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Third 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”*

Rarotonga Island, Cook Islands, 25th – 30th July 2011

Status of the GEF Pacific IWRM Demonstration Project Reporting Framework

Summary

This document contains a summary of GEF Pacific IWRM Demonstration Project Development, the activities and outcomes of the inception period, and the results oriented planning and reporting established for the projects. The process of preparing national Integrated Water Resource Management Diagnostic Reports, Hot Spot Analyses, and National Project Proposals is outlined for the benefit of new members of the network and because this is relevant to the process of replication to be discussed during the meeting. The inception phase activities are discussed, particularly the results of efforts to establish site based Coordination Committees led by Independent Chairs skilled in facilitating multi-stakeholder planning and coordination. The status of the Memoranda of Agreement (MoA) between the Applied Geoscience and Technology Division (SOPAC) of the Secretariat of the Pacific Community (SPC) and the National Lead Agencies, particularly national expenditures and the staffing of National Project Management Units, are reviewed. The arrangements for the results-oriented planning and reporting of national project activities are summarised.

This paper will be complemented during later agenda items by: (a) a review of procedures for the capture and sharing of lessons learned from the demonstration projects; (b) rules for the operation of a reallocation pool for unspent national project funds; and (c) national presentations on achievements and challenges faced in the implementation of IWRM initiatives in 13 Pacific Island Countries. Specific issues relating to the implementation of demonstration project activities, including: project monitoring and evaluation; technical quality assurance; stakeholder engagement; and replication will be addressed during later agenda items.

1. INTRODUCTION

The Global Environment Facility (GEF) funded regional project entitled “*Implementing Sustainable Integrated Water Resources and Wastewater Management Project*” (GEF Pacific IWRM Project) formally commenced upon endorsement by the GEF Chief Executive Officer on 3 December 2008. The GEF Pacific IWRM Project will run for five years to 2013 with a total contribution from the GEF of US\$9,025,688. Component C1 of the project entitled “*Demonstration, Capture and Transfer of Best Practices in IWRM and WUE*” is using country-driven and designed Integrated Water Resource Management (IWRM) demonstration activities focusing on sustainable water management.

These projects are developing and applying “*Ridge-to-Reef*” and “*Community-to-Cabinet*” IWRM approaches to:

- reduce environmental stress;
- improve community access to clean water;
- support innovative approaches to determine the best use of water resources;
- reduce water related health risks through protection of water supplies;
- reduce sewage releases into the fresh and marine water environments; and
- focus on how water is used and managed as a tool for adaptation to climate variability.

2. GEF PACIFIC IWRM DEMONSTRATION PROJECT DEVELOPMENT AND INCEPTION

2.1 Demonstration Project Development Phase

The design phase of the GEF Pacific IWRM Project focused on the analysis of water management issues, including threats, root causes and barriers analysis in the PICs. Each of the 14 Pacific Island Countries, through SOPAC support, and with UNDP and UNEP technical support and advice, produced a national IWRM Diagnostic Report. Each report assessed the status of water resources and environment in each country. The barriers to implementing an IWRM approach were identified, as were needs in areas of institutional policy and legislation, financing, and human capacity to implement IWRM.

Each country also performed an environmental Hotspot Analysis (HAS). Guidance was provided on the HSA process following the standard Global International Water Assessment (GIWA). Selection of Hot Spots and Sensitive Areas was conducted through existing consultative national water mechanisms, or in some cases consultation committees were established. The Hot Spot Analyses identified the key technical and geographical areas for Demonstration Project focus, and also provided a starting point for choice of replication sites from the start of the project.

Each country developed a Demonstration Concept Paper based on the key hotspot area identified in the HSA and aligned with GEF and national priorities. In some cases the Executing Agency or other national/regional specialists were required to assist countries in developing their Concept Papers, funded by the project. Demonstration Concept Papers were shared with GEF Implementing Agency International Waters staff for review and comments on eligibility. Combined with Executing Agency comments, feedback was provided to all countries. Thirteen countries produced National Demonstration Project Proposals.

2.2 Memoranda of Agreement and Inception Period Tasks

The GEF Pacific IWRM Project was endorsed by the GEF Chief Executive Officer on 3rd December 2008. The UNDP Project Document and UNEP Project Cooperation Agreement (PCA) were subsequently signed on 16th February 2009 and 16th May 2009, respectively. The first tranches of project funds were received by SOPAC from UNDP and UNEP on 30th March 2009 and 6th July 2009, respectively.

The first eight months of the project from January 2009 to the Inception Workshop and First Regional Steering Committee (RSC) meeting, convened in Nadi, Fiji Islands from 14th-18th September, focused on project inception at both the regional and national level. Priority actions were the signing of Memoranda of Agreement (MoA) with the Lead Agencies for the National Demonstration Projects and the recruitment of national project staff. A checklist and inception toolkit was developed and circulated

to assist National Demonstration Projects in their inception activities. In addition to the signing of Memoranda of Agreement, the establishment of financial disbursement methods that were acceptable to both the Lead Agencies and Ministries of Finance had been a primary task completed by the regional PCU in the lead up to the Inception Workshop.

Review of Inception Task Status

The status of inception period deliverables was ascertained during the Inception Workshop using a methodology employing both self-assessment and consultative approaches outlined below. Individual countries were asked to self-assess their progress on the six key project deliverables for the project inception period. A separate assessment was made by the regional Project Coordinating Unit (PCU) during one-on-one sessions between the participating countries and PCU staff. Final grades were discussed, agreed upon, and signed off by both the country representatives and PCU members during these sessions. Generally, an 'A' grade corresponded to completion, and a 'C' grade corresponded to work not yet reasonably commenced. A 'B+' grade indicated significant progress towards achieving an A, typically only one component outstanding (such as formal sign-off). A 'B-' indicated that, whilst the countries confirmed that the tasks were complete, documents were yet to be provided to the PCU. Table 1 shows the criteria used for this.

Figure 1 shows the agreed results of this process at the time of the Inception Workshop. As a result of delays in the identification and recruitment of suitably qualified staff for National Project Management Units, the completion of inception period tasks was still on-going in Quarter 1 of 2010. Several technical assistance missions were undertaken by Regional Project Coordinating Unit staff members during the first half of 2010 to ensure these tasks were completed by the 2nd RSC meeting convened in Palau from 19th-23rd July 2010. All countries except PNG had completed these tasks by that time. A summary of the national projects is provided in Table 2.

Table 1 Criteria for self assessment grading of status of inception period tasks for demonstration projects

Deliverable	Grade		
	A	B	C
Project Management Unit	PMU established, staff recruited and office established	PMU establishment commenced but incomplete, staff yet to be contracted and office yet to be established.	Staff selection not commenced.
Revised Project Scope	Recently revised with stakeholder and NSC consensus.	Incomplete. Recent stakeholder consultation but consensus not finalised. Steering Committee has met in the last 2 months.	Some stakeholder consultation but no recent formal process, NSC hasn't met in the last 2 months.
Revised Logframe including suitable National Baseline Indicators	Logframe revised with PCU and has received NSC endorsement.	Logframe revision underway with NSC; will be completed by end November 2009.	Logframe revision yet to commence.
Stakeholder Engagement Progress Report	Stakeholder Engagement Process Report (SEPR) completed & NSC endorsed	SEPR underway with NSC; will be completed by end November 2009	SEPR yet to commence
Annual and 5yr Workplan	Workplan revised to accord with revised logframe	Workplan revision awaiting completion of logframe revision	Yet to start
Annual and 5yr Budget	Budget revised to accord with revised logframe	Budget revision awaiting completion of logframe revision	Yet to start

Table 2 National Project Title, Purpose, Lead Agency, Focal Point, Project Manager, and Funds Situation

Country	Project Title	Lead Agency	MOA Signatory	IWRM Focal Point	Project Manager	GEF Grant Funds	
						MOA Amount (USD)	USD Spent June 2011
Cook Islands	Integrated Freshwater and Coastal Management on Rarotonga	Department of Water Works, Ministry of Infrastructure and Planning	Taukea Raui Acting Secretary	Donye Numa Secretary, Ministry of Infrastructure and Planning	Paul Moaate Project Manager Ministry of Infrastructure and Planning	501,163	250,062
	Project Purpose: 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						
Fiji	Integrated Flood Risk Management in the Nadi River Basin	Ministry of Primary Industries, Land and Water Resource Management Division	R Beyer Permanent Secretary for Agriculture	Lakshman Mudaliar Director, Land and Water Resource Management Division	Vinish Kumar Project Manager	500,000	236,887
	Project Purpose: To improve flood preparedness and integrate land and water management planning within the Nadi Basin using an integrated flood management approach.						
FSM	Ridge to Reef: Protecting Water Quality from Source to Sea in the Federated States of Micronesia	Department of Transportation, Communication and Infrastructure	Francis Itimai Secretary	Leerenson Lee Airens Manager, Water Works Pohnpei Utilities Cooperation		500,00	204,804
	Project Purpose: Improved drinking water quality and a significant reduction in pollutants entering fresh and marine waters around Pohnpei Island and in Chuuk State						
Nauru	Sustainable Integrated Water and Wastewater Management in Nauru	Department of Commerce, Industry and Environment	Russ Kun Acting Secretary	Russ Kun Acting Secretary, Department of Commerce, Industry and Environment	Haseldon Buraman Project Manager	500,000	267,648
	Project Purpose: To adopt a system of affordable as well as a working system for the sustainable integrated water resource and management of wastewater						
Niue	Using Integrated Land Use, Water Supply and Wastewater Management as a Protection Model for the Alofi Town Groundwater Supply and Neashore Reef Fishery	Public Works Department	Deve Talagi Director of Works	Deve Talagi Director of Works, Public Works Department	Andre Maurice Siohane Project Manager	500,000	331,456
	Project Purpose: 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						
Palau	Ngerikiil Watershed Restoration for Improvement of Water Quality	Palau Environmental Quality Protection Board	Portia K. Franz Executive Director	Metiek Kimie Ngirchchol Laboratory Supervisor, Water Quality Laboratory	Lynna Thomas Project Manager	586,900	402,884
	Project Purpose: 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						

Country	Project Title	Lead Agency	MOA Signatory	IWRM Focal Point	Project Manager	GEF Grant Funds	
						MOA Amount (USD)	USD Spent June 2011
PNG	Rehabilitation, Management and Monitoring of Laloki River System for Economical, Social and Environmental Benefits	Department of Environment and Conservation	Dr.Wari Iamo Secretary	Tony Kuman Senior Audits and Enforcement Officer	Tony Kuman Project Manager	500,000	36,190
	Project Purpose: To promote the sustainable use of the Laloki River water resources for the economic and social benefit city and the surrounding area						
RMI	Integrated Water Management and Development Plan for Laura Groundwater Lens, Majuro Atoll	Marshall Islands Environmental Protection Authority	John Bungitak General Manager	Deborah Barker Manase General Manager, RMI Environmental Protection Authority	Moriana Philip Project Manager	500,000	265,659
	Project Purpose: 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						
Samoa	Rehabilitation and Sustainable Management of Apia Catchment	Ministry of Natural Resources and Environment	Tu'u'u Dr Leti Taulealo CEO, MNRE	Suluimalo Amataga Penaia Acting CEO, Water Resources Division	Sapoaga Sam Semisi Project Manager	525,500	313,600
	Project Purpose: 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						
Solomon Islands	Managing Honiara City Water Supply and Reducing Pollution through IWRM Approaches	Ministry of Mines, Energy and Rural Electrification	Luma Darcy Permanent Secretary	Charlie Bepapa Director, Water Resources	Isaac Lekelalu Project Manager	515,000	268,028
	Project Purpose: To demonstrate management strategies and protection measures for critical watersheds, aquifers and well-fields within Honiara city						
Tonga	Improvement and Sustainable Management of Neiafu, Vava'u's Groundwater Resource	Ministry of Lands, Survey, Natural Resources and Environment	Asipeli Palaki Acting Secretary		Estrellita Fulivai Lakai Project Manager	519,000	288,900
	Project Purpose: Improved understanding of the quality and quantity of surface water, groundwater, rainwater, coastal receiving waters, and their vulnerabilities to land based pollution						
Tuvalu	Integrated Sustainable Wastewater Management (Ecosan) for Tuvalu	Public Works Department	Ampelosa Tehulu Director	Olioliga Iosua Secretary for Work, Water and Energy	Pisi Seleganiu Project Manager	564,000	396,877
	Project Purpose: 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						
Vanuatu	Sustainable Integrated Water and Wastewater Management in Vanuatu	Department of Geology, Mines and Water Resources	Christopher Ioan Director	Christopher Ioan Director	Rossette Kalmet Project Manager	516,328	185,238
	Project Purpose: 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						

	Cook Islands	Federated States of Micronesia	Fiji	Marshall Islands	Nauru	Niue	Palau	Papua New Guinea	Samoa	Solomon Islands	Tonga	Tuvalu	Vanuatu
Project Management Unit	A	B+	A	A	A	A	A	A	A	A	A	A	A
Revised Project Scope	C	A	B	A	C	A	A	A	A	A	A	A	A
Revised Logframe	A	A	A	C	A	A	C	A	A	A	A	A	C
Stakeholder Engagement	A	A	B+	A	A	A	A	A	A	A	B-	B-	A
Workplan	A	A	A	A	A	A	A	A	A	A	C	A	A
Budget	A	A	A	A	A	A	A	A	A	A	A	A	A

	A
	B+
	B
	B-
	C

Figure 1 Agreed grading of National Demonstration Project progress against Inception Period deliverables

Demonstration Project Coordinating Committees

The Memoranda of Agreement provided clear a clear overview of: Objective and Scope; Monitoring and Evaluation; Financial Reporting; National Implementation Strategy; General Responsibilities of the Parties; Personnel Requirements; Procurement; Financial and Operational Arrangements; Maintenance of Records; Reporting Requirements; and Audit Requirements. A key element of the Memoranda included draft terms of reference for a Demonstration Project Coordinating Committee to be adapted to local circumstances (see **Information Box 1**).

The advice provided to National Lead Agencies and Project Management was that where possible the Coordinating Committees should be:

- based on the specific island or local government area in which demonstration activities are being implemented;
- linked to higher level national coordinating mechanisms, such as with National APEX Water Bodies;
- provided policy and legislative support and direction; and
- Chaired by an Independent person with skills and experience required to facilitate multi-stakeholder planning and coordination.

Figure 2 provides an example of the Coordinating Committee established for the Fiji Islands IWRM demonstration project in the Nadi Basin. This project is addressing flood risk planning and requires significant inputs at the Committee level on community issues, governance and planning approaches, and current and planning land and water uses, and technical matters.

The Nadi Basin Catchment Committee (NBCC) established through the Fiji demonstration project is comprised of four sub-committees comprised of members with specific expertise required to reconcile the diversity of issues and concerns involved in integrated water and land management in that basin. The Secretariat function is provided by the Project Management Unit which is based at the Nadi Town Council Chambers. Whilst most senior government officials that participate in the Committee are based in the Capital of Suva City, all meetings are convened in Nadi to ensure adequate and consistent participation by key local stakeholders from the Nadi area.

The latter has proven effective in facilitating participation in a broad cross section of local stakeholders in the work of the Committee and its sub-committee. Through this, local concerns have been brought to the forefront of the planning process at the Committee level. This has brought real local ownership to the project and has resulted in local actions being community driven.

Opportunities for ensuring the sustainability of the Committee have been established via the establishment of formal linkages with the Divisional Integrated Development Committee, the National Integrated Development Committee, and Cabinet. It is envisaged that this will be further enhanced via revitalisation of the National Water Council. Strategically, the NBCC's Governance and Planning Sub-Committee elected the representative of the Fiji National Government's Mineral Resources Division as its chair. This representative is the Chair of the National Water Council.

INFORMATION BOX 1

DRAFT TERMS OF REFERENCE FOR DEMONSTRATION PROJECT COORDINATING COMMITTEES

- (a)** Provide direction and strategic guidance to the Project Management Unit and Lead Agency regarding the design and implementation of the national demonstration project;
- (b)** Meet on a monthly basis during the project inception period and a quarterly basis thereafter to guide the timely execution of national demonstration project activities;
- (c)** Receive, review and approve reports from the Project Management Unit regarding the outputs and outcomes of project activities;
- (d)** Assist the Project Management Unit in ensuring co-ordination among the national demonstration project and other national level activities undertaken during the course of the project to further enhance national capacity to develop integrated approaches to water resource management;
- (e)** Review stakeholder involvement in project activities and take action where necessary to ensure appropriate levels of government, NGO, community, and private sector engagement;
- (f)** Ensure compatibility between the recommendations for action in the demonstration project and other national level activities for Integrated Water Resource Management;
- (g)** Provide sound scientific and technical advice to the Project Management Unit and Lead Agency regarding the design and implementation of project activities, particularly with respect to the development of project performance indicators;
- (h)** Review and evaluate, at the national level, progress in implementation of the project, and provide guidance for improvement to the Project Management Unit and Lead Agency when necessary;
- (i)** Approve annual progress reports for transmission to the meetings of the regional GEF IWRM Project Steering Committee;
- (j)** Review and recommend for approval and implementation by the competent national authority, management plans and courses of action developed during the course of project execution;
- (k)** Assist the Project Management Unit and Lead Agency in leveraging required project co-financing and additional funds that may be required from time to time;
- (l)** Work with the Project Management Unit and Lead Agency in mainstreaming integrated, reef-to-ridge approaches to water resource management and the replication of project successes at the national level; and
- (m)** Agree at their first meeting:
 - (i) the membership, meeting arrangements, and terms of reference of the committee
 - (ii) such standing orders and manner of conducting business as may be considered necessary by the committee

At the operational level, Project Managers have been encouraged to ask the following questions regarding the role of the Committees as an overarching governance body for the national projects:

Is the Committee contributing to work planning, monitoring, and evaluation on a quarterly basis?

Is the Committee reviewing quarterly budgets and expenditures to ensure the targeted, cost-effective use of funds a manner consistent with achieving intended results? and

Is the Committee carefully considering quarterly and annual reports and giving approval for their submission to the Regional Project Coordinating Unit at SPC/SOPAC?

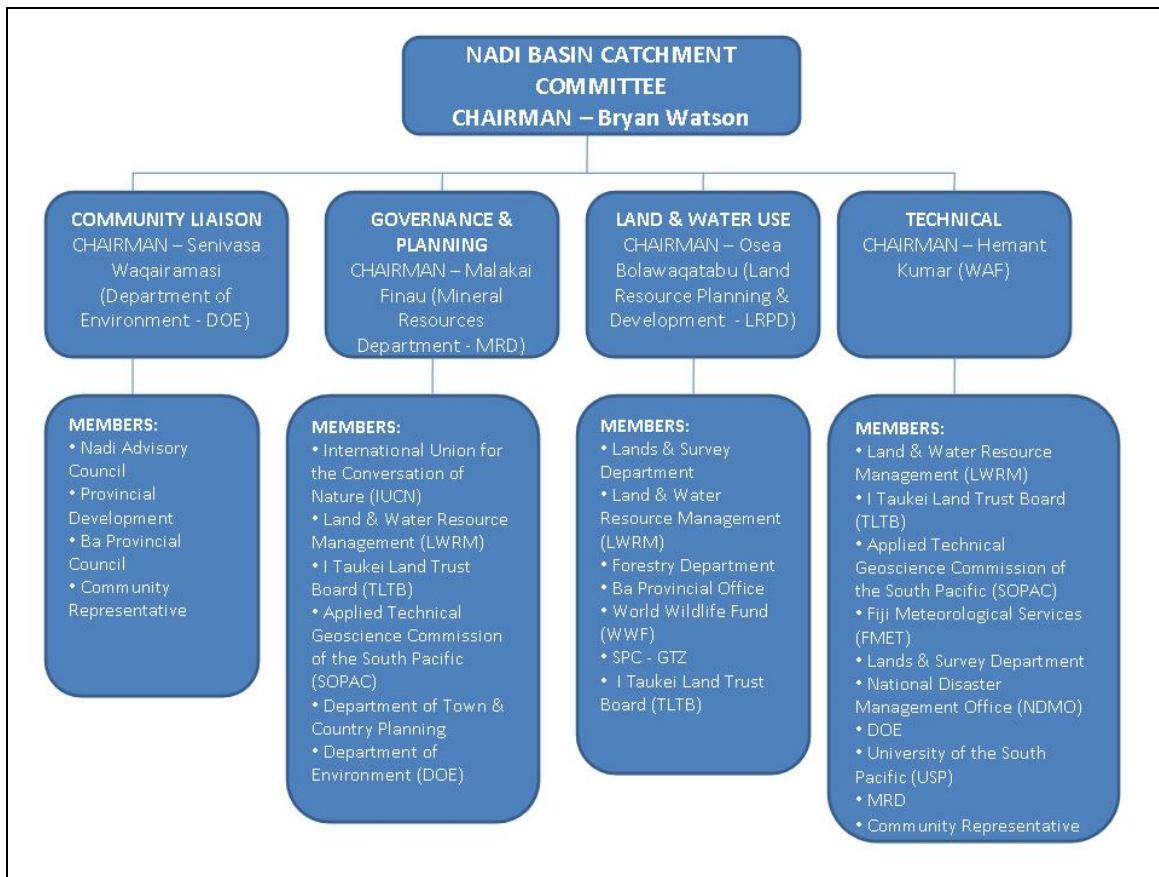


Figure 2 Structure of the Nadi Basin Catchment Committee (provided by Mr. Vinesh Kumar)

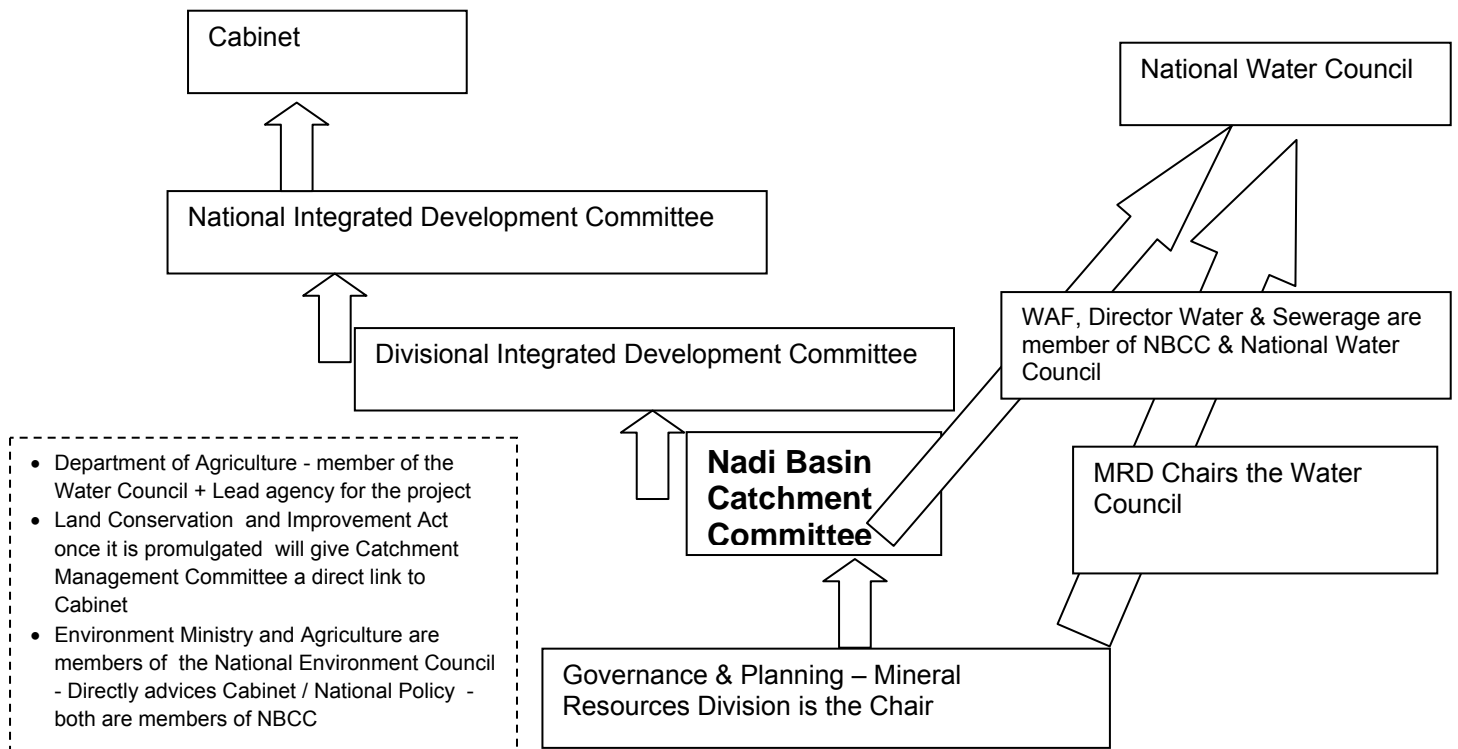


Figure 3 Linkages of the Nadi Basin Catchment with the other District and National level planning bodies (provided by Mr. Vinesh Kumar)

3. FROM PROJECT INCEPTION TOWARDS RESULTS ORIENTED PLANNING, MONITORING, AND REPORTING

The Regional Project Manager, Mr. Marc Wilson delivered a training session during the Inception Workshop on results-based management frameworks and logframes. He explained that results-based management is a management strategy that focuses on performance and achievements of the project in terms of results (i.e., focus is not on inputs). He pointed out that logical framework matrices (or logframes) outline what the project aims to undertake and the rationale for undertaking such activities. He suggested and the meeting agreed that demonstration projects would use a logframe as the basis for the planning, monitoring and evaluation of the Project.

Whilst many countries had draft logframes available during the Inception Workshop, it was agreed these would be further developed to incorporate SMART indicators and to ensure that external factors (risks) were taken into account by the Project Management Units and Committees. It was also agreed that the logframes would be revisited to ensure consistency of national demonstration project logframes with the key anticipated outputs and outcomes for Component 1 of the overall project. The latter are outlined below. This process was completed for all 13 countries by the time of the Second Regional Steering Committee Meeting convened in July 2010, which in many cases was only 6-9 months after the recruitment of the national project management units.

3.1 GEF Pacific IWRM Project Logframe Outcomes, Objectives, and Categories of Outputs

The specific Component 1 **outcome** as stated in the overall GEF Pacific IWRM Project Logical Framework Matrix (logframe) is:

“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”

The specific **objective** of the component is:

“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.”

The categories of logframe **outputs** are:

- 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 ecosanitation 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

3.2 Reporting on Project Activities, Outputs, and Outcomes

It was identified that an important tasks in a Results-Based Management Framework are **monitoring** and **evaluation**. Monitoring and evaluation are distinct tasks which should complement one another. Monitoring gives information on where a project is at any given time (over time) relative to respective targets and outcomes, and is largely a descriptive task. On the other hand, evaluation gives evidence of why targets and outcomes have or have not been achieved. The GEF's Monitoring and Evaluation Policy defines **monitoring** as:

“a continuous or periodic function that uses systematic collection of data, qualitative and quantitative, for the purpose of keeping activities on track. It is first and foremost a management instrument.”

Evaluation on the other hand:

“aims at determining the relevance, impact, effectiveness, efficiency, and sustainability of the interventions and contributions of the involved partners”

Monitoring therefore tracks progress toward a set of benchmarks and measures progress towards outcomes, while evaluation validates results and makes overall judgements about what, and to what extent, intended and unintended results are achieved. Effort was made during the project inception period to ensure that the objectives and intended results of each national demonstration project were clearly defined, specific, and measurable.

3.2.1 Rationale for the Development of the Approach to Project Reporting

Reporting against activities and progress was discussed by the RSC and promoted amongst National Project Management Units as an important tool in benchmarking and tracking progress towards targets. It was identified during the inception period that many project teams initially viewed reporting as an unnecessary burden only undertaken to ensure compliance with rules of International organisations that are generally not well understood at the project level, and to ensure everyone kept their job after the inevitable audit. The Regional Project Coordinating Unit (RPCU) has provided guidance to National Project Managers with respect to the development of an ethos within their national projects that reporting is a critical tool in tracking progress towards achieving the overall objective and outcome of the demonstration project component of the project.

The rationale used by the RPCU is that the objective of **“Practical demonstrations of IWRM ... focused on removing barriers to implementation at the community/local level and targeted towards national and regional level learning”** which is aimed at contributing to the achievement of the overall component outcome **“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”** will necessarily need to occur along an IWRM continuum of transition in the relevance, effectiveness, efficiency, results, and sustainability of investment in the water and sanitation sector.

Management of this gradual transition will involve engaging with stakeholders from *“Community to Cabinet”* in the monitoring and regular reporting of progress against the following hierarchy of IWRM demonstration project activity areas:

1. Financial Management and Procurement
2. Stress Reduction Activity Implementation
3. Capture and Sharing of Lessons Learned/Technical Quality Assurance

The schematic presented in Figure 4 depicts some of the potential **“benefits of”** and **“consequences of not”** regularly engaging with stakeholders in the monitoring and reporting process. It indicates that structured engagement with multiple stakeholders in the monitoring and reporting of key demonstration project activity areas is likely to provide for the tendency towards improvement and achievement of the higher level outcomes expected from the demonstrations along a continuum of gradual transition in relevance, effectiveness, efficiency and results etc from IWRM investments.

Essentially this was aimed at: (a) providing a framework for good governance of demonstration projects; (b) facilitating multi-level stakeholder engagement in regular monitoring and reporting on key areas of demonstration project activity areas; and (c) the regular and routine collection of information that was relevant at the local level but also met the projects higher level reporting responsibilities to the GEF Implementing Agencies. The latter include quarterly, six monthly, and annual progress and financial reports.

IWRM Continuum of Transition in Relevance, Effectiveness, Efficiency, Results, and Sustainability of INVESTMENT

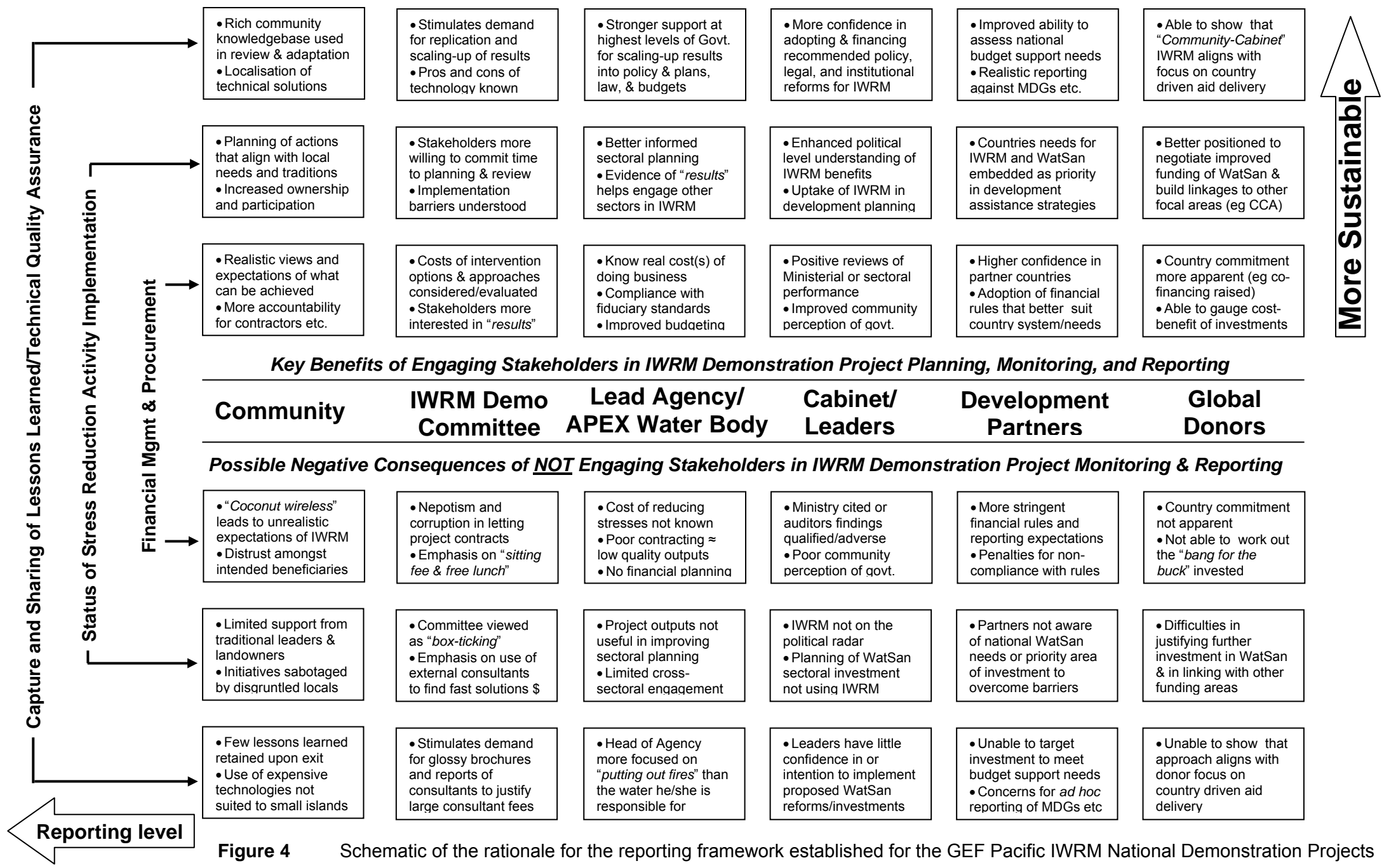


Figure 4 Schematic of the rationale for the reporting framework established for the GEF Pacific IWRM National Demonstration Projects

3.2.2 GEF Implementing Agency Expectations

At the project level, the key principle used in the development of the project reporting approach was its use as an internal tool for guiding the implementation of national IWRM initiatives to ensure higher level or “*upstream*” impacts. The latter included removing barriers to implementation at the community/local level, the national/regional replication of lessons, and the mainstreaming of demonstration project results into national planning.

Additionally it was recognised that need for national demonstration reporting is also influenced by the legal agreements between the now Applied Geoscience and Technology Division (SOPAC) of the Secretariat of the Pacific Community (SPC) and the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP), as well as under the Memoranda of Agreement between SOPAC and the National Lead Agencies. As the project Executing Agency (or Partner) for the project, SOPAC is accountable to UNDP and UNEP, and ultimately the Global Environment Facility (GEF). The Regional Project Coordinating Unit (RPCU) housed at SOPAC is also expected to report annually to the Regional Steering Committee on the disbursement of funds under the initiative to ensure full transparency.

UNDP National Reporting Requirements - In the context of the demonstration component of the project, reporting requirements are largely influenced by UNDP expectations and rules: (a) the quarterly (3 monthly) basis on which UNDP processes cash advances to the project; and (b) the UNEP “**80 percent rule**” which dictates that, if a country does not spend 80 percent of its advance for a given quarter it would not be eligible for an advance in subsequent quarters. This rule dictates that such quarterly advances are based on the submission of approved detailed quarterly costed work plans and that progress must be reported and expenditures acquitted by the end of each quarter. All costing of quarterly work plans and financial reporting must be done in manner consistent with the UN ATLAS system budget codes. Hence, the quarterly reporting expectations of UNDP are:

- Narrative report of project progress during the quarter;
- Financial report acquitting quarterly expenditures; and a
- Detailed costed quarterly work-plan for subsequent quarter (and cash advance request).

Consolidated Regional Reporting to UNDP - It is also an expectation that the RPCU at SOPAC compile these reports and plans and submit them to UNDP on a consolidated basis. That is, the RPCU prepares a regional “**Funding Authorization and Certificate of Expenditures**” (FACE) form which consolidates all countries’ acquittals for the previous quarter and the subsequent quarter cash advance requests. Due to the short reporting period, and in recognition of the challenges many government departments face in Pacific Island Countries in securing allotments and ensuring the timely processing of contracts and payments by offices of the Attorney General and Finance, the project’s Regional Steering Committee agreed during its first meeting that, at the end of each quarter:

1. *National Project Managers would submit their acquittals and cash advance requests for the next quarter by the **8th day** of the subsequent quarter;*
2. *The above would be compiled by SOPAC and submitted to UNDP by the **15th day**; and*
3. *That funds would then be disbursed to SOPAC for disbursement to the countries by **the 21st day**.*

Consequences of Delays in “The System” - It is obvious that any delay on behalf of a given country in the submission of quarterly reports will delay this process. Delays have consequences in many countries, some of which experience waiting periods of up to a month to have funds allotted to their project accounts once they arrive at National Government Finance. Many countries also depend on the timely receipt of these allotments to be able let contracts as their internal processes depend on certification of the “*financial sufficiency*” of the project by Ministry/Department of Finance before Attorney-Generals’ offices will endorse contracts. The approach adopted by the project is one of “**one in, all in**” and, to date, the overall timeliness of reporting by the countries been exemplary. The initial issues with the processing of the regional, consolidated FACE form by UNDP, and documented in the report of the Second RSC meeting¹, have been improved over recent quarters.

¹ See paragraphs 4.1.7 - 4.1.12 and 4.1.22 - 4.1.27 of the Report of the Second Regional Steering Committee Meeting

National Project Indicators – The demonstration component of the project has 34 individual process, stress reduction, and environmental status indicators which the individual country demonstration projects are assessed. This involved the setting of project baselines and the establishing of a framework for assessing the status of these on a regular basis.

Annual Project Implementation Review (PIR) and Annual Project Performance Results Template – The Regional Project Coordinating Unit is responsible for the preparation and submission of these annual reports to the GEF implementing agencies. These reports provide for inter-annual comparison of *inter alia*: the status of project objectives; individual logframe objectives and indicators; project implementation (e.g. conduct of activities and achievement of outputs); assessments of internal and external risks; evaluation of regional coordination and technical support; monitoring and evaluation plans; and co-financing.

Back of Envelope Calculation of “Days Spent Reporting” – Members of the RPCU discussed the total number of approximate days national Project Management Units would likely need to spend on monitoring and reporting on project activities per quarter. These were further discussed with select national project managers whom had prepared high quality reports over recent quarters. These estimates included the time to prepare minutes of minutes, finalising lists of attendees of consultation workshops, and writing reports of field activities etc. The following back of envelope of exercise was undertaken to estimate the total number of days spent on reporting across the region per year. The total number of days was 528 and this does not include national government reporting or internal review of reports by project coordinating committees.

Table 3 Calculation of approximate number of days spent reporting across the regional level

Report Type	Number of Days Per Quarter	Number of Quarters	Number of Countries	Total Number of Reporting Days
Quarterly Narrative Progress Report	3.5	4	12	168
Quarterly Financial Acquittal	1.5	4	12	72
Lessons Learned	1	4	12	48
Technical Reporting	1	4	12	48
Quarterly Work Plan	1	4	12	48
PIR including Project Indicators	3	4	12	144
Total				528

3.2.3 The Key Principles Used in Developing the Project Reporting Approach

As can be seen from above, there are multiple and varied monitoring and reporting requirements embedded in the GEF Pacific IWRM Project. Given the large number of countries involved in this project, the overall investment of time of water and sanitation staff in the monitoring and reporting is large. Significant effort was therefore made to ensure: synergies and complementarities between the various reporting templates developed; and relevance of the information and data collected from “*Community to Cabinet*” and from “*Country to Global Donors*”. The key principles used in developing the reporting approach were that it should:

- primarily act to better inform an “*IWRM continuum of transition*” in the relevance, effectiveness, efficiency, results, and sustainability of investment in the WatSan sector;
- facilitate good governance of demonstration project activities, including areas of financial, coordination, planning, capture of lessons learned, and technical quality assurance;
- ensure efficient and cost-effective compliance of reporting requirements of SPC/SOPAC, UNDP, UNEP, and the GEF; and
- ensure relevance of the information and data collected, and that it can be rolled up and down, from “*Community to Cabinet*” and from “*Country to Global Donor*”
- Draw on participatory Most Significant Change (MSC) techniques which act to monitoring and validate reported project impacts on behaviour

The approach developed is summarised in Figure 5.

IWRM Continuum of Transition in Relevance, Effectiveness, Efficiency, Results, and Sustainability of INVESTMENT

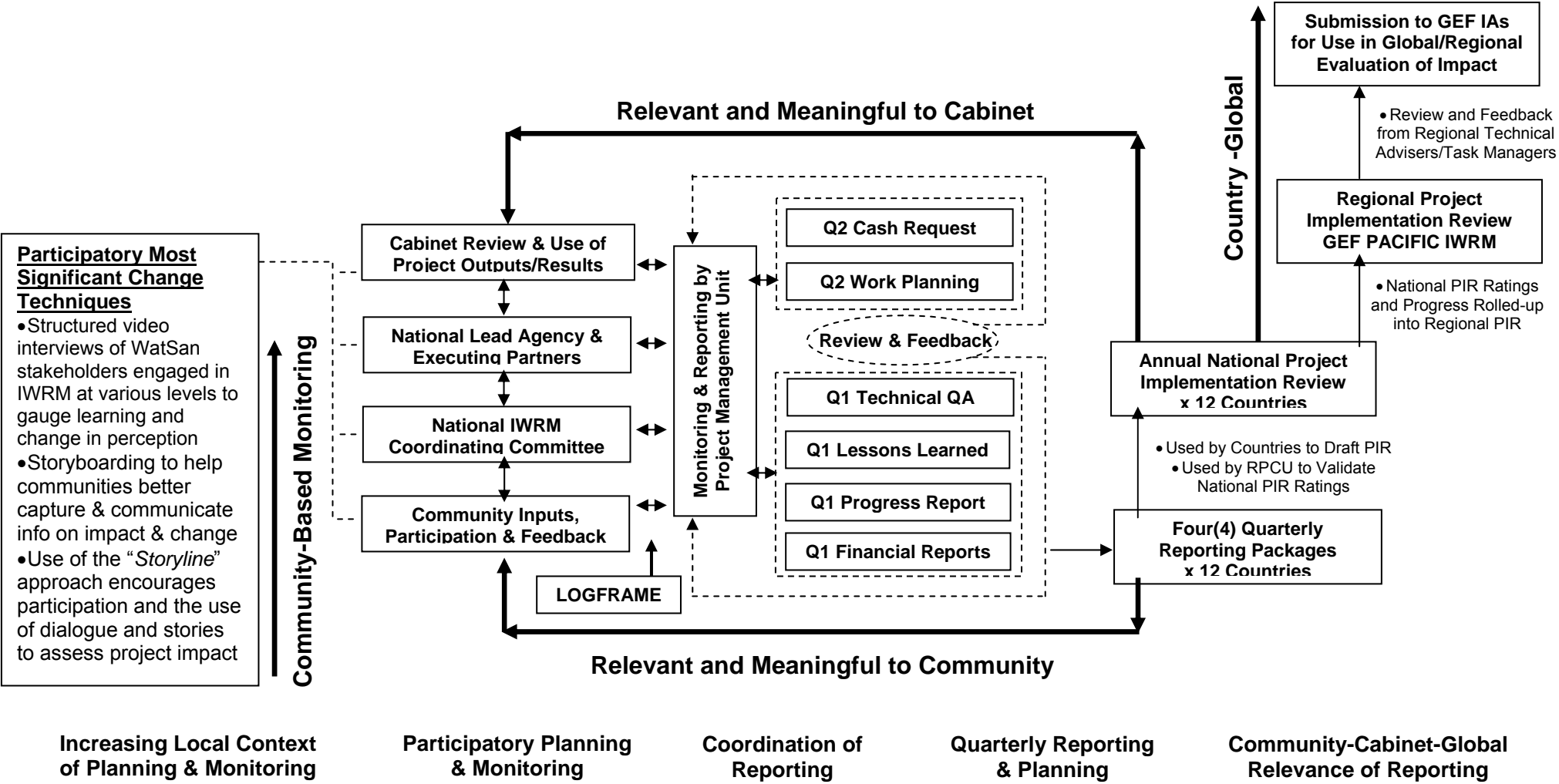


Figure 5 Schematic Reporting Approach Adopted for the National IWRM Demonstration Projects of the GEF Pacific IWRM Project

Table 4 Status of Project Advances and Expenditures

	CK	FJ	FM	NR	NU	PW	PG	MH	WS	SB	TO	TV	VU
First Advance Amount	15,000	17,592		15,000	15,000	15,000		15,000	15,000		15,000		
Date of First Advance	26/8/09	6/8/09	7/8/09	30/7/09	14/7/09	15/7/09		23/7/09	15/7/09		27/5/09		
Quarter 3 (Jul-Sept) 2009													
Amount Advanced to Country													
Date of Advance to Country													
Amount Disbursed by Country													
Amount Disbursed by SOPAC	2,354	3,037	4,244	4,805	974	3,561	10	3,204	1,103	11,154	1,726	7,549	1,294
Total Amount Spent for Quarter	2,354	3,037	4,244	4,805	974	3,561	10	3,204	1,103	11,154	1,726	7,549	1,294
Quarter 4 (Oct-Dec) 2009													
Amount Advanced to Country	23,230	15,272	36,460		43,120	88,395	15,000	26,200	38,000	40,500	36,440	51,675	31,531
Date of Advance to Country	6/11/09	6/11/09	6/11/09		4/11/09	4/11/09	30/10/09	4/11/09	6/11/09	6/11/09	1/10/09	10/09	4/11/09
Amount Disbursed by Country	22,001	30,303	33,221	5,981	39,951	74,529		23,937	44,977	19,141	15,025	31,781	20,405
Amount Disbursed by SOPAC													
Total Amount Spent for Quarter	22,001	30,303	33,221	5,981	39,951	74,529	0	23,937	44,977	19,141	15,025	31,781	20,405
Quarter 1 (Jan-Mar) 2010													
Amount Advanced to Country	-5,000	31,300	23,123		51,950	76,040		10,358	86,000			30,186	18,094
Date of Advance to Country		17/2/10	17/2/10	17/2/10	17/2/10	17/2/10	17/2/10	17/2/10	17/2/10	17/2/10	17/2/10	17/2/10	17/2/10
Amount Disbursed by Country	8,042	25,480	9,308	7,547	64,409	79,705	14,282	23,125	65,226	11,270	20,317	51,658	16,834
Amount Disbursed by SOPAC		766	11	356	57	11		-1,500	11			11	11
Total Amount Spent for Quarter	8,042	26,246	9,319	7,903	64,466	79,716	14,282	21,625	65,237	11,270	20,317	51,669	16,845
Quarter 2 (Apr-Jun) 2010													
Amount Advanced to Country		14,000	24,123		39,050	33,765		22,177	37,500	37,750	38,200	68,295	12,660
Date of Advance to Country		31/5/10	31/5/10		26/5/10	26/5/10	26/5/10	26/5/10	26/5/10	26/5/10	26/5/10	26/5/10	26/5/10
Amount Disbursed by Country	13,328	5,488	7,108	12,711	36,228	13,719	13,719	14,322	23,633	25,063	34,522	34,075	10,267
Amount Disbursed by SOPAC		10	1,656	81	10	2,321		3,166	10	10	10	10	10
Total Amount Spent for Quarter	13,328	5,498	8,764	12,792	36,238	16,040	13,719	17,488	23,643	25,073	34,532	34,085	10,277
Quarter 3 (Jul-Sep) 2010													
Amount Advanced to Country	8,250	2,584		15,000	25,000			25,000			2,120	22,907	
Date of Advance to Country	27/8/10	26/8/10		23/8/10	26/8/10			26/8/10			26/8/10	26/8/10	
Amount Disbursed by Country	18,077	4,827	37,647	8,621	31,444	23,681		34,079	5,551	24,785	6,369	23,574	17,966
Amount Disbursed by SOPAC	3,807	5,215	1,734	4,538	11	5,465	5,473	5,318	3,900	6,406	4,023	7,151	4,737
Total Amount Spent for Quarter	21,884	10,042	39,381	13,159	31,455	29,146	5,473	39,397	9,451	31,191	10,392	30,725	22,703
Quarter 4 (Oct-Dec) 2010													
Amount Advanced to Country	57,420	49,412	65,000	118,500	49,550	93,140		51,258	39,800	57,590	20,530	11,320	47,002
Date of Advance to Country	15/10/10	15/10/10	15/10/10	15/10/10	15/10/10	15/10/10		15/10/10	15/10/10	15/10/10	15/10/10	15/10/10	15/10/10
Amount Disbursed by Country	52,822	23,675	53,803	3,506	62,936	70,324		45,495	30,066	44,991	16,866	47,313	17,319
Amount Disbursed by SOPAC		70,510			11	11			11	11	11	7,851	
Total Amount Spent for Quarter	52,822	94,185	53,803	3,506	62,947	70,335	0	45,495	30,077	45,002	16,877	55,164	17,319

	CK	FJ	FM	NR	NU	PW	PG	MH	WS	SB	TO	TV	VU
Quarter 1 (Jan-Mar) 2011													
Amount Advanced to Country	96,400	28,400			43,000	52,075		51,258		48,290	6,000	29,995	
Date of Advance to Country	3/2/11	3/2/11			3/2/11	3/2/11		3/2/11		3/2/11	3/2/11	3/2/11	
Amount Disbursed by Country	9,619	15,152	7,620	89,107	36,240	68,248		41,697	17,153	7,123	25,867	24,237	17,292
Amount Disbursed by SOPAC											11		
Total Amount Spent for Quarter	9,619	15,152	7,620	89,107	36,240	68,248		41,697	17,153	7,123	25,878	24,237	17,292
Quarter 2 (Apr-Jun) 2011													
Amount Advanced to Country		62,693		100,000	18,000	50,025		80,000	22,000		95,000	116,265	93,794
Date of Advance to Country		19/5/11		16/5/11	16/5/11	16/5/11		16/5/11	16/5/11		16/5/11	16/5/11	24/6/11
Amount Disbursed by Country	108,090	26,130		129,948	22,569	55,449		66,104	40,296	29,772	89,832	113,229	32,372
Amount Disbursed by SOPAC	3,807	2,272		6,436	5,245	5,861		6,712	3,304	45,241	3,768	5,051	9,754
Total Amount Spent for Quarter	111,897	28,402		136,384	27,814	61,310		72,815	43,600	75,013	93,601	118,280	42,127
Total to 30 June 2011													
Total to 30 June 2011													
Average Quarterly Advance	24,413	27,657	18,588	31,063	35,584	51,055	1,875	35,156	29,788	23,016	26,661	41,330	25,385
Average Amount Spent per Quarter	30,243	26,608	19,544	34,205	37,511	50,361	4,186	33,207	29,405	28,121	27,293	44,186	18,533
Total Amount Advanced to Country	195,300	221,253	148,706	248,500	284,670	408,440	15,000	281,251	238,300	184,130	213,290	330,643	203,081
Total Disbursed by Country	231,980	131,055	148,706	257,421	293,777	385,655	28,001	248,759	226,902	162,146	208,799	325,866	132,455
Total Amount Disbursed by SOPAC	9,968	81,810	7,644	16,216	6,309	17,229	5,483	16,900	8,339	62,822	9,548	27,622	15,806
Total Amount Spent	241,948	212,866	156,350	273,637	300,085	402,884	33,484	265,659	235,240	224,968	218,347	353,489	148,260
Percentage of GEF Grant Spent	48%	43%	31%	55%	60%	69%	7%	53%	45%	44%	42%	63%	29%