
34. What impacts has the RTAG had on the work programme? What changes? etc...

35. What are the main barriers to post project sustainability (financial, institutional, political, social, etc.) of these actions? How can they be overcome
36. What more could be done to encourage replication of demonstration activities?
37. What are the key lessons from the involvement of multiple UN Agencies and other organisations?
38. Have the co ordination mechanisms established (PSC, RTAG, etc.) been effective in managing the project?
39. Has the Regional Co ordination Unit been responsive to national representatives, national demo projects, other stakeholders (e.g. civil society) requests?
40. What are the specific challenges presented by this project that covers 14 Pacific SIDS?
41. How could the co ordination / management of the regional project be enhanced?
42. Has the UNEP and UNDP supervision been sufficient and effective?
43. How did the project identify the stakeholders? Do you believe this was effective?
44. How has the project encouraged wide stakeholder involvement? Has this been effective? How could it be further improved?

## UNEP/UNDP/GEF: Implementing Sustainable Water Resources and Wastewater Management in Pacific Island Countries

### Questions for Demonstration Project Managers

Please provide examples on all the questions if possible; e.g. of how the project has overcome difficulties, solved management issues etc.

1. Interviewee's name, organisation and contact details
2. Is the project on target to achieve its objective through completion of components and activities?
3. How are the activities relevant to your region?
4. Have there been any delays to the project's activities? How were the delays resolved?
5. How have gender issues been included and recorded?
6. How has the project involved stakeholders?
7. For each of the key components in your demonstration project please summarise progress (<100 words)
8. Describe (<100 words) the M&E approach, indicators and routine monitoring of these indicators.
9. For each of the key activities – please estimate %age completion.
10. Please give budget estimate figures (including: spent GEF funds, Co financing (source) etc.) – Dec 2011.
11. Please list lessons learned / best practices / adaptive management changes
12. What are the problems that have been encountered / how have these been overcome (financial, managerial and technical)?
13. How will the work be sustained / replicated after the end of the project?



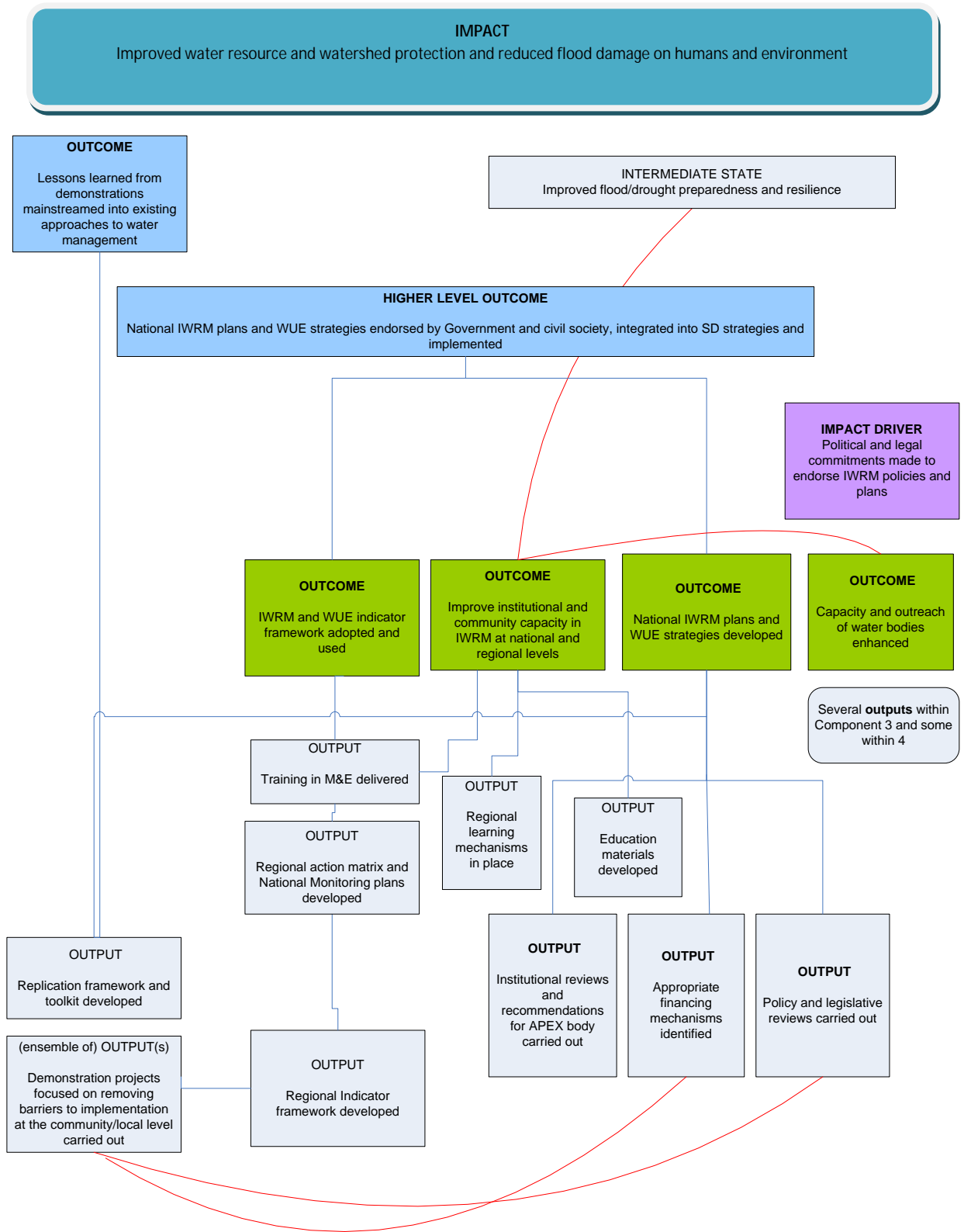
Annex 6 – Summary of Project Co financing (December 2011)

Co financing (Type/Source)	IA own Financing (mill US\$)		Government (mill US\$)		Other* (mill US\$)		Total (mill US\$)		Total Disbursement (mill US\$)	
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
- Grants			6.42	2.85	57.95	46.03	64.37	48.88	64.37	48.88
- Loans/Concessional (compared to market rate)					10.39	10.20	10.39	10.20	10.39	10.20
- Credits										
- Equity investments										
- In kind support			5.37	2.20	3.35	1.86	8.72	4.06	8.72	4.06
- Other (*)										
<b>Totals</b>			11.79	5.05	71.69	58.09	83.48	63.14	83.48	63.14

A breakdown of 'other' donors' contributions is not readily available.

# Annex 7 – Review of Outcomes to Impact (ROtI)

## Generalised theory of change for the Pacific IWRM Project



## Review of Outcomes to Impacts

Main Outputs	Outcomes	Rating (D A)	Drivers and Assumptions	Intermediate States	Rating (D A)	Impacts	Evidence of Impacts	Overall Rating
<p>Recommendations for PICs of improved:</p> <ul style="list-style-type: none"> <li>• Watershed management</li> <li>• Wastewater management &amp; sanitation</li> <li>• Water resources assessment &amp; protection</li> <li>• Water use efficiency &amp; water safety</li> </ul> <p>With strengthened national capacity</p>	<p><b>Outcome 1:</b></p> <p>Lessons learned from demonstrations of IWRM and water use efficiency approaches replicated and mainstreamed into existing cross sectoral local, national and regional approaches to water management</p>	<b>B</b>	<ul style="list-style-type: none"> <li>• National policy</li> <li>• Potential climate change impacts on water resources</li> <li>• Political acceptance of approaches</li> <li>• Acceptance by communities on water resource protection measures</li> <li>• Financial resources sufficient to sustain / upscale activities</li> </ul>	<ul style="list-style-type: none"> <li>• Replicated /up scaled examples of demonstration activities;</li> <li>• Sustained basin committees through committed funds from government, communities and private sector</li> <li>• Experiences and lessons from demonstration activities mainstreamed into national policies on IWRM</li> </ul>	<b>B</b>	<ul style="list-style-type: none"> <li>• Improved water resources and watershed protection at demonstration sites.</li> <li>• Replication of benefits to other locations within countries and between countries</li> <li>• Improved environmental conditions through watershed management</li> <li>• Improved health</li> </ul>	+	<b>BB</b> +

Main Outputs	Outcomes	Rating (D A)	Drivers and Assumptions	Intermediate States	Rating (D A)	Impacts	Evidence of Impacts	Overall Rating
			<ul style="list-style-type: none"> <li>Willingness to co operate between sectors/ministries through APEX bodies or basin committees</li> </ul>	and WUE		<p>of communities through enhanced sanitation and improved water supply</p> <ul style="list-style-type: none"> <li>National capacity (government, private sector and communities) to manage water resources</li> </ul>		
Recommendations for PICs to implement: <ul style="list-style-type: none"> <li>Regional Indicator Framework (RIF)</li> <li>Participatory M&amp;E</li> </ul>	<b>Outcome 2:</b> National and Regional adoption of IWRM and WUE indicator framework based on improved data collection and indicator feedback and action for improved national and regional sustainable	<b>B</b>	<ul style="list-style-type: none"> <li>Demand for national and regional ecosystem indicators and reporting</li> <li>National/regional</li> </ul>	<ul style="list-style-type: none"> <li>Improved water resources status awareness through RIF</li> <li>Stakeholders actively engaged in monitoring and</li> </ul>	<b>B</b>	<ul style="list-style-type: none"> <li>Management actions respond to water resources status leading to enhanced IWRM and WUE</li> </ul>		<b>BB</b>

Main Outputs	Outcomes	Rating (D A)	Drivers and Assumptions	Intermediate States	Rating (D A)	Impacts	Evidence of Impacts	Overall Rating
With strengthened national capacity	development using water as the entry point		acceptance of RIF <ul style="list-style-type: none"> <li>Stakeholders appreciate benefits of M&amp;E and participate in the process</li> </ul>	assessment for IWRM and WUE planning		planning <ul style="list-style-type: none"> <li>Communities involved in assessment and protection of water resources and engaged (through basin committees) in management</li> </ul>		
<ul style="list-style-type: none"> <li>Endorsed IWRM plans and WUE policies across PICs</li> <li>IWRM implemented across PACs</li> <li>Assistance to</li> </ul>	<b>Outcome 3:</b> Institutional change and realignment to enact National IWRM plans and WUE strategies, including appropriate financing mechanisms identified and necessary political and legal commitments made to endorse IWRM policies and plans to accelerate Pacific	B	<ul style="list-style-type: none"> <li>National demand for revised IWRM plans and WUE policies</li> <li>National adoption of plans and policies developed</li> <li>Availability of</li> </ul>	<ul style="list-style-type: none"> <li>IWRM and WUE policies formally approved by PIC governments</li> <li>Budget available for IWRM &amp; WUE implementation at a national level</li> <li>APEX bodies</li> </ul>	C	<ul style="list-style-type: none"> <li>Implemented IWRM plans and WUE policies lead to improved water resource management and status</li> <li>Improved health of communities through</li> </ul>		BC

Main Outputs	Outcomes	Rating (D A)	Drivers and Assumptions	Intermediate States	Rating (D A)	Impacts	Evidence of Impacts	Overall Rating
<p>strengthened APEX bodies to develop IWRM and WUE policies</p> <ul style="list-style-type: none"> <li>• Awareness raised of IWRM /WUE</li> <li>• Strategies developed to sustain and upscale IWRM/WUE</li> </ul>	Regional Action Plan actions		<p>clear roadmap to assist with IWRM implementation</p> <ul style="list-style-type: none"> <li>• APEX bodies accepted as beneficial in PICs for IWRM and WUE planning/management</li> <li>• GEF Pacific IWRM Project successfully assists PICs to develop IWRM plans and WUE policies</li> </ul>	functional and sustained through local demand		<p>enhanced sanitation and improved water supply as result of IWRM and WUE policy implementation</p> <ul style="list-style-type: none"> <li>• National capacity (government, private sector and communities) to manage water resources</li> <li>• IWRM/WUE sustainability plans deliver long term financial stability for implementation</li> </ul>		

Main Outputs	Outcomes	Rating (D A)	Drivers and Assumptions	Intermediate States	Rating (D A)	Impacts	Evidence of Impacts	Overall Rating
<ul style="list-style-type: none"> <li>• Training completed to increase skills in project management and monitoring</li> <li>• Completed programme of twinning activities</li> <li>• Established knowledge management system across PICs</li> </ul>	<p><b>Outcome 4:</b> Improved institutional and community capacity in IWRM at national and regional levels</p>	B	<ul style="list-style-type: none"> <li>• Willingness of national experts and other representatives to participate in training and twinning activities</li> <li>• Sufficient project and national budget to fully support activities</li> </ul>	<ul style="list-style-type: none"> <li>• Improved capacity of human resources to implement IWRM and WUE approaches</li> <li>• Improved knowledge shared across the PICs</li> </ul>	B	<ul style="list-style-type: none"> <li>• IWRM and WUE policies implemented in PICs through skilled national experts</li> </ul>	+	BB +
<b>Overall Rating /Justification</b>	The project implementation has successfully followed the design presented in the Project Document by interlinking the activities of the four components. At the mid term of the Pacific IWRM project there are already positive signs of impacts (for example: from the demonstration project in Fiji that assisted with flood warnings in January 2012, the benefits from the twinning exchanges between Tuvalu and RMI on composting toilets and the post graduate experiences and networking by national experts, reduced pollution from washing cars in rivers in Samoa, etc.). Stress reduction activities						+	BB +

Main Outputs	Outcomes	Rating (D A)	Drivers and Assumptions	Intermediate States	Rating (D A)	Impacts	Evidence of Impacts	Overall Rating
	<p>(for example, planting trees in Samoa, introducing composting toilets, etc.) will have a positive environmental impact by reducing pollution and soil run off. Concerns were raised during the MTR about availability of resources to sustain the activities, however this is recognised by the regional and national projects and efforts are underway to secure funding and further support to implement IWRM (for example, SOPAC has (unsuccessfully to date) applied for regional programmes from Australia, New Zealand, etc. to further assist the goals of this project). The project has led to a wide adoption of basin (or watershed) management committees that are inclusive of a wide range of stakeholders drawn from government, communities and the private sector respecting the importance of good gender representation and balance (all participation is recorded in disaggregated format, gender mainstreaming activities has been promoted through workshops and on line discussions by the post graduate IWRM participants). The MTR concludes that it is highly likely that the project will achieve its expected outcomes and these will lead to the desired impacts.</p>							

NB: The ratings are estimated are based on the results to date and the MTR expectation on completion of project as planned.



## Annex 8 – Project RISK FACTOR TABLE

**Reviewer(s)** will use this table to summarize risks identified in the **Project Document** and reflect also **any new risks** identified in the course of the evaluation in regard to project implementation. The **Notes** column should be used to provide additional details concerning manifestation of the risk **as relevant**.

INTERNAL RISK Project management									
Risk Factor	Indicator of Low Risk	Indicator of Medium Risk	Indicator of High Risk	Low	Medium	Substantial	High	Not Applicable	NOTES
				To be determined					
<b>Management structure</b>	Stable with roles and responsibilities clearly defined and understood	Individuals understand their own role but are unsure of responsibilities of others	Unclear responsibilities or overlapping functions which lead to management problems	X					
<b>Governance structure</b>	Steering Committee and/or other project bodies meet periodically and provide effective direction/ inputs	Body(ies) meets periodically but guidance/input provided to project is inadequate	Members lack commitment (seldom meet) and therefore the Committee/ body does not fulfil its function	X					
<b>Internal communications</b>	Fluid and cordial	Communication process deficient although relationships between team members are good	Lack of adequate communication between team members leading to deterioration of relationships	X					

			and resentment /factions							
<b>Work flow</b>	Project progressing according to work plan	Some changes in project work plan but without major effect on overall implementation	Major delays or changes in work plan or method of implementation		X					Component 2 has been slow in preparing first draft of indicators framework but this is now available.  Component 3 (EU funded) has effectively ended but the overall Project still has more to do to fully integrate the results and to ensure there are national roadmaps available for IWRM implementation.
<b>Co financing</b>	Co financing is secured and payments are received on time	Is secured but payments are slow and bureaucratic	A substantial part of pledged co financing may not materialize	X						Over 50% of co financing has materialised and the PCU and demo PMs believe the planned figure will be exceeded
<b>Budget</b>	Activities are progressing within planned budget	Minor budget reallocation needed	Reallocation between budget lines exceeding 30% of original budget		X					The EA still needs to submit budget line change requests as agreed by the RSC to UNEP for formal approval.
<b>Financial management</b>	Funds are correctly managed and transparently accounted	Financial reporting slow or deficient	Serious financial reporting problems or indication of mismanage		X					Approval of PSC agreed budget line changes still need to be initiated by EA for UNEP approval

	for		ment of funds							
<b>Reporting</b>	Substantive reports are presented in a timely manner and are complete and accurate with a good analysis of project progress and implementation issues	Reports are complete and accurate but often delayed or lack critical analysis of progress and implementation issues	Serious concerns about quality and timeliness of project reporting	X						
<b>Stakeholder involvement</b>	Stakeholder analysis done and positive feedback from critical stakeholders and partners	Consultation and participation process seems strong but misses some groups or relevant partners	Symptoms of conflict with critical stakeholders or evidence of apathy and lack of interest from partners or other stakeholders	X						
<b>External communications</b>	Evidence that stakeholders, practitioners and/or the general public understand project and are regularly updated on progress	Communications efforts are taking place but not yet evidence that message is successfully transmitted	Project existence is not known beyond implementation on partners or misunderstandings concerning objectives and activities evident	X						
<b>Short term/long term</b>	Project is meeting short term	Project is interested in the short	Longer term issues are deliberately	X						

<b>balance</b>	needs and results within a long term perspective, particularly sustainability and replicability	term with little understanding of or interest in the long term	ignored or neglected								
<b>Science and technological issues</b>	Project based on sound science and well established technologies	Project testing approaches, methods or technologies but based on sound analysis of options and risks	Many scientific and /or technological uncertainties	X							The MTR considers the technical approaches for the demonstration projects to be sound and based on previously tested approaches. The guidance provided by the indicator framework will assist with monitoring progress and achievements of these pilots.
<b>Political influences</b>	Project decisions and choices are not particularly politically driven	Signs that some project decisions are politically motivated	Project is subject to a variety of political influences that may jeopardize project objectives	X							
<b>Other, please specify. Add rows as necessary</b>											

## Annex 9 – Brief CV of Mid Term Review Consultant

**Dr Peter Whalley** is a physical chemist who has been working in international water management for the last 20 years. He has extensive experience of developing appropriate water monitoring networks, implementing training programmes and providing trans boundary support in a range of countries including, the Danube Basin, China, Taiwan, EECCA, Egypt, Kuwait and Ghana. He is currently Project Manager (Chief Technical Advisor) of the UNDP/GEF funded project in the Tisza River Basin leading to the development of an integrated river basin management plan addressing both water quantity and quality. Between 2004 and 2007 he was the Environmental Specialist / Deputy Project Manager on the UNDP/GEF funded Danube Regional Project. Since 2007 he has been an independent expert predominately working on GEF funded activities through UNDP, UNEP and the World Bank covering the project preparation and drafting of Project Documents, Mid Term Evaluations and Terminal Evaluations and assisting projects with undertaking Transboundary Diagnostic Analysis and Strategic Action Plan development.

## Annex 10 – Comments on the MTR by the Regional PCU and responses from the MTR

### General Comment on Mid Term Review of the GEF Pacific IWRM Project

The EA and RPCU are of a view that the time allocated to the MTR was inadequate and that the MTR was undertaken too late to be of real benefit to the RSC. The lead IA (UNEP) requested RSC 3 endorsement for the use of additional funds for the MTR. Despite the additional funding the actual on ground visit to demonstration projects and consultations with partners, EA, IA and other stakeholders were all crammed into an 11 day period which included a weekend and travel to three different regions of the vast Pacific. The evaluator was only able to meet the RPCU outside of normal business hours. Under these circumstances and the constrained contract period available to the Reviewer the RPCU believes the Draft MTR is mostly a fair reflection of the status of the project. Inevitably the shortened review time in the region has led to some project achievements at both a regional and national level being undervalued or missed. Much on ground work has been completed and significant progress has been made in all countries to mainstream the IWRM approach. These significant advances have as a result been undervalued in the RPCU's view.

**MTR'S Response:** The MTR acknowledges these comments and will ensure that the report reflects the time limitations appropriately. However all reviews are based on a selected sub set of the overall project and the MTR believes that the Regional PCU/EA in discussions with the IAs selected an appropriate programme of country visits consistent with the time/budget available. The MTR further acknowledges that it is likely in such a short visit that many success stories were missed but is confident that the Regional PCU (with national support) will collect these valuable experiences for dissemination at the end of the project.

At commencement, the RPCU was faced with delays in finalisation of arrangements with the IAs. UNDP were able to provide funds to SPC/SOPAC at the end of Q1 of the project. Under the ProDoc UNDP funds are for the exclusive use of the National Demonstration Projects. UNEP funds (for resourcing the RPCU) were not provided to SPC/SOPAC until the end of Q2 of the Project ie six months into the project. Had not SPC/SOPAC taken the initiative and commenced recruiting staff prior to the commencement of the project and advanced operating funds then the project commencement would have suffered a very significant implementation delay. Given these start up delays it is the RPCU's view that the majority of Participating Pacific Island Countries (PPICs) did a remarkable job in recruiting Project Staff by the end of Q3 of the project.

**MTR'S Response:** The MTR acknowledges the flexible and adaptive approach of the EA/Regional PCU in ensuring that the project was initiated with the support of the countries.

Although the MTR briefly explores the issue of the cut to the Project Budget just prior to final GEF approval it does not explore in any great detail how poorly the regional components of the project were funded. The "last minute" cuts meant that budget allocations for travel, meetings and training were unworkable ie the Project Design could not be implemented. This was

acknowledged by the RSC and resulted in the RSC drafting a "*Communiqué of Concern*" in relation to the level of funding provided. The RSC and RPCU deserve some credit for their adaptive management response to this situation and the subsequent performance of the Project.

**MTR'S Response:** The MTR report has been strengthened in its review of both the planning and implementation to ensure the consequences of the 'last minute cuts' are reflected, and adaptive management responses from the EA/Regional PCU are acknowledged.

The EA and RPCU are also concerned that they were not afforded the opportunity of reviewing the draft prior to general release for comment. The IAs have had over a month to review and revise the contents prior to general release and it is unfortunate that this courtesy was not also extended to the EA.

**MTR'S Response:** The report on the MTR is still at a 'draft' stage and comments are welcomed to ensure that the project progress and status is presented adequately given the inevitable limited time/budget of this review.

These matters will be expanded upon in the following more detailed discussion of the MTR.

## Specific Comments

Page	Issue	Suggestion	MTR's Response
pg iii	Federation of Micronesia	Federated States of Micronesia (check throughout document)	Changes made to MTR report
pg iii	IW:LEARN = GEF IW:LEARN	GEF International Waters Learning Exchange and Resource Network	Changes made to MTR report
pg iii	Project Implementation Report	Annual Project Implementation Review	Changes made to MTR report
pg v	Typo Component 3	Implementation of etc	Changes made to MTR report
pg v	Use of short country names in footnote	Use full names e.g. Republic of Fiji, Kingdom of Tonga, Republic of Palau	Changes made to MTR report
pg vi	Second Dot Point	Refer Note 1 below	See below under Note 1
pg x	" <b>Moderately Likely</b> " rating of Sustainability of Project Outcomes	EA and RPCU opinion is that this should be rated " <b>Likely</b> " – see 2 below. Most Participating PICs at both government and community level have taken steps towards "institutionalising" project outcomes.	See below under Note 2
pg x	" <b>Moderately Satisfactory</b> " rating of financial planning	EA and RPCU opinion is that this should be rated " <b>Satisfactory</b> " see 3 below at least from the EA's and PPIC's perspective.	See below under Note 3
pg 13	"Island of Samoa"	both Savaii and Upolu Islands of Samoa	Changes made to MTR report
pg 15	Para 4 refers to "national and regional Environmental Outlooks"	National and Regional Water, Sanitation, and Climate Outlooks	Changes made to MTR report
pg 15	Key Achievements	Development of National <u>Water</u> , Sanitation and Climate Outlooks.	Changes made to MTR report
pg 16	Final para "ideally tested through national demonstration projects – but this linkage was not obvious to the MTR)"	Project Demonstration Project's stress reduction activities, coordination approaches etc were intended to help inform policy/plan development not a piloting of policy ie they were to demonstrate real on ground policy needs to resolve environmental stress and	Changes made to MTR report



Page	Issue	Suggestion	MTR's Response
		coordination issues etc.	
pg 18	Third bullet point "Pacific IWCAM"	Pacific IWRM Project	Changes made to MTR report
pg 18	Fourth bullet point "... establishment of a Micronesia Water and Sanitation Group"	" ... establishment of the Micronesian Water and Sanitation Committee as part of the Micronesian Chief Executive Summit political forum and similar foundational work with the Melanesian Spearhead Group with the creation of The Water, Sanitation and Climate Subcommittee"	Changes made to MTR report
p 26	UNEP "co financing" third bullet point	By way of clarification the DEPI Freshwater proposal was to run a training programme around the RSC meetings. However, the week after RSC 2 and 3 was committed to the Postgraduate Intensive Study Week as recorded in the RSC 2 Report. Holding the proposed study week before RSC would have meant that for most of the PICs their senior water staff would be away for almost a month. UNEP had insufficient budget to run a separate Training workshop in the Pacific.	Thank you for the clarification. No further comment from MTR
p 27 28	"Moderately Likely" rating of Sustainability of Project Outcomes	EA and RPCU opinion that this should be rated "Likely" – see 2 below	See below under Note 2.
p 27 28	RTAG Formation Comment	The delivery of the RTAG has gone well beyond the expectations of the ProDoc. Whilst the RTAG may be struggling to meet the expectations of stakeholders (given the potential value that they can see in the RTAG), this should be seen in the light of the additional value provided to the project above that outlined in the ProDoc, rather	The MTR concurs with these comments and the achievement of the RTAG and is hopeful that further successful activities can be realised.

Page	Issue	Suggestion	MTR's Response
		than it being limited in capacity to meet potential through a lack of funding although clearly the latter is a constraint.	
p 30	"Moderately Likely" rating of Sustainability of Financial Resources	EA and RPCU opinion that this should be rated " <b>Likely</b> " – see 2 below which illustrates how PPIC's are investing recurrent budget resources and targeting donor funds to enable replication and upscaling of project activities. The establishment of Water and Sanitation Committees as part of Subregional Head of State groups such as MCES in Micronesia and MSG for Melanesia will further heighten focus on resourcing water and sanitation in PPICs.	The MTR acknowledges the many positive statements and demonstrations of additional resources being made available. However, during the MTR a number of stakeholders expressed doubt on the availability of financial resources for supporting activities post project, especially in an assessment across 14 countries. The rating has remained at 'Moderately Likely'
p 31	"Moderately Likely" rating of Socio political sustainability	At issue is the capacity within PPICs for significant levels of Private Sector investment. Many PPICs have very poorly developed private sectors. But given the broad and deep engagement of stakeholders willing to invest resources on virtually every PPIC's project there is clear evidence of broad multisectoral participation. This strong engagement and willingness to commit resources is perhaps demonstrated best by the example identified by the MTR. The Fiji project has not only engaged a telephone company, but rather it has convinced two highly competitive companies (the two regional giants) to put aside their commercial differences and work together on the same	The MTR recognises the national support provided to the demonstration projects and the creative means to engage the wider stakeholder community and private sectors. However this rating is maintained at Moderately Likely.

Page	Issue	Suggestion	MTR's Response
		project. This social currency is evident in nearly every single demonstration project country.	
p 32	"Moderately Likely" rating of Institutional framework and governance	EA and RPCU opinion that this should be rated "Likely". There is evidence that the National Projects are tracking well in relation to the sustainability criteria identified. Many of the Project logframes have specific components related to this and these are mostly scheduled for implementation over the next few years.	The MTR again understands the progress and the reporting of this progress and this is seen as a positive sign to achieving 'Likely' by the Terminal Evaluation. However this rating remains at Moderately Likely
p 33	....links with other GEF funded (PACC, SLM) etc	Additionally, shared offices in multiple countries (including Tuvalu, Nauru and Cook Islands) and shared steering committees in RMI and Niue, has enabled close linkages and exchanges between these projects, in many cases moving forward on numerous initiatives in a direct partnership	Changes made to MTR report
p 33	Para 1 "... the MTR was not able to see any immediate impacts of the APEX bodies"	Examples were provided to evaluator in mid term reports, e.g., RMI has extensive background on this but these may have been missed due to time constraints. Finance and Economic Planning units are part of all the PPIC APEX Bodies.	Thank you for highlighting this omission and the importance of the many details in the mid term reports. Changes had been made to the MTR report.
p 34	"Moderately Likely" rating of Environmental sustainability	EA and RPCU opinion that this should be rated "Likely". The MTR explicitly cites successful project impacts within this section and also within the broader body of the report. There are several examples of where Governments have adopted National Water	The MTR recognises the achievements of the demonstration projects (and expressed in the national mid term reports). The rating of this indicator is increased to 'Likely'

Page	Issue	Suggestion	MTR's Response
		Policies or where these are nearing completion. These provide robust frameworks for managing environmental impacts.	
p 39	3.4.2 Last Para	Project web site. The MTR's acknowledgement of the Project's web site and the efforts that have gone into this is appreciated. What needs to be stressed is that the original design and budget made no provision for such an important communication and knowledge sharing vehicle. Although the Project web site is impressive its functionality and relevance to National, Regional and Global stakeholders could have been even better if appropriate funding had been available. Currently the updating of the site is run from within existing project resources and this places a significant additional load on the RPCU.	The MTR report has been changed to reflect these points. Thank you
p 45	"Moderately Satisfactory" rating of financial planning	EA and RPCU opinion is this should be rated "Satisfactory" – See note 3 below	See below under Note 3
p 46	Para 3	Total Component 1 Expenditures are presented at RSC as part of the RPM Status Report to RSC. National Project Management is the responsibility of the National PMUs and National Lead Agencies. Budget breakdowns to Cost Code level are not provided as there is insufficient time for PMUs to comply with end of quarter and year end reporting, and prepare their reports for RSC and for the	Thank you for the clarification.

Page	Issue	Suggestion	MTR's Response
		RPCU to consolidate these in time for RSC. There is limited flexibility to move the RSC as the outcomes are required for the Project to complete its annual reporting.	
p 46	Para 4	Re Budget Deficit refer Note 3	See below under Note 3
p 46	Para 5	The handling of currency exchange losses and gains needs to be clarified. Any income ie currency gains need to be stated separately, a reasonable assumption would be that losses should be similarly handled. The "recent" requirement to apply the losses to each cost is at odds with this and will require considerable effort on behalf of the EA. Effort incidentally for which the EA receives no fee.	This is a constructive suggestion and the MTR recommends that this is presented to the IAs at the next RSC for consideration.
p 46	Para 6	The EA and RPCU were unaware that this was an issue as it has not been previously raised. This can easily be attended to.	Noted.
p 47	Para 1	As is intended by GEF the primary governance and management body is the RSC. Both the IAs attend the RSC as full members. Regional Project requirements such as audits and their scheduling are discussed and agreed at RSC so that everyone is aware of the requirements. The audits were discussed and processes commenced in each country. It is unfortunate that UNDPs schedule for audits was not conveyed to the RSC as this subsequently led to the "last minute rush" to complete the audits it also	Situation is now ok. Thanks for the clarification

Page	Issue	Suggestion	MTR's Response
		meant that National Project Auditing Capacity was not and is not being fostered. Except for the above capacity building caveat, an efficient and effective arrangement has now been developed with UNDP and the 2011 audit was completed within UNDP's prescribed timelines.	
p 47	Table 4	It would perhaps be more appropriate to show the difference from the ProDoc Budget rather than from the RSC 3 Budget.	The purpose of the table is to show changes of the budgets between the ProDoc and the agreed figures from RSC 3. No change proposed.
p 48	Para 1 Co financing	Of particular note but not mentioned is the cofunding obtained by the EA of U.S.\$830,000 from the International Bank for Reconstruction and Development and International Development Association ("World Bank"), funded through the Global Facility for Disaster Reduction and Recovery ("GFDRR") Trust Fund for Integrated Flood Management in the Pacific: Nadi Flood Pilot.	Thank you for this additional information. If this is additional co financing (and not from a GEF source) to this project it should be included the PIR.
p 48	Para 2 Project Finance planning and financial management	UNDP's procurement rules do hinder National Project implementation. The 80% expenditure rule applied on a quarterly basis was not workable in a development context. The 20% carryover is ludicrous as it provides insufficient funds to enable projects any sort of continuity of funding. A rule that ensures a stop start approach to project implementation in developing countries is	The project, through the RSC, has reached an agreed compromise on how to proceed with funding the national demonstration projects. The MTR acknowledges the adaptive management and innovation from the Regional PCU/EA and UNDP in obtaining a solution.

Page	Issue	Suggestion	MTR's Response
		<p>hard to fathom. It is acknowledged that the UNDP Fiji Multi Country Office have developed a "workaround" solution that helps ease the normal rule burden. But the "workaround" does further increase the already significant project reporting load it effectively requires a twice quarterly project financial report. It is the RPCU's view that twice yearly reporting with a 40% carryover would greatly assist National Level Project implementation and free up valuable human resources by lowering the level of reporting required.</p>	
p 49	Project Finance planning and financial management	<p>The National Demonstration Project are National Government Projects. National Treasuries work on a 12 month reporting cycle and these vary throughout the PICs. National Project Quarterly Project Returns are required to be submitted by the end of 8<sup>th</sup> day of the month following the end of quarter. The Project therefore provides a National Finance Office requirement that is outside their normal reporting framework. National Projects are constantly battling to satisfy project delivery and expenditure targets whilst trying to work within systems that have no such drivers. The problem is that UNDP requires quarterly reporting and it is at odds with national Financial Procedures. Simply put National Finance Agencies do not</p>	<p>These are important lessons that should be fed back to UNDP/UNEP to guide future demonstration activities.</p> <p>The MTR acknowledges that the Regional PCU has provided considerable assistance to national authorities with regards to financial reporting and management and this is recognised in the MTR report.</p> <p>This experience/lesson should also be reported in the PIR</p>

Page	Issue	Suggestion	MTR's Response
		<p>need to meet the requirements of the National Projects and as a result payments can take several weeks, indeed several months in some countries. The PMUs have limited options. Do they continue to commit funds knowing that they have already fully committed their quarterly allocation or do they make assumptions about finance paying the commitments and seek funds for their next quarter so that they can implement their projects?</p> <p>Despite this the RPCU and PMUs have made significant progress with PPIC's Treasuries with many showing improved turnarounds and reporting.</p>	
p 50	UNEP/UNDP supervision and backstopping	No Comment!	
p 52	Dot Points typos	Consistency in spacing MDG Goal Numbers.	Changes made to MTR report
p 55	Point 9	Not mentioned in the MTR but of particular value to the PPICs, RPCU, IAs and Partners is the full day PPIC's Clinic Initiative. Where Country delegates meet for 30 minutes with resource people, IAs and partners. This provides an excellent vehicle for each PPIC to address specific national and Project issues and is highly valued by all participants.	Thank you for this clarification. Changes made to MTR report
p 55	Project Design	Another significant issue is the lack of funds for the effective sharing of the lessons learnt from this project which is a direct consequence of the "last minute cuts".	Changes made to MTR report. It is clear that the 'approved' ProDoc should reflect the actual budget



Page	Issue	Suggestion	MTR's Response
p 66	Project Reviews	<p>The MTR recommendation is appropriate. The RCU is intimately familiar with travel issues and arrangements in the Pacific and is best placed to organise travel and country visit schedules. People living and working outside the region rarely grasp the size of the area over which the project operates and the difficulty of organising travel. As previously commented delays in the MTR have impacted on the value of the process. The IA's should present to RSC 4 a clear schedule for the terminal evaluation with clear ToRs and responsibilities defined.</p>	No further comment from the MTR

Note 1. RTAG comment Executive Summary:

“The Project Document planned a role for a ‘regional technical advisory group’ (RTAG), however there was insufficient budget to enable this body to meet as hoped and the MTR is advocating that additional resources (or creative meeting approaches) be sought”

The ProDoc states that “Specific technical meetings will be held biennially and will be linked to other regional consultations and regional initiatives to provide specific technical advice to the project” and “The second Technical Meeting scheduled to take place in Year 4 of the project will have a specific focus on Donor attendance and will be structured around the issues of Sustainability and Replication of project interventions.” On this basis, the RTAG has achieved far more than was envisaged in the ProDoc, having met five times at three different locations across the Pacific and a teleconference.

Clearly the reviewer shares the view of the RPCU and RSC that the RTAG should have a more substantial role unfortunately the Projects Budget for RTAG was limited to 2 side meetings with the RSC through the full duration of the Project. Additional funding would be required to enable the RTAG to meet these expectations a more concrete recommendation from the reviewer in this regard would be helpful.

<p><b>MTR’s Response:</b> The above comments are now reflected in the main body of the report, including in the design of the project assessment.</p>
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Note 2. “Moderately Likely” rating of Sustainability of Project Outcomes

The following is based on observations included in the draft report, information contained in national reports presented during annual RSC meetings, the annual mid term reports prepared to assist with informing the mid term review process. The draft report correctly points out the positive signs of changes in behaviour by communities and government wishes to upscale activities, as well as the increasing support within countries to replicate approaches (both technical and institutional) piloted during the project. The report refers to the example of Fiji’s senior government officials expressing strong support for replication and scaling up of coordination and flood warning approaches developed through the Nadi basin demonstration in that country. It is the view of the RPCU that there is much evidence to support the rating of likelihood of sustainability of project outcomes as “Likely”.

Using the Micronesian sub region for example, the three countries of Republic of Palau, the Federated States of Micronesia (FSM), and the Republic of the Marshall Islands (RMI) have all made significant progress in strengthening national coordination mechanisms for IWRM and are at various stages of formalising these as permanent government processes supported via required policy and legislative reforms and recurrent public budget sources. Palau has through project activities established the nation’s first water and sanitation office to serve its National Water Committee/APEX Body and to be funded annually via National government budget appropriations. Palau’s President recently endorsed a National Water and Sanitation Policy, providing longer term strategic direction to the lead agency and APEX body. Related work in Palau to develop a medium term (5 year) IWRM Investment Plan for endorsement and implementation in 2013 strengthens the likelihood of this work to be sustained. Related work in Palau’s IWRM demonstration to develop a

payment for ecosystem services scheme aims to explore longer term mechanisms for sustainable financing of investment at the individual watershed or atoll island level.

The RMI has established via Executive Order a National IWRM Task Force which has been effective in developing a national water policy and engaging with Parliament in the initiation of efforts to establish a National Water and Sanitation Commission to be housed in the President's office with responsibility for national coordination and IWRM Plan implementation post project. Similarly the President and State Governors of the FSM signed a Joint Resolution in 2011 establishing a national IWRM Task Force (APEX Body) with Secretariat support provided via the National Government Department of Resources and Development (R&D) and launching a framework National Water and Sanitation Policy and IWRM Investment Plan to be developed for congressional endorsement in late 2012/early 2013. As part of their resolution, the FSM Chief Executives called for the development of a costed proposal for the establishment of funded water unit in R&D for review by national Congress. The linking of the work in these 3 countries to the Micronesian Chief Executives Summit (MCES) political forum through the Micronesian Water and Sanitation Committee of MCES is aimed at developing a monitoring and evaluation system relevant to needs of the region's Chief Executives and lead agencies for water.

Similar work and ongoing endorsement of national water policies and IWRM plans in other countries e.g. Nauru, Niue, Tuvalu, Vanuatu, Solomon Islands, and Tonga also demonstrate the strong commitment of participating countries to sustain IWRM initiatives and outcomes. Nauru for example has just committed through policy to maintaining through core government funding a group of two people ongoing. Likewise Vanuatu, has recently obtained cofunding to expand its water management resources and to enable it to replicate the GEF Demo in other priority catchments in Vanuatu. The investment in many other countries, such as Samoa, Cooks, Fiji, Tuvalu and Tonga seems to be not so much whether the positions will be filled, but how many further people will be needed to be recruited.

In addition to Micronesia major donors have been invited (and attended) national APEX body meetings in Tuvalu, Niue, Nauru, Samoa, Tonga, Vanuatu and at virtually every level of meeting in Cook Islands.

**MTR's Response:** The above information is highly beneficial to the report. The draft report failed to include in the executive summary an outline of the four ratings of sustainability (or ratings of other criteria) and this has been corrected. However the MTR considers that the ratings of sustainability for socio political, institutional and financial resources remains at 'Moderately Likely' but the rating for environmental sustainability (as indicated in the material from the Regional PCU) is now considered to be Likely.

**Note 3. "Moderately Satisfactory" rating of Assessment of Financial Planning and Management Processes.**

As explored in the General Comments the rating of Financial Planning and Management is from the EA and PPIC's perspective inappropriate. Given the very difficult budget situation foisted on the project at commencement and delays in obtaining initial funding project management has been able to gear up, fund and expend monies on track with project design schedule. The RPCU and PPIC's have been able to meet onerous quarterly reporting deadlines throughout the implementation of

the project. It is fair to say that UNDP does not have any other projects of the scale of the GEF Pacific IWRM Project that meet these reporting and expenditure targets. The reviewer has commented on the very positive feedback the RPCU has received in relation to its purpose developed financial reporting tools.

UNEP's issues with the budget agreed to at RSC 1 should be viewed in context. The RSC was presented with the reality that the budget presented in the Project Design Document was not workable as it could not fund the designed project activities. The budget grossly underestimated the costs of travel, annual meetings and training. RSC 1 agreed that it would approve a budget that highlighted the deficit. UNDP agreed with the approach as it was clearly acknowledged that the budget would eventually need to be balanced against the funds provided i.e. that the Project could not spend more than it had been funded for. Subsequently prior to RSC 2 a balanced budget was drafted and presented for approval by RSC 2. Justifications were provided to UNEP for the changes to the budget where the subcategory change exceeded + 20%. The RPCU has received no formal request from UNEP to expand or modify this justification.

The RPCU's adaptive management response to the budget deficit has enabled the Project to be fully implemented as envisioned in the Project Design Document. This has required excellent Financial Planning and Management. On the basis that the MTR is assessing the Financial Planning and Management processes that the EA, RPCU and PMU have developed and managed then it is the EA and RPCU position that the assessment should reflect this and be rated Satisfactory.

**MTR's Response:** The MTR acknowledges the above comments and the 'adaptive management' responses found by the project to overcome some of the problems associated with the budget reduction prior to GEF approval. However it is clear to the MTR that there are still issues between the Regional PCU/EA and IA (UNEP) that still have to be resolved, especially the lack of clarity on the status of the RSC 3 approved budget. Consequently the MTR considers the rating of Moderately Satisfactory to be appropriate as an overall rating on the financial management – involving all actors – of this project. The MTR further encourages the uncertainty of the budget status (approved or not) to be clarified as soon as possible by the IA and in the event that the IA still considers that this is not approved then a clear request should be sent to the Regional PCU/EA for additional justification.