



Supplementary Report to the Mid-term Review Report



Mid-term review of “Climate Information Services for Resilient Development in Vanuatu” (CISRD) or Vanuatu Klaemet Infomesen blong redy, adapt mo protekt (Van-KIRAP) Project

By FCG New Zealand
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Supplementary Report to the Final Mid-Term Review Report

Mid-term review of “Climate Information Services for Resilient Development Planning in Vanuatu” (CISRDP)

2018 – 2021

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1 Introduction

The purpose of this paper is to provide further insights on three aspects of the Van-KIRAP Mid-term Review (MTR) as requested by Green Climate Fund (GCF). This paper should be interpreted together with the MTR Final Report. The findings of this paper are not in conflict of the findings of the MTR Report, and the same data is used as the basis for the provided conclusions and reiterated recommendations. The MTR Report was endorsed by the Implementing Agency SPREP (the commissioner of the MTR), VMGD and SPREP CCR (Executing Entities), Sector Coordinators and the Delivery Partners after addressing their feedback and comments.

The three areas discussed in this paper are:

1. Capacity Gaps;
2. Colocation of the two PMUs; and
3. Equipment Procurement, including operation and maintenance (particularly the Doppler Radar).

2 Capacity Gaps

2.1 Overview

The main Mid-term Review (MTR) report made a number of findings in relation to identified capacity gaps. The report included a total of nine recommendations related to addressing capacity gaps. Three of these recommendations (5, 11 and 16) related to the need to increase project management capacity within the Project Management Unit (PMU). Two recommendations (4 and 21) related to monitoring and evaluation systems and capacity. Two recommendations (14 and 15) related to data management. One recommendation (10) related to improved use of training material and training modules, and one (9) related to the need for a gender and inclusion focal point within the VMGD PMU. This section of this report will further elaborate on identified capacity gaps and make additional recommendations.

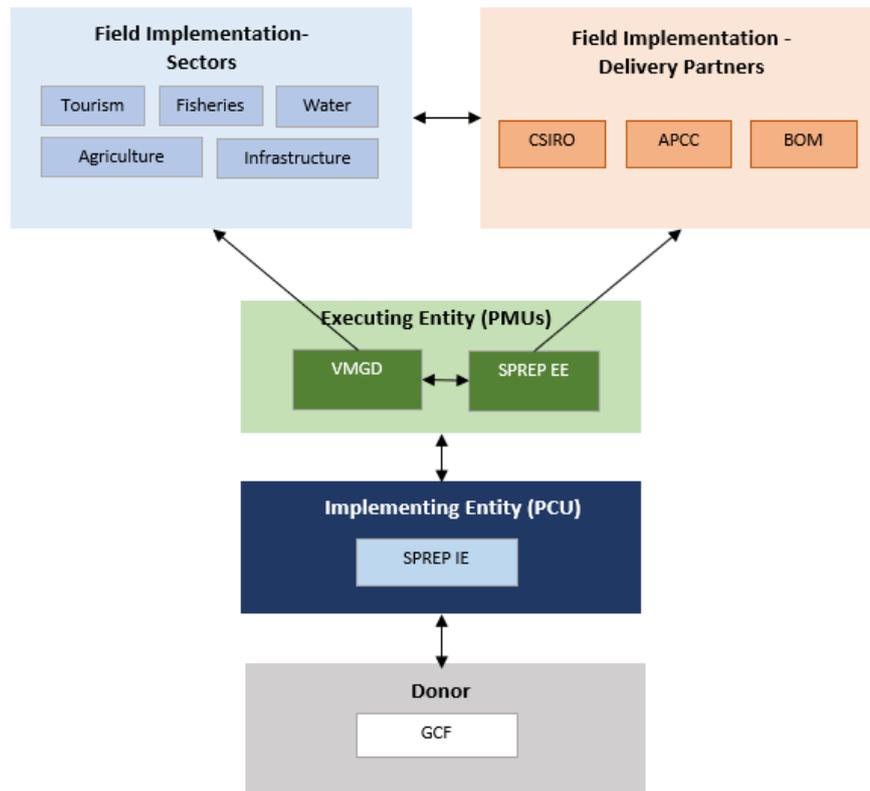
The project has experienced several challenges that have impacted the capacity at all levels to operate efficiently and effectively. The below sections describe the strengths and weaknesses at each operational level and focuses on the interaction between different actors and the impact of the relationship and its functionality in the delivery capacity. It shall be noted that the scope of this MTR has not included a capability assessment and there is not sufficient data based on the KIs to speculate about lacks and strengths at individual capability level, nor does it align well with the focus of the MTR.

A key factor to keep in mind when looking at capacity gaps in the Van KIRAP project is the fact that although the project has formally been in the implementation phase since January 2018 there were delays associated with redesigning aspects of the project to address 20 conditions imposed by the GCF as part of the Funded Activity Agreement (FAA). SPREP requested a halt to the project so the FAA conditions could be met, and project activities did not properly begin until after the second GCF disbursement in August 2019. The original project design had deficiencies which the FAA conditions were designed to address. It should also be noted that this is the first GCF funded project that SPREP has managed, and it is also one of the first projects the recently created GCF had approved. Everyone involved here has been developing and implementing within a new framework.

It is important to not look at different actors in isolation from one another since their delivery capacity is tied to the relationship with other structures. Therefore, to assess the capacity gaps in detail, the project delivery structure needs to be described. The structure is simplified to include Donor (GCF), Implementing Agency (SPREP), the Executing Entities (combination of

VMGD and SPREP EE), and work at the field can be described to be delivered with the sectors and with the delivery partners (Figure 1).

Figure 1. Delivery Structure.



2.2 Donor and Implementing Entity (IE)

SPREP is the implementing entity (IE) for this project and this function is carried out by the Project Coordination Unit (PCU) within SPREP HQ in Samoa. The PCU is the principal point of contact between the project and the GCF.

The main area impacting the project management capacity at the IE level **was the project redesign in 2019**. The FAA conditions set by the GCF at the beginning of the contract caused significant delays in the project delivery, since SPREP struggled to meet the strict conditions as per the GCF's requirements. As part of this project redesign process, the project logical framework was substantially redesigned (GCF agreed to this but required project outcome indicators to remain unchanged). During this redesign process, implementation was put on hold and the project framework was reorganised to create a clearer structure and better efficiencies around the delivery. It should be noted that the project redesign did not resolve all the FAA conditions, and during the time of the MTR, SPREP was still aiming to meet the final FAA condition (see Chapter 3 of main report).

The redesign process has presented challenges in reporting and the development of workplans for the two executing entities. The SPREP PMU has also been without a Manager since mid-2019 (the CIS Advisor has been acting in the role in addition to their technical advisory role). Consequently, the **SPREP PCU has filled several capacity gaps from the project delivery levels to meet the requirements of GCF reporting**. However, operating between the donor and EE has been a challenging task due to the changing reporting

requirements and lack of capacity at the EE level, which has led to a need for resubmitting some of the key reports to the GCF. There has been also delays by the GCF in approving submissions in a timely manner, which has led to delays in fund disbursements.

Regardless of some of the initial administrative challenges caused by the transition, the changes were perceived well at all levels and agreed to bring needed clarity on the project objectives and delivery approach and these changes have positively impacted to the delivery capacity due to the clearer logframe structure. The reporting process is now better integrated but further improvements in the process could be made through having a more comprehensive project monitoring and evaluation framework and processes.

2.2.1 Monitoring and evaluation systems and capacity

As noted in the main report, there were attempts to put in place a project level M&E system that did not result in a product that was fit for purpose and easily useable by the executing entities. There is still no project monitoring and evaluation framework in place and recommendation 4 in the main report suggested that SPREP PCU should finalise this framework as soon as possible and then work with the VMGD PMU to implement the M&E framework. This is something that could be built into the proposed project management advisor's role.

2.3 PCU and PMUs level

2.3.1 Project management capacity

There is a recognition across stakeholders that **there are challenges in the area of project management capacity within the VMGD PMU**. It was noted in the main report that both the delivery partners and SPREP PCU have supported many of the activities that are the responsibilities of the EEs, since the PMUs were formed with the basis of implementing a project instead of designing a project. However, much of the EEs activities have been project design related, which has caused some extra pressure on the EEs capacity to manage and coordinate those processes. SPREP and the Director General of the Ministry of Climate Change and the Director of VMGD have been in discussions regarding hiring a project management technical advisor. The MTR report strongly recommended that this goes ahead (recommendation 5). The project management technical advisor should be located within the VMGD PMU but report directly to the VMGD Director. There is a strong need to ensure sector plans and delivery partner inputs are well aligned and coordinated, as well as other project management inputs around community climate centres. Having strong project management capacity within the PMU is crucial to support these processes.

The lack of timely access to project funds (caused by disbursement delays) has been frustrating for the VMGD PMU and has contributed to the delays in delivery of project outputs. The PMU's perception of changing reporting requirements has also led to frustrations in the processes and lack of trust between the VMGD PMU and SPREP PCU. The lack of trust and understanding of the process leads to underutilisation of the current capacity. Some of this could have been avoided if in-country visits had been possible in 2020 and 2021 and the expectations of management and transparency around the issues and fund disbursement delays could have been clarified in person and processes explained.

The main report outlined ongoing challenges with project reporting and forward planning within the VMGD PMU. Some areas of the project were being implemented well and others less so. As an example, under Component 1, VMGD has been progressing well since they are confident with the subject matter but under other Components there have been bigger issues, such as with working with sector coordinators to ensure sector case studies (component 2) are well planned and sufficiently in place to allow efficient and effective engagement with delivery partners.

Since the PCU has stepped in and filled many of the capacity gaps, it has also blurred the lines between the responsibilities of the decision-making entities. Once a project management

advisor is present within the VMGD PMU, roles and responsibilities in relation to reporting and development of work plans should be clarified between the PCU and the PMU. It is likely once the workplans for the sectors have been approved, FAA conditions have been met and the disbursement delays have been solved, the existing capacity can be more effectively utilised and built upon.

2.3.2 Monitoring and evaluation systems and capacity

A well-established M&E structure, which would outline the monitoring roles and responsibilities between different actors, should contribute to improved project delivery and reporting. This was the focus of recommendation 21 in the main MTR report. The Project has not had a dedicated M&E position. The lack of an M&E plan impacts the efficiency of monitoring the project progress, which impacts in turn the project management. Evaluating the efficiency of the processes is a challenge without clearly tracked processes and achievements. These results could also be used as further proof for the GCF about the impact of the external delays, and for the internal stakeholders as evidence of the root of the problems and the diversity in them. Although it was stated by many participants that the key issue is the delays in funds disbursement, there is strong evidence that many other issues have also impacted the slowness of the delivery. A fit for purpose M&E plan, updated regularly based on quality data and information, would enhance the efficiency of the delivery by underlining which are the pending matters and which of these matters are the responsibility of which stakeholder.

Recommendation 11 in the MTR report stressed the need for the VMGD to oversee the development of a project exit strategy. A key focus of the project exit strategy would be planning and budgeting for the operation and maintenance of climate and ocean monitoring equipment. This is the focus of the third section of this report and will be discussed in more detail there.

2.4 PMUs and Sectors

2.4.1 Project management

The PMUs have worked closely with the sectors to develop their case studies which is the principal project output within each of the sectors. However, **development of sector case studies under Component Two, has been slow and inconsistent.** The project will have to focus on getting sector case studies in place, as well as clear processes for the effective and inclusive dissemination of CIS through community climate centres, if it is to achieve its objectives by the end of the project. Sector plans have been a long time under development which cannot entirely be attributed to the fund disbursement delays. The sector coordinators have needed support from the SPREP IE to finalise these, and several of them were still under way by the time the MTR took place. This should be the responsibility of VMGD as the Executing Entity and is a further indicator of capacity constraints there. As noted in recommendation 16 of the main MTR report, there is an urgent need for the PMU to provide additional support to the sector coordinators to ensure case studies are in a position to maximise the inputs of delivery partners once travel is possible, most likely in the first half of 2022.

2.4.2 Data and information management

Recommendation 14 in the main MTR report highlighted that the project would benefit from the CIS data being stored on a cloud-based platform. This could be done at no cost to VMGD (or the Van-KIRAP project) as a platform is already provided by the Australian Bureau of Meteorology for Pacific Island Meteorological Services. This would help facilitate more timely and efficient data-sharing processes (recommendation 15).

3 PMU Colocation

This project has two Executing Entities, VMGD and SPREP. Both have a project management unit (PMU) in Port Vila to directly oversee this project. SPREP is also the Implementing Entity, so these two roles (EE and IE) are managed within separate parts of SPREP – the Project Coordination Unit (PCU) acts as the IA and the Climate Change Resilience Programme acts as the EE. The SPREP PMU in Port Vila sits under the Director of the SPREP Climate Change Resilience Programme, based at SPREP HQ in Apia. As discussed in the findings of the MTR report, there are a number of inefficiencies in having two PMUs located in different parts of Port Vila and the MTR report included the following recommendation:

Recommendation: There are currently two PMUs (one SPREP and one VMGD) located in different parts of Port Vila. This is not conducive to effective and efficient project management. **These two existing PMUs should merge and be located at VMGD premises.** There is already agreement between SPREP and VMGD on this and it **should be implemented by September 2021.** The current SPREP EE PMU CIS Technical Advisor should take a technical advisory role within the VMGD Project Management Units (PMU) and focus supporting the collaboration between delivery partners and sectors, identifying the synergies in technical work and facilitating the collaboration. He would report to both SPREP and VMGD.

This recommendation does make a clear recommendation for the personnel of the two current PMUs be located together at VMGD and also recommends they merge as one PMU. **Merging the two PMUs would raise complications for the overall institutional and contractual agreements between SPREP and GCF so a formal merger should probably not go ahead.** The practical collocation should go ahead for the reasons stated in the MTR report. There have been ongoing discussions between SPREP and VMGD about collocating the two PMUs but up to now it has not been enacted. It would be more effective and efficient if the two PMUs were located together in the VMGD building. The SPREP PMU Climate Services Technical Advisor should assume that same role within the VMGD PMU. He should continue to report to the SPREP Climate Change Resilience Unit but also have a direct line of reporting to the VMGD. This has already been occurring in practice with the current VMGD Director (since January 2021) having regular weekly reporting and meetings with the two PMU managers to update him on progress and challenges.

The diagram below indicates the proposed management reporting arrangements for the collocated PMUs:

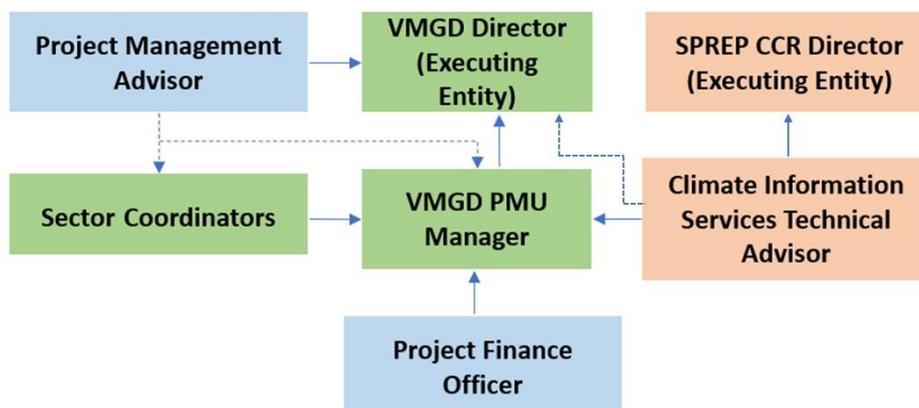


Figure 2. Proposed management reporting arrangements

4 Equipment Procurement and Maintenance

The main report highlighted the need for procurement of equipment to be underpinned by a well-developed operations and maintenance plan (O&M Plan). This should include identification and training of the relevant VMGD staff (and relevant sector staff if applicable). The O&M plan should also include realistic costings to be included in work plans and budgets. As noted in the main report, the Agromet stations had ceased to function and there was not the capacity in country to get them operating again. COVID-19 travel restrictions have prevented APCC technicians from travelling to Vanuatu to carry out repairs, as well as conduct capacity building of VMGD and Agriculture Department technicians. This situation has highlighted the need to embed equipment O&M plans into future programming. The procurement of various weather and ocean monitoring equipment, including a Doppler Radar, presents a significant challenge of ensuring sustainability of outcomes from the Van-KIRAP project.

4.1 Doppler Radar

The Doppler Radar represents a particular challenge as it is a very high-cost item and O&M of the technology is expensive, and this expertise does not exist in Vanuatu at the moment. Moreover, only a few countries in the Pacific Region have the capability for the maintenance of such equipment. The budget to support O&M of the radar for its full lifetime will need to be realistically assessed. The Doppler radar has importance above and beyond this project to the Government of Vanuatu and this has been highlighted by the VMGD (and the Ministry of Climate Change more broadly) to be a top priority for them. A straightforward recommendation on whether to proceed with the Doppler radar procurement or not is beyond the scope of this MTR. This report draws on an independently conducted technical study on the merits of different types of Doppler radar, as well as interviews with various project stakeholders, to highlight some considerations going forward.

The New Zealand National Institute of Water and Atmospheric Research (NIWA) was commissioned by SPREP to carry out a cost benefit analysis (CBA) of the Doppler Radar. The NIWA CBA assessed two types of Doppler Radar, a “C Band” and an “S Band”. NIWA assumed a purchase cost of around USD 2 million for a C band radar with an estimated extra 50% cost for an S band radar. The NIWA CBA report made the following points about the merits of C band versus S band radars:

- *Both S band and C band radars are used in other Pacific region countries, although the recent favouring of C band systems suggests an increasing availability of local peer support and expertise if the C band system is selected.*
- *The performance of present-day C band and S band radars in detecting precipitation types and drop sizes are similar, although S band radars may have ‘an edge’.*
- *Due to their smaller size, C band radar are less likely to be damaged by extreme events such as storms or cyclone. This is important considering the frequency of storms and cyclones in Vanuatu.*
- *Theoretically S band radar has a greater physical range than C band radar (400 kilometres versus 250 kilometres). Although this extra range has limited use due to ground clutter at short ranges, the curvature of the Earth and the widening of the radar beam, it does provide a greater ability to pick up phenomena such as ashfall at longer distances, an issue of note for Vanuatu given its volcanic activity.*

The CBA was expected to provide details on the financial benefits of Vanuatu having a Doppler radar that could provide a monetary rationale underpinning the purchase. The report could not provide a comprehensive and detailed financial estimate of the whole of costs and benefits finding that “the data needed to describe and quantify most of these benefits were not

available for this analysis". However, based on available data related to quantified potential savings for reduced losses from early warning of TC Pam and TC Harold type events, the study estimated that the C band radar would come close to paying off its investment assessed against avoided losses (the payoff using S band was lower). There is also potential for further cost recovery from aviation weather services.

The NIWA CBA report goes on to recommend the C band radar over the S band:

Based on the items above, but especially in view of the risk of damage and Vanuatu's exposure to extreme weather events like cyclones, C band radar would appear to offer technical benefits over the use of S band radar Based on the work conducted, while C band radar lacks the technical capacity of S band radar to detect more distant (>250 kilometres) phenomena such as ashfall, C band radar would seem on balance to offer a better investment than S band radar.

The CBA report basically establishes that there is a sound case for Vanuatu to invest in a C band radar (rather than an S band). This assumes that there is the technical and financial capacity to maintain the radar. The Van KIRAP budget has allocated USD 20,000 per annum for O&M of the radar but the NIWA CBA identified that O&M is typically in the range of 5-10% of the purchase cost on an annualised basis over the life of the equipment (up to 20 years). Assuming a USD 2 million purchase cost, this would equate to between USD 50,000 and 100,000 per annum which would have to be factored into the overall budgeting calculation for purchasing and operating a Doppler radar.

Another consideration is the availability of a suitable site and related infrastructure. At the time of carrying out consultations for the main MTR report, the review team was under the impression that a site had been secured but this has subsequently been clarified as not being the case. In addition to the above budgetary considerations, VMGD (through the PMU) will need to confirm availability of a suitable site as well as a report confirming what is there for the radar and a plan (with costings and sources) on how to build relevant platforms (e.g. road accessibility, IT platforms (wave band etc), land procurement, Government co-financing etc).

In addition to recommendation 13 in the main report (which highlighted the gap between the USD 20,000 allocated for radar O&M and the NIWA CBA estimate of 5-10% of purchase cost (or USD 50,000 to 100,000 per annum) the review team would make the following further recommendations:

- The PMU to complete a report confirming availability of a suitable site as well as outlining what infrastructure is already there for the radar and a plan (with costings and sources) on providing the necessary infrastructure (e.g. road accessibility, IT platforms (wave band etc)).
- VMGD to ensure Government co-financing to underpin the radar i.e. platform needed (as outlined above with land, roads etc) and operation and maintenance.
- VMGD to ensure confirmation of Government co-financing to support the acquisition of the radar (if cost is outside what is provided by the GCF in the budget).
- The PMUs to seek the five quotes (if possible) or at least seek whether it is possible to have five quotes, and provide this to the GCF for a decision by the GCF to either cancel the procurement or move forward with the procurement.

5 Conclusion and Recommendations

This supplementary report has provided further analysis on three issues arising from the MTR of the Van-KIRAP project. These three issues are 1) Capacity Gaps; 2) Colocation of the two PMUs; and 3) Equipment Procurement, including operation and maintenance (particularly the Doppler Radar).

In relation to capacity gaps, this report has not made any specific additional recommendations in addition to the nine recommendations related to capacity gaps found in the main MTR report. This report does, however, reiterate the specific priority need to increase project management capacity within the VMGD PMU. This report also emphasises the need for a fit for purpose M&E system and improved data management (cloud-based).

In relation to the second issue of co-location of the two existing PMUs, this report modifies the recommendation of the main MTR report and suggests that all staff of both PMUs be co-located in the VMGD building but that a formal merger into one PMU is not necessary.

This report emphasised that whilst the cost benefit analysis commissioned under this project provides a valid evidence base in favour of the purchase of a “C class radar” there are a number of issues that need to be addressed. This report makes the following further recommendations in relation to the Doppler radar:

- The PMU to complete a report confirming availability of a suitable site as well as outlining what infrastructure is already there for the radar and a plan (with costings and sources) on providing the necessary infrastructure (e.g. road accessibility, IT platforms (wave band etc)).
- VMGD to ensure Government co-financing to underpin the radar i.e. platform needed (as outlined above with land, roads etc) and operation and maintenance.
- VMGD to ensure confirmation of Government co-financing to support the acquisition of the radar (if cost is outside what is provided by the GCF in the budget).
- The PMUs to seek the five quotes (if possible) or at least seek whether it is possible to have five quotes, and provide this to the GCF for a decision by the GCF to either cancel the procurement or move forward with the procurement.