



**Government of the
Cook Islands, Federated States of Micronesia,
Fiji, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea,
Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu**

**Global Environment Facility
United Nations Development Programme**

Secretariat of the Pacific Regional Environment Programme

**SUMMARY RECORD OF THE FIRST MULTIPARTITE REVIEW
MEETING OF THE PACIFIC ADAPTATION
TO CLIMATE CHANGE PROJECT**

**SPREP HEADQUARTER, APIA, SAMOA
10TH – 14TH MAY 2010**

**ADOPTED BY THE PACC PROJECT BOARD
ON THE 9TH OF AUGUST 2010**

Introduction

1. The Pacific Adaptation to Climate Change Project (PACC) is a regional climate change adaptation project to enhance the resilience of a number of key development sectors (food production and food security, water resources management and coastal zone management) in 13 Pacific Island countries to the adverse effects of climate change.

2. The first Multipartite Review Meeting (MPR) of the PACC project was held at the Secretariat of the Pacific Regional Environment Programme's Headquarter, Apia on 10th –14th May 2010. The MPR objectives were to:

- Review the previous year's performance of the PACC against its set targets and objectives
- Review, discuss, and approve the Annual Project Report (APR) / Project Implementation Review (PIR)
- Review, consider, and advise on the 2009-2010 work plan and budget
- Consider the extent to which project objectives are being met and advise, as necessary, on means to improve project performance

Meeting Participants

3. The MPR was attended by representatives from twelve (12) out of the thirteen (13) PICs who are participating in the PACC (Cook Islands, Federated States of Micronesia, Fiji, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu). The UNDP Multi-Country Offices in the Pacific (Fiji and Samoa), the Secretariat of the Pacific Applied Geosciences Commission (SOPAC), the Secretariat of the Pacific Community (SPC) and representatives from the Australia Pacific Adaptation Strategy Assistance Programme (PASAP). The Participants List for both meetings is attached as Annex 1.

Session One: Registration and Official Opening

4. The Agenda is attached as Annex 2. Mr. Paula Taufa led the meeting with a prayer. Dr David Sheppard, Director of SPREP, delivered the Welcome Remarks. Ms Georgina Bonin, Officer-In-Charge UNDP Samoa Multi-Country Office delivered a statement on behalf of UNDP as the implementing agency of PACC. The Opening Address was given by Taulealeausumai Laavasa Malua, Chief Executive Officer of the Ministry of Natural Resources and Environment for the Government of Samoa. The speeches during the workshop's Opening Ceremony are attached as Annex 3.

PACC MPR Participants



Session Two: The PACC MPR

5. The session was chaired by Dr. Netatua Pelesikoti from the Pacific Futures Programme of the Secretariat of the Pacific Regional Environment Programme (SPREP).

PACC Annual Report

6. The PACC Regional Project Manager (RPM) presented the PACC annual report highlighting the progress after the first year of implementation at the national and regional levels. The period reported was from April 2009 when the RPM commenced work at SPREP to April 2010 even though the project proper started in January 2009 after the signing of the project document. The meeting noted a number of activities have been completed including:

- Twelve PACC National Coordinators have been appointed and are currently coordinating PACC activities at the national and community level. The Republic of Marshall Islands is still in the process of selecting its Coordinator and Mr. Warwick Harris currently acts as the interim PACC Coordinator.
- Eleven countries have set-up their National Steering Committees whilst PNG is currently using an existing steering committee called the (Millennium Development Committee), Tuvalu (having a joint committee with the IWRM and other environmental projects). The Republic of Marshall Islands is yet to progress in this area.

- Three countries Nauru, Niue and Tuvalu have collaboratively worked with the Integrated Water Resources Management (IWRM) to have one joint Steering Committee to provide policy and technical guidance to the two projects and other donor funded water related projects. This mechanism is already operational and proving to be effective in ensuring synergies between the various projects therefore avoiding duplication.
- Five countries (Tonga, Palau, Samoa, Tuvalu and PNG) have further set-up PACC Core Operational Teams or in the case of Samoa the Technical Implementation Group to further manage project implementation at the pilot project and policy level.
- The Mainstreaming and Socio-economic guides are being developed and will be presented at the MPR meeting.
- Niue had developed a climate change policy through the PACC project.

The PM also highlighted the challenges faced in the first year of implementation and they include the following:

7. Issues such as difficulty of recruiting qualified people as PACC coordinators have been reported by some countries e.g. Palau and Solomon Islands. One of the queries raised is whether PACC can allow Government responsibilities to be built into the terms of reference for PACC coordinators. This should enable to secure more senior technical officers to be seconded and coordinate the project. This issue was discussed in detail during the country clinics at the Inception Workshop and it was agreed that situations will need to be looked at individually. There can be no “one-size-fit all” solution to the issue and some good discussion with the country concerned should be made to ensure an amicable solution is reached.

8. Most PACC Coordinators that had been recruited by national authorities have not been involved with climate change programmes/projects at the national level. This is understandable as the PACC project is moving beyond the boundaries of the Environment Departments to line ministries such as Agriculture, Coastal Management and the Water sector. The capacity of the Coordinators and the line ministries to be able to implement the project will need to be built as soon as possible to ensure that they appropriately steer PACC project activities at the national and community level.

9. Following on from the above, PACC Coordinators are finding it difficult to develop basic narrative and financial reports or the Face Forms. Two trainings had been carried out and further training are planned to improve capacity to carry out these two fundamental activities for the project. This is the biggest constraint faced at present; the inability to develop annual work plans (activities and budgets), log frames etc. bringing different stakeholders together to one setting to discuss project issues and filling in of Face Forms for financial reporting. The Regional Project Manager has tried through the

PACC Snapshot and country visits to address these capacity issues faced at the national level. More support will be needed in this area in the next year or so “hand-holding” Coordinators through project management basics (work plan development etc.).

10. Quite a significant number of issues have surfaced when trying to set-up the PACC PMU's at the national level. These range from the simple setting up of bank accounts (Marshall Islands), to issues between two government agencies (PNG), re-appropriation of funds (FSM), delay in hiring of Coordinators (Fiji, Marshall Islands, FSM, Tonga, PNG, Solomon Islands and Palau). All these issues combined have contributed to the delay in project implementation at the national and community level.

11. The delay in the transfer of funds from the Commercial Bank to the Central Banks at the country level was yet another delaying factor. Funds have been sitting at national Commercial or Central Bank Accounts for two to three weeks without notification of receipt provided to PACC Focal Points/Implementing Agencies. Also, when the Central Banks were requested for information on the transfers they were unable to locate the funds and furnish the requested information. Some kind of tracking system will need to be put in place at the national level by the PACC Focal Points and Implementing Agencies to ensure funds are accessed without delay.

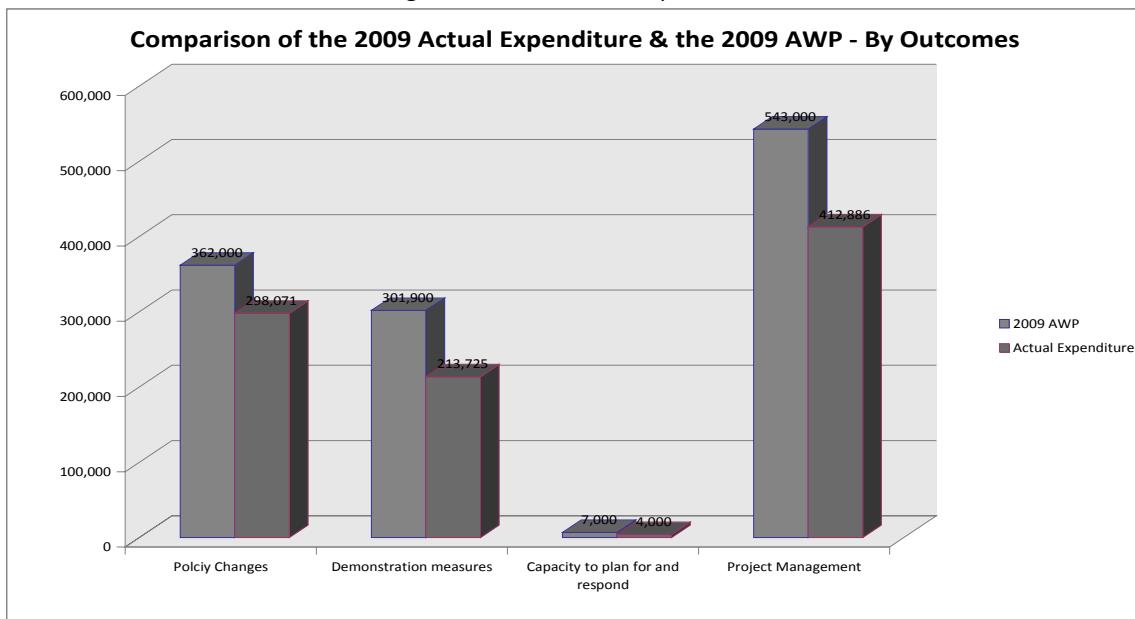
Financial Reporting

12. At the end of December 2009, the regional PMU had released “Start-Up” funding as well as the balance of third and fourth quarter funding to all the countries with the exception of Marshall Islands and Papua New Guinea. As at 31 December 2009, total project expenditure stood at US\$928,682 dollars which equates to approximately 7% of the total project budget.

13. Funds were not disbursed to Marshall Islands over 2009 as the bank account details was yet to be relayed to SPREP. Papua New Guinea has its own unique set of challenges in the differences in opinion between Government Departments as to who should be responsible for the implementation of the PACC project.

14. The graph below was also presented and it summarised project expenditure by outcome for 2009. For component one which is Mainstreaming, US \$298,071 (32%) was expended. US \$213,725 (23%) was spent on the pilot project component (component 2). In the technical support area only US \$4,000 (1%) was spent, whilst US \$412,886 (43%) was used on component 4 which is project management.

Figure 1.0 2009 Actual Expenditure



SPREP will work very closely with countries in 2010 to ensure that the funds released are expended accordingly and within agreed procedures.

Country Statements and Open Discussions

15. Representatives of countries and agencies gave their statements at the meeting and issues raised could be categorised as follows:

Progress of Activities at the country level

16. National Coordinators presented on activities they had carried out in the first year of implementation. Some tangible progress had been made by some countries in outcome one (mainstreaming climate change) and four (project management) whilst some have also started baseline vulnerability and adaptation assessments on their pilot project demonstrations. Country presentations would be uploaded on to the PACC website for easy access by all interested parties.

Funding projections versus actual budgets

17. Countries requested clarification of the basis of projections by SPREP and UNDP for UNDP ATLAS purposes when they are late in their submissions of their annual work plans and budgets. Other issues raised included whether 2009 funds would be automatically rolled over to 2010 if not utilised, and whether there could be some flexibility in the allocation of funds as per the PACC project document. The response from UNDP was that there would not be any roll over of funds from one year to the other thus annual work planning should be as realistic as possible.

Narrative and financial reporting

18. Due to the various challenges faced with the setting up of the PACC Project Management Units at the national level, reporting requirements (narrative and financial) as well as the development of the Annual Work Plans were adversely impacted. Countries were optimistic that the reporting requirements would be better met in 2010 as more PACC National Coordinators are already on board and coordinating activities at the national level.

19. Several requests have been made by the countries and they are as follows:

- Development of a Roster of Experts to include contact details;
- Co-financing support particularly for small islands;
- How to deal with the political interference at the national level;
- Need to recruit administrative assistants;
- Need for a vehicle

Project Executive Group (PEG)

20. The meeting greatly appreciated the work of the 2009-2010 PACC PEG Members: Melanesia: Mr. Jope Davetanivalu; Micronesia: Mr. Abraham Simpson; Polynesia: Ms. Anne Rasmussen; CROP Representative – Mr. Marc Wilson (IWRM Project Manager and SPREP - Mr. Espen Ronneberg.

21. The meeting also agreed that the new PACC PEG Members for 2010-2011 are:

- [i] Melanesia: Solomon Islands (Member to be confirmed)
- [ii] Micronesia: Federated States of Micronesia (Member to be confirmed)
- [iii] Polynesia: Niue (Member to be confirmed)
- [iv] CROP Representative – USP (Member to be confirmed)
- [v] SPREP – (Member to be confirmed)

Issues and proposed solutions

| Issues | Details | Proposed solutions/ way forward |
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| Operational/ Administrative | <ul style="list-style-type: none"> • Delays in PMU establishment including staff recruitment • Lack of human resources for national projects execution as identified by most coordinators • Non-compliance with monitoring & evaluation in particular quarterly progress reporting and annual work plan development • Lack of coordination between PACC and similar projects (eg SLM, SNC and IWRM) • Shifting priorities due to competing demands from related projects (PACC, IWRM, FAO) • Difficulty in accessing demonstration sites due to absence of dedicated and cost-effective transportation method. • Draft PACC Administrative Procedures as at 25 June 2009 be adopted (Annex II). | <ul style="list-style-type: none"> • SPREP and UNDP Country Offices to undertake direct recruitment as and when required by countries for foreseen staff turn-over. • PACC project Coordinators to develop TOR and identify budget for an additional support staff as appropriate. • SPREP and UNDP Country Offices to roll-out simplified quarterly narrative reporting format (harmonized with national-level) and reporting-mode (online-reporting form: web-based, email). • SPREP and UNDP Country Offices to directly assist with administrative issues as and when requested. • Countries to streamline committees and advisory boards including timing and frequency of meetings as well as discussion items with necessary budgetary support provided from respective projects. SPREP and UNDP to assist as and when required. • UNDP to clarify GEF policies regarding vehicle purchase using GEF funds. • MPR 2010 resolves and confirms the Administrative Procedures and the National Execution Modality or NEX be made available to all PACC Coordinators. • MPR to appoint a rapporteur at the next MPR meeting in December 2011 for a verbatim recording of the MPR |

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| | <ul style="list-style-type: none"> Verbatim Records of meetings recorded and recommendations made to the PEG for adoption of key findings. | Proceedings. |
| Financial | <ul style="list-style-type: none"> Delays in release of funds from SPREP, banks and internal financial system Non-compliance with quarterly financial reporting and lack of clarity on exchange rates at the national level when funds are transferred from the recipient Banks to the PACC accounts. | <ul style="list-style-type: none"> SPREP to ensure timely release of advances including communication to countries. UNDP to assist with strengthening of national financial systems to ease funding release and monitoring. SPREP and UNDP to provide refresher training on financial reporting and AWP development as and when required including during country missions. Financial forms (FACE) to be reported in local currency. Funding for countries that have not submitted their quarterly narrative and financial reports should be withheld until necessary reports are produced. Bilateral financial arrangements will be facilitated for countries that are progressive. SPREP to transfer funds in local currencies with countries to report in their local currencies AND SPREP to convert in USD and advise countries accordingly in a timely and effective manner. SPREP to provide countries with Project Acquittal Summary of Expenditures within the SPREP system aligned with Country Allocations. SPREP to establish a finance hotline desk' where countries could |

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| | <ul style="list-style-type: none"> • PACC Project Promotion and Awareness Monetary Grants and Awards Articulated | <ul style="list-style-type: none"> quickly ask questions and receive feedback. • SPREP and UNDP to clarify position on Monetary Grants and Awards for PACC Project Promotional and Awareness Activities as prize money. |
| Policy | <ul style="list-style-type: none"> • Lack of political support • Lack of expertise to mainstream Climate Change at national and sectoral levels | <ul style="list-style-type: none"> • PACC National Steering Committees to link and regularly inform higher level policy bodies (e.g. preparing regular Cabinet updates and papers) • Awareness-raising at forum leaders level through a possible Climate Change programme based on best practices of “Pacific Parliamentarian Assembly on Population & Development”, funded by AusAID, UNFPA and implemented by SPC • Development of targeted national awareness programme for political leaders as part of national communication strategy. • SPREP and UNDP senior management and technical staff to include PACC issues in country missions. • Consider resources and expertise within SPREP, UNDP, other CROP agencies and relevant regional initiatives (like ICCAI-PASAP) and UNDP to provide/support on PACC mainstreaming objectives. • SPREP to organize PACC training on CC mainstreaming based on the guide currently under preparation • CROP and/or peer-support through south-south co-operation (e.g. especially between countries addressing the same sector ; coastal, water, agriculture) regarding CC mainstreaming processes • Link PACC with mainstreaming in other national processes (like |

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| | | SNC, NAPA projects, NSCA, IWRM, SLM, etc.). E.g. in PACC countries addressing water sector, the sector strategies being developed through IWRM can be climate-proofed through PACC |
| Technical | <ul style="list-style-type: none"> • Lack of national expertise to provide technical support to various project outcomes and activities | <ul style="list-style-type: none"> • SPREP to set up a Regional Expert Advisory Group in order to develop and roll-out “PACC Technical Support Mechanism” in partnership with SOPAC, SPC, USP, etc. to technically support various project outcomes. SPREP to establish a roster of experts with contact details for countries to consult on specific technical issues and inform countries accordingly. • SPREP and to facilitate identification and recruitment of international technical consultants as and when required. • National PACC Steering Committee to form a core technical support team to assist the PACC PMU at the pilot site level. • Harness IWRM expertise and support to PACC countries addressing water sector adaptation (country teams and steering committees of respective projects to collaborate more closely, SOPAC to provide tech support on need basis). • National PACC Focal Points/Coordinators attend joint meetings with IWRM or other thematic processes as appropriate and when resources permit. |
| | <ul style="list-style-type: none"> • Lack of national expertise and capacity on communications, knowledge management, networking and awareness-raising | <ul style="list-style-type: none"> • Countries to establish national communication action plans, and include specific communication activities in AWPs and QWPs, following PACC Communication Strategy provided by SPREP and discussed at the annual meeting. • SPREP Communications Team to provide support as and when required • National Coordinators to more systematically record, document and report activities, lessons learnt and good practices (policy |

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| | | <p>mainstreaming, technical adaptation aspects, community engagement, etc.), as well as communication actions, collecting audio-visual materials (photos, videos, etc.).</p> <ul style="list-style-type: none"> • National Coordinators to regularly feed information to SPREP for PACC project website, and use the website for their own dissemination purposes (e.g. linking from national websites) • National Coordinators to register in Adaptation Learning Mechanism website (www.adaptationlearning.net) as users, in order contribute from PACC experience and use ALM to disseminate project results, lessons learnt and information. ALM has user-friendly features. • Explore further opportunities of PACC networking, including via establishing an e-network for PACC National Coordinators and teams, or through exchange site visits (i.e. to be carried out in later stages when demo projects are more advanced) – example of IWRM and PIGGAREP exchange between technical teams |
| | <ul style="list-style-type: none"> • Lack of capacity to apply consistent climate and weather information tailored to PACC sectors | <ul style="list-style-type: none"> • Involve Met Services in country core technical teams and steering committees, in order to enhance climate early warning systems, seasonal weather forecast and other information services tailored to PACC sectors. • National Coordinators to closely liaise with Second National Communication Coordinators and SNC Adaptation Working Groups to exchange on climate information, policy and technical aspects • Harness regional support activities and programmes, such as the AusAid PCCSP to enhance climate information and continue PACC training activities in this field to support sectoral applications of climate and weather info. |

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Key decisions:

In undertaking the first multipartite review of the PACC project, UNDP in close consultation with SPREP and the countries, acknowledges the progress made despite challenges experienced since the project inception to-date:

- Mainstreaming: US \$298,071 (32%);
- Demonstration: US \$213,725 (23%);
- Technical support US \$4,000 (1%); and
- Project Management: US \$412,886 (43%)

The MPR agrees that the proposed solutions to address operational and financial, policy and technical issues be adopted.

In addition the MPR acknowledges the revised 2010 Annual Work Plans and agrees that these be adopted on the condition that:

1. The AWPs are fine-tuned according to SPREP/UNDP comments;
2. The 80% acquittal threshold be complied with; and
3. Country-level multi-year work plans & budgets are established and in-line with recommended funding allocation (Outcome 1: 20%, Outcome 2: 64%, Outcome 3: 7%, Outcome 4: 9%) with 10% tolerance agreed by Project Executive Group. This will be established according to the revised Total Budget and Workplan and Multi-Year Operational Workplan.

The MPR agrees a revision of total work-plan and budget to reflect actual project start-up commencing 2009 – 2013, and to develop a Multi-Year Operational Workplan to guide overall project and national activities.

The MPR suggests a revision of the logical framework in order to reflect country-specific efforts in outcome 1 (policy mainstreaming), update all relevant indicators and targets for outcome 2, and make further adjustments in outputs and corresponding activities to better reflect capacity building, tool development, communication and other result areas and related support activities.

In light of the above recommendations raised, SPREP and UNDP had agreed to address the following key issues in the follow up of the MPR meeting:

- Streamline work planning processes. This dialogue is work-in-progress and should result in a first draft of a comprehensive and credible multi-year, annual and quarterly workplans for the three mainstream components of PACC corresponding to the various countries, as well as in relation to the management/regional component. It is imperative that agreement is reached on basic definitions and the **logical processes** with regard to RBM-based workplanning.

- Once work-planning approaches and formats are agreed to, more targeted training and hand holding might be needed to augment the project management skills of the PACC participating countries;
- Formation of a high-level “Technical Advisory Group” comprised of world class expertise drawn from specialized regional CROP agencies as well as globally to convene on a regular or ad hoc basis, as the case might be, in order to provide technical oversight over the various outputs of the project;

PACC Oversight Mechanisms:

- The normal oversight mechanism is a Project Board - in the PACC’s case this is referred to as a “PEG”. There is a need to revisit the PACC’s Project Executive Group’s TOR and composition to ensure that it is aligned with the POPP definition of a Project Board and properly discharges the oversight and assurance responsibilities expected of it as a Project Board;
- In the particular context of PACC, it is recommended that PEG is attended at the highest managerial levels at both UNDP and SPREP to regularly examine relevance, management of risks, implementation of the project against approved WP and achievement of desired results as well as design revisions, cancellation and modification;
- The reconstituted PEG will meet at the end of June. UNDP to examine the TOR and provide revised TOR for PEG for consideration of SPREP and the countries, in time for PEG’s next meeting. The PEG will thereafter convene regularly on a quarterly basis;
- In the interim, and at the operational level, UNDP and SPREP should agree on a mechanism for improved lines of communication and coordination until such that workplans are finalized and all weaknesses addressed;

Project Monitoring and Reporting

- The RPM will put together a “Project Monitoring Plan”. The latter is a “process” monitoring plan and ought to be distinguished from a “substantive” monitoring regime. At the project level, monitoring is arguably one of the most important responsibilities of a project manager;
- The RPM should submit a quarterly report to the PEG (UNDP to provide a standard format for this reporting) as a basis for a quarterly PEG meeting;
- Where PACC is not proceeding as planned , the RPM is expected to detect deviations from the Plan and report these to the PEG;

- The RPM should, as a matter of urgency, put together two preliminary logs on risks and issues (this should have been carried out at the formulation stage and uploaded in Atlas in the “defining a project” stage). Both logs should be updated on a quarterly basis by the RPM. This requires a quarterly reassessment of these logs with countries help. New risks should also be updated by the RPM based on the consensus by the PEG that these new risks may affect project implementation;
- A representative from UNDP Samoa and/or Fiji/PNG offices should visit each project at least once a year;
- An Annual Review Report shall be prepared by the RPM and shared with the PEG. This should confirm that the delivery of the outputs would lead to the desired outcome and include any revisions, financial or otherwise;
- An Annual Review meeting is to be convened at the end of each calendar year;

Administrative and Financial Issues

- A review of the current “Draft Administrative Procedures for National Coordinators and Participating Countries” to reflect the provisions of UNDP’s Programme and Operations Procedures and Policies (POPP);
- POPP requires the preparation of documentation such as the “Annual Procurement Plan”. Countries are to assist SPREP in the compilation of such plan;
- The need for SPREP to carry out a HACT micro assessment over the short term;
- The need for UNDP and SPREP to fully and comprehensively follow-up on all audit recommendations;
- The CDR for Q1 is still outstanding. This might indicate the need for an effective and up-to-date reporting and accounting system at RPMU to ensure the accuracy and reliability of financial reporting. The RPM must ensure timely quarterly reporting of expenditure to UNDP;
- SPREP to explore the possibility of adopting the direct payment modality in disbursing funds to the 13 PIC countries.