



PROJECT IMPLEMENTATION REPORT (PIR)

for the project:

Long-term financial mechanism to enhance Mediterranean MPA management effectiveness

FY19

April 1, 2018 – June 30, 2019

Executing Partners

Association for the Sustainable Financing of Mediterranean MPAs



Project Information			
Project Title:	Long-term financial mechanism to enhance Mediterranean MPA management effectiveness		
Country(ies):	Regional Mediterranean Sea (pilot countries: Albania, Morocco, Tunisia)	GEF ID:	9959
GEF Agency(ies):	Conservation International	Duration In Months:	24
Other Executing Partners:	Association for the Sustainable Financing of Mediterranean MPAs (The MedFund)	Start Date:	04/1/2018
GEF Focal Area(s):	International Waters	Actual Project Close Date:	04/1/2020
GEF Grant Amount:	USD 908,275	Date of Last Steering Committee Meeting:	12/04/2018
Expected Co-financing:	USD 9,692,183	Mid-Term Review-Planned Date:	N/A
Total Project Cost:	USD 10,609,614	Mid-Term Review-Actual Date:	N/A
Co-financing Realized as of June 30, 2019:	USD 3,786,453	Terminal Evaluation-Planned Date:	02/1/2020
Date of First Disbursement:	4/1/2018	Terminal Evaluation-Expected Date:	02/1/2020
Disbursement as of June 30, 2019:	USD 199,492	PIR Prepared by: CI-GEF Program Managers:	Romain Renoux Free de Koning, Susana Escudero

The CI-GEF Project Agency Project Implementation Report (PIR) is composed of six sections:

- Section I: Project Implementation Progress Status Summary:** provides a brief summary of the project as well as the implementation status and rating of the previous and current fiscal years;
- Section II: Project Results Implementation Progress Status and Rating:** describes the progress made towards achieving the project objective and outcomes, the implementation rating of the project, as well as recommendations to improve the project performance, when needed;
- Section III: Project Risks Status and Rating:** describes the progress made towards managing and mitigating project risks, the project risks mitigation rating reassessment as needed, as well as recommendations to improve the management of project risks;
- Section IV: Project Environmental and Social Safeguards Implementation Status and Rating:** describes the progress made towards complying with the Environmental & Social Safeguards and the Plans prepared during the PPG phase, the safeguard plans implementation rating, as well as recommendations to improve the project safeguards;
- Section V: Project Implementation Experiences and Lessons Learned:** describes the experiences learned by the project managers and the lessons learned through the process of implementing the project; and

SECTION I: PROJECT IMPLEMENTATION PROGRESS STATUS SUMMARY

PROJECT SUMMARY

Even though the Mediterranean Basin is one of the most highly valued seas in the world, the marine biodiversity is at risk. Marine Protected Areas (MPAs) are recognized as effective tools to protect marine ecosystems and conserve biodiversity while contributing to their recovery and to the sustainable economic development of local communities. In the Mediterranean region only 8% of the financing needs for effective management of MPAs are covered by current resources and they largely remain under-staffed and under-equipped. Often they are paid for by temporary financing sources, and there are no mechanisms to provide sustainable funding for these MPAs.

The project will address the:

- operational deficiencies of MPA management and weak capacity, limiting effective MPA management.
- insufficient and unreliable revenue streams that cannot address the recurrent expenditure costs of MPAs.

The **objective** of this project is to establish a Conservation Trust Fund (CTF) to enhance the management effectiveness of Mediterranean MPAs through improving their long-term financial sustainability. The project will formally establish the CTF and initiate its capitalization.

The project will be implemented under the 2 following components:

- **Component 1 : Establishment of a Conservation Trust Fund (CTF) for the Mediterranean MPAs.** This component aims at generating the enabling conditions for the creation of the CTF and establishing the CTF itself as a legally independent grant-making entity, ready to mobilize and invest funds from a range of sectors, and to support MPA management in the Mediterranean. In addition, this component will aim at strengthening and enlarging the national and regional cooperation among members of the fund.
- **Component 2 : Resource mobilization for the capitalization of the CTF for the Mediterranean MPAs.** The capitalization of the CTFs is a major challenge to the successful establishment and operationalization of a regional trust fund. This component will focus on the capitalization of the fund by developing a fundraising and communication strategies and submitting proposals to capitalize the fund (proposal for at least USD 10 million, and a capitalization of least USD 1.5M during the life of the project).

The project will cover the whole Mediterranean but will focus on GEF eligible countries such as: Albania, Morocco, Tunisia, Montenegro, Lebanon, Algeria and Turkey.

PRIOR PROJECT IMPLEMENTATION STATUS

Not applicable as this is year 1 of project implementation.

CURRENT PROJECT IMPLEMENTATION STATUS (FY19)

The project started on April 11, 2018. The project has now been under implementation for one year and one quarter. Some studies have been delayed this 1st year due to the establishment of the project management unit and administrative processes, however the implementation of activities has already delivered key outputs. The fund is now formally called the MedFund.

Component 1

Regarding the regional cooperation, the Government of Spain and the CEPF Mediterranean officially joined the initiative in 2018. The MedFund 2018 General Assembly took place in Monaco December 4th gathering 3 mediterranean countries and 10 regional organizations. The MedFund board meeting has been organized during the Monaco Ocean Week 29th March 2019 to strengthen the partnership and to steer the initiative. The MedFund coordinator attended the 14th meeting of SPA/BD (protocol concerning specially protected areas and biodiversity in the Mediterranean) Focal Points of the Barcelona Convention to facilitate a dedicated side event about the MedFund initiative, in order to liaise with high level government representatives. A finding mission in Montenegro has been realized to explore a partnership with the Ministry of Tourism and Sustainable development to support the management of future MPAs in coordination with the UNEP GEF Project "Promoting Protected Areas Management through Integrated Marine and Coastal Ecosystems Protection in Coastal Area of Montenegro. A

Memorandum of Understanding is being discussed. The Conservation Finance Alliance (CFA) provided technical guidance on Conservation Trust Funds (CTF) during the inception workshop and gave advice on the ToR for the MedFund design study. The MedFund partnered with other Trust Funds worldwide to learn from their experiences. The coordinator attended the CFA/REDLAC (Latin American and Caribbean Network of Environmental Funds) workshop on innovative financial mechanisms organized in October 2018 and a formal membership request to the Consortium of African Funds for the Environment has been submitted. Two executive CTF directors are part of the MedFund technical committee to advise and steer the CTF design study. In January 2019, the kick off meeting of the study “Mediterranean MPAs financial needs assessment and management effectiveness” was organized. To date, the financial needs studies have been completed for Tunisia, Morocco and Albania and the final report for this first assessment has been received. Missions in Lebanon and Turkey have been scheduled for September and November 2019. A mission to Algeria has been postponed due to the political situation and the one in Montenegro has been postponed due to delays in the establishment of national MPAs. A second study “Mediterranean CTF design and operational guidelines” was launched on June 13th 2019. MedFund Members defined timeline and methodology for this study, and a preliminary report has been drafted presenting 2 CTF design options and has been discussed during the July 25th 2019 board meeting.

Component 2

The initiative is proactively identifying potential donors from public and private sources to initiate the capitalization of the CTF. The Prince Albert II Foundation has committed to capitalize the MedFund with 1 million euros. The Agence Française de Développement (AFD) has formally agreed to capitalize the MedFund with 4 million euros. The French Facility for Global Environment (FFEM), had committed to support the capitalization of the Fund provided that 4 million euros would be raised from other sources. Thanks to the support from AFD and Prince Albert II Foundation, a 1 million euros funding has been secured from FFEM. An agreement has been signed with Fonds de dotation Nausicaa Aquarium & Sorbonne Université (biodiversarium) to dedicate part of their entrance fees to the MedFund. A memorandum of understanding with the Mediterranean Shipping Company to support MedFund has been signed on June 2019 – discussion are ongoing regarding the partnership conditions.

Environmental & Social Safeguards

A stakeholder engagement plan has been adopted - three advisory committees have been established to engage with and get input from M2PA members. Two advisory committees have already been convened.

A gender mainstreaming plan has been adopted - a gender expert has been selected in order to assist in the implementation of the GMP.

An accountability and Grievance Mechanism has been developed and approved in January 2019.

All anticipated risks were mitigated, no particular safeguard issues were encountered and no grievances were raised.

Summary of Project Progress Rating

PROJECT PART	PRIOR FYXX IMPLEMENTATION PROGRESS RATING	CURRENT FY19 IMPLEMENTATION PROGRESS RATING ¹	RATING TREND ²
OBJECTIVE	N/A	S	N/A, First year of implementation
COMPONENTS AND OUTCOMES	N/A	S	N/A, First year of implementation

¹ **Implementation Progress (IP) Rating:** Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), and Highly Unsatisfactory (HU). For more details about IP rating, please see the Appendix I of this report

² **Rating trend:** Improving, Unchanged, or Decreasing

PROJECT PART	PRIOR FYXX IMPLEMENTATION PROGRESS RATING	CURRENT FY19 IMPLEMENTATION PROGRESS RATING ¹	RATING TREND ²
RISKS	N/A	S	N/A, First year of implementation
ENVIRONMENTAL & SOCIAL SAFEGUARDS	N/A	S	N/A, First year of implementation

SECTION II: PROJECT RESULTS IMPLEMENTATION PROGRESS STATUS AND RATING

This section describes the progress made towards achieving the project objective and outcomes, the implementation progress rating of the project, as well as recommendations to improve the project performance. This section is composed four parts:

- a. Progress towards Achieving Project Expected Objective: this section measures the likelihood of achieving the objective of the project
- b. Progress towards Achieving Project Expected Outcomes (by project component)
- c. Overall Project Results Progress Rating, and
- d. Recommendations for improvement

a. Progress towards Achieving Project Expected Objective:

This part of the report assesses the progress in achieving the objective of the project.

PROJECT OBJECTIVE:	To establish a Conservation Trust Fund (CTF) to enhance the management effectiveness of Mediterranean (MPAs) through improving their long-term financial sustainability
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OBJECTIVE INDICATORS	END OF YEAR INDICATOR STATUS	PROGRESS RATING ³	COMMENTS/JUSTIFICATION
A CTF fully operational and ready for capitalization	<p>CTF membership is growing : 6 countries and 9 regional Mediterranean organizations are officially members</p> <p>Key studies are ongoing in order to:</p> <ol style="list-style-type: none"> 1. refine the capitalization target of the CTF 2. define key indicators of success 3. design a custom made CTF mechanism and adopt key processes and operational manual 	IS	<p>The establishment and operationalization of the CTF will entail the following aspects:</p> <p>Expansion of partnerships and strengthening key stakeholders' participation To date, 15 members are part of the initiative, including 6 countries and 9 Mediterranean regional organizations.</p> <p>Assessment of the financial needs and establishment management effectiveness baselines of participating MPAs: A study has been launched on January 2019. Financial needs and management effectiveness baseline assessment studies have been achieved for 3 MPAs in Morocco, 5 MPAs in Tunisia and 1 in Albania. The final report for this first assessment has been received. This will help refine the capitalization target for the CTF.</p>

³ **O**= Overdue; **D**= Delayed; **NS**= Not started on schedule; **IS**= Under implementation on schedule; and **CA**= Completed/Achieved

OBJECTIVE INDICATORS	END OF YEAR INDICATOR STATUS	PROGRESS RATING ³	COMMENTS/JUSTIFICATION
			<p>Development and adoption of the CTF Strategy, including its governance structure, legal framework, financial structure, and asset management approach: and the development and adoption of the CTF’s operational guidelines, including administration, operations, reporting, and monitoring and evaluation schemes</p> <p>The CTF design study has been launched – kick off meetings with MedFund Members to define timeline and methodology were organized held in June 2019.</p> <p>A first preliminary report has been drafted presenting 2 CTF design options and has been discussed during the board meeting scheduled on July 2019.</p>
A CTF capitalized with at least USD 1.5M from non-GEF resources	MedFund has raised 6M€ which will be capitalized next year.	IS	<p>MedFund has already raised 6M€ which will be capitalized next year.</p> <ul style="list-style-type: none"> - The French Facility for Global Environment (FFEM) committed to support the Fund by 1 million euros provided that 4 million euros are raised to capitalize the Fund - Prince Albert II Foundation has supported the Fund by 1 million euros in June 2019 - A 4 million euros AFD project proposal to capitalize the MedFund has been officially approved on June 2019 by the AFD board - Agreements have been signed with Fonds de dotation Nausicaa Aquarium & Sorbonne Université (biodiversarium) to dedicate part of their entrance fees to The MedFund - A memorandum of understanding with the Mediterranean Shipping Company has been signed to support the MedFund. Discussions are ongoing regarding the partnership conditions.

OBJECTIVE IMPLEMENTATION PROGRESS RATING	JUSTIFICATION
S	During this first year of project implementation, the Project Management Unit has been established, and administrative and financial processes have been established. Two key studies have been launched: one on the financial needs and management effectiveness baselines of participating MPAs, and one on the design of the MedFund. 6 million euros have been raised and pledged for capitalization to the MedFund. To date, 15 members are part of the initiative, including 6 countries and 9 Mediterranean regional organizations.

b. Progress towards Achieving Project Expected Outcomes (by project component).

This part of the report assesses the progress towards achieving the outcomes of the project.

COMPONENT 1	ESTABLISHMENT OF A CONSERVATION TRUST FUND (CTF) FOR MEDITERRANEAN MPAs
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Outcome 1.1	Conservation Trust Fund for Mediterranean MPAs established and operational
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OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁴	COMMENTS/JUSTIFICATION
Conservation Trust Fund for Mediterranean MPAs established and operational	CTF formally established and operational	<p>Two mains studies have been launched this year. CTF membership is growing: 6 countries and 9 regional Mediterranean organizations are officially members</p> <p>Key studies are ogoing in order</p> <ol style="list-style-type: none"> 1. to refine the capitalization target of the CTF 2. to define key indicators of success 3. to design a custom made CTF 	IS	<p>The establishment and operationalization of the CTF will entail the following aspects:</p> <p>Expansion of partnerships and strengthening key stakeholders' participation To date, 15 members are part of the initiative, including 6 countries and 9 mediterranean regional organizations.</p> <p>Assessment of the financial needs and management effectiveness baselines of participating MPAs: A study has been launched on January 2019. Financial needs and management effectiveness baseline assessment studies have been achieved for 3 MPAs in Morocco, 5 MPAs in Tunisia and 1 in Albania. The final report for this first assessment has been received. This will help refine the capitalization target for the CTF.</p> <p>Development and adoption of the CTF Strategy, including its governance structure, legal framework, financial structure, and asset management approach : The CTF design study has been launched – kick off meetings with MedFund Members to define timeline and methodology organized last June 2019.</p>

^{4 4} **O**= Overdue; **D**= Delayed; **NS**= Not started on schedule; **IS**= Under implementation on schedule; and **CA**= Completed/Achieved

OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁴	COMMENTS/JUSTIFICATION
		mechanism and adopt key processes and operational manual		A first preliminary report has been drafted presenting 2 CTF design options and has been discussed during the board meeting in July 2019.

COMPONENT 1 IMPLEMENTATION PROGRESS RATING	JUSTIFICATION	RATING TREND
S	Progress on this component is satisfactory. Two studies have been launched: 1) Assessment of the financial needs and management effectiveness baselines of participating MPAs; 2) Development and adoption of the CTF Strategy, including its governance structure, legal framework, financial structure, and asset management approach. are under implementation or achieved. To date, 15 members are part of the initiative, including 6 countries and 9 mediterranean regional organizations.	N/A, First year of implementation

COMPONENT 2 RESOURCE MOBILIZATION FOR THE CAPITALIZATION OF THE CONSERVATION TRUST FUND (CTF) FOR MEDITERRANEAN MPAS

Outcome 2.1 Initial capitalization of the CTF completed

OUTCOMES TARGETS/INDICATORS	END OF PROJECT INDICATOR TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ⁵	COMMENTS/JUSTIFICATION
Initial capitalization of the CTF completed	CTF capitalized with at least USD 1.5M from non-GEF resources	MedFund has raised 6 million euros which will be capitalized next year.	IS	The MedFund has already raised 6 million euros which will be capitalized during FY20.

COMPONENT 2 IMPLEMENTATION PROGRESS RATING	JUSTIFICATION	RATING TREND
HS	The MedFund has already raised 6 million euros from private and public funding. Resource mobilization and communications strategies will be developed that will target further innovative funding in order to mobilize additional resources.	N/A, First year of implementation

⁵ **O**= Overdue; **D**= Delayed; **NS**= Not started on schedule; **IS**= Under implementation on schedule; and **CA**= Completed/Achieved

c. Overall Project Results Rating

OVERALL PROJECT RESULTS IMPLEMENTATION RATING

OVERALL RATING	JUSTIFICATION	RATING TREND ⁶
S	Overall project progress is satisfactory. Two studies have been launched: 1) Assessment of the financial needs and management effectiveness baselines of participating MPAs: 2) Development and adoption of the CTF Strategy, including its governance structure, legal framework, financial structure, and asset management approach. To date, 15 members are part of the initiative, including 6 countries and 9 mediterranean regional organizations. The MedFund has already raised 6M euros from private and public funding. Resource mobilization and communications strategies will be developed that will target further innovative funding in order to mobilizing additional resources.	N/A, First year of implementation

d. Recommendations`

CORRECTIVE ACTION(S)	RESPONSIBLE PARTY	DEADLINE
N/A	N/A	

⁶ Rating trend: Increasing, Unchanged or Decreasing

SECTION III: PROJECT RISKS STATUS AND RATING

a. Progress towards Implementing the Project Risk Mitigation Plan

This section describes the activities implemented to manage and reduce high, substantial, modest, and low risks of the project. This section has three parts:

- a. Ratings for the progress towards implementing measures to mitigate project risks and a project risks annual reassessment
- b. Recommendations for improving project risks management

a. Progress towards Implementing the Project Risk Mitigation and Plan Project Risks Annual Reassessment

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRESS RATING ⁷	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY19 RISK RATING	RISK RATING TREND ⁸
Risk 1: Governments and other potential funding entities are not sufficiently engaged in capitalizing the proposed CTF	<p>The MedFund will continue working to expand its membership to ensure that key stakeholders participate and understand the purpose of the CTF, which will bring additional credibility to the initiative.</p> <p>The continued exchange of information and ideas under the MedFund leadership will ensure that current and future partners are well informed about the CTF.</p> <p>The CTF will be advised by experienced financial advisors to ensure that the innovative approaches for capitalization are explored by the fund's managers</p>	<p>Government of Spain recent membership will bring more credibility to the initiative. CEPF recent membership will foster synergy and will bring additional credibility.</p> <p>The MedFund coordinator went on field mission along with IUCN Med to explore partnership with MOE in Lebanon and inform authorities and stakeholders about The MedFund initiative</p> <p>Official contacts have been taken with the Ministry of sustainable</p>	IS	<p>Agreements have been signed during this period, 6 million euros have been raised and pledged for capitalization.</p>	M/S	M/S	Unchanged

⁷ **O**= Overdue; **D**= Delayed; **NS**= Not started on schedule; **IS**= Under implementation on schedule; and **CA**= Completed/Achieved

⁸ **Rating trend**: Increasing, Unchanged or Decreasing

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRESS RATING 7	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY19 RISK RATING	RISK RATING TREND ⁸
		<p>development and Tourism in Montenegro</p> <p>The MedFund coordinator attended the 14th meeting of SPA/BD Focal Points of the Barcelona Convention to facilitate a dedicated side event on the MedFund initiative in order to liaise with government representatives and the Forum “Environnement & Développement Durable”/ Palerme / 15-16 mai / Sommet des deux rives</p> <p>The MedFund dedicated a full day to CTF issues at the 2018 Monaco Ocean Week which brought to light The MedFund initiative among the CTF network worldwide</p> <p>The MedFund coordinator attended the 2018 MedPAN mediterranean regional workshop on MPAs and small scale fisheries in Palma on November 2018 and gave a speech</p>					

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRES SS RATING 7	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY19 RISK RATING	RISK RATING TREND ⁸
		<p>on sustainable financing for MPAs and the CTF.</p> <p>At the 2019 Monaco Blue Initiative The MedFund coordinator gave a speech on sustainable financing for MPAs and the Conservation Trust Fund (CTF) for Mediterranean MPAs highlighting GEF funding</p>					
<p>Risk 2: Political instability in several countries in the region may result in government changes. This may lead to the reevaluation of government priorities and redirection of funding allocations away from MPAs</p>	<p>The CTF will develop a broad base of donors and diversified sources of capital which should help to buffer the uncertainties that political changes may bring to the fund</p> <p>The CTF managers will follow closely potential changes in governments to readily design and implement risk management strategies, as needed.</p>	<p>Donors from public and private sources have been pro actively identified</p>	IS	<p>6 million euros funding from public and private sources have been raised and pledged for capitalization during this period</p>	M	M	Unchanged
<p>Risk 3 Global economic and</p>	<p>The CTF structure is one of the best mitigation responses to</p>	<p>Possible fluctuations in future returns have</p>	IS	<p>The MedFund board has decided to design the Fund as a hybrid fund</p>	M	M	unchanged

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRESS RATING 7	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY19 RISK RATING	RISK RATING TREND ⁸
financial problems may lead to reduced funding from international donors, and causes consistently lower returns on the endowment over the long term	<p>the high vulnerability to donor funding. Although interest rates and investment returns have been exceedingly low in recent years, historical data suggest that it is reasonable to assume an average 5% return on CTF investments over the long term.</p> <p>Possible fluctuations in future returns will be taken into account in the design of the investment and grant making strategies.</p> <p>In addition, funded MPAs should be able to develop business planning and self-funding mechanisms become less dependent on the fund.</p>	been taken into account in the terms of reference for the ongoing CTF design study		<p>that will shelter 3 different windows : endowment/sinking and revolving funds</p> <p>An investment committee will be set up to advise The MedFund board.</p>			
Risk 4: Weak management capacities for planning, management, and governance reduce project effectiveness	<p>The risk will be reduced by working with and strengthening the relevant actors' skills and capacities, from the institutional (e.g., National PA agency) to local levels (MPA managers).</p> <p>The project will invest in addressing key capacity gaps. One aim of this project is also to build capacity within the MPA relevant stakeholders.</p>	In close collaboration with MedPAN (Mediterranean network of MPAs) dedicated workshops will be organized in November 2019 on Financial needs assessment and MPAs management effectiveness at the MedPAN Regional workshop. Med MPA management authorities and local MPA managers will be targeted.	IS		M	M	unchanged
Risk 5: The capital invested in	The governance of the CTF, in line with CFA international standards, will guarantee	The ongoing CTF design study entails governance aspects of the CTF and	IS		L	L	Unchanged

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRESS RATING ⁷	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY19 RISK RATING	RISK RATING TREND ⁸
the CTF endowment and the revenue generated are diverted from their purpose	independence and accountability. In addition, the establishment of key documents such as the Guidelines and Procedures on Environmental and Social Safeguards or principles of the grant-making process will ensure appropriate use of the investments.	guidelines according to CFA international standards.					
Risk 6: Global climate change impacts the MPAs negatively	Work with MPAs, regional institutions, and local organizations will encourage them to share experiences related to climate change adaptation programs. Moreover, more and more studies are highlighting the importance of the role of MPAs in climate change adaptation and mitigation.	AFD funding requires dedicated CC activities	IS	The MedFund will develop a climate change strategy to assess and foster CC activities implemented by MPAs managers A dedicated workshop on climate change will be organized with the mediterranean network of MPA managers (MedPan)	L	L	Unchanged
Risk 7: Biodiversity threats grow beyond background levels and thus demand still higher investments. In addition, more MPAs are created without funding. Thus, the level of funding	Regular monitoring of the risk levels at the site level will be done in addition to financial needs. The project will maintain regular communications with national governments and funding entities to sensitize them to the need of ensuring that the CTF capital is sufficient to deal with possible aggravations of biodiversity risks. Further the project's Component 2 includes support to continued fund-raising, from as large a	The capitalization target of the CTF is based on a funding gap assessment study targeting 20 MPAs in different Mediterranean countries and context.	IS	This study could be updated in 5 years time to refine the capitalization target.	L	M	Increasing

PROJECT RISKS	PRODOC RISK MITIGATION MEASURE	MITIGATION MEASURES IMPLEMENTATION	PROGRESS RATING ⁷	COMMENTS/JUSTIFICATION	PRODOC RISK RATING	CURRENT FY19 RISK RATING	RISK RATING TREND ⁸
needed will be higher than anticipated.	universe of potential donors as possible.						

PROJECT RISKS MITIGATION MEASURES RATING	JUSTIFICATION	RISK RATING TREND ⁹
S	Risk mitigation measures are being implemented appropriately	N/A, First year of implementation

Recommendations

MITIGATION AND CORRECTIVE ACTION(S)	RESPONSIBLE PARTY	DEADLINE
N/A	N/A	N/A

SECTION IV: PROJECT ENVIRONMENTAL AND SOCIAL SAFEGUARDS IMPLEMENTATION STATUS AND RATING

This section of the PIR describes the progress made towards complying with the approved Environmental and Social Safeguard plans, as well as recommendations to improve the implementation of the safeguard plans, when needed. This section is divided in three parts:

- a. Progress towards Complying with the CI-GEF Project Agency's Environmental & Social Safeguards
- b. Overall Project Safeguard Implementation Rating
- c. Recommendations

a. Progress towards Complying with the CI-GEF Project Agency's Environmental & Social Safeguards

⁹ Rating trend: Increasing, Unchanged or Decreasing

MINIMUM SAFEGUARD INDICATORS	PROJECT TARGET	END OF YEAR STATUS	PROGRESS RATING ¹⁰	COMMENTS/JUSTIFICATION
ACCOUNTABILITY AND GRIEVANCE MECHANISM				
1. Number of conflict and complaint cases reported to the project's Accountability and Grievance Mechanism	2	0	IS	No grievances were raised during the period.
2. Percentage of conflict and complaint cases reported to the project's Accountability and Grievance Mechanism that have been resolved	100	N/A	IS	
GENDER MAINSTREAMING				
1. Number of men and women that participated in project activities (e.g. meetings, workshops, consultations);		14 men/13 women	D	A gender expert has been selected in order to assist in the implementation of the GMP
2. Number of men and women that received benefits from the project		no beneficiaries have been granted during the first year of implementation		Fund advisory committees are not yet established
3. Number of strategies, plans and policies derived from the project that include gender considerations		0		Since the GMP was approved, MedFund has created a gender accountability system to collect gender mainstreaming indicators
				Assessments and operational guidelines will include gender considerations. These have not been finalized yet
• Ratio of female: male Fund Committee members		8 female and 10 male participated in 3 board members committee		
• Ratio of female: male Advisory Committee members		Not yet established		
• Ratio of female: male staff within Secretariat		1		
• Number and proportion of proposals submitted by women's groups		0		
• <i>Number and proportion of proposals funded to women's groups</i>	0			

¹⁰ O= Overdue; D= Delayed; NS= Not started on schedule; IS= Under implementation on schedule; and CA= Completed/Achieved

STAKEHOLDER ENGAGEMENT				
1. Number of government agencies, civil society organizations, private sector, indigenous peoples and other stakeholder groups that have been involved in the project implementation phase on an annual basis		15 members are part of the initiative, including 6 countries and 9 mediterranean regional organizations.	IS	Government of Spain officially joined the initiative last April 2018 CEPF MED joined the initiative in October 2018. A Global strategy for sharing information and consulting with stakeholders has been established by setting-up 3 technical working groups. Their main inputs are: - Reviewing Term of references for consultancy services - Assessment of tenders and selection of the consulting firm - Monitoring and steering of the consultancy services - Approval of deliverables and final reports before submission to The MedFund board
2. Number persons (sex disaggregated) that have been involved in project implementation phase (on an annual basis)		14 men /13 women		For now, the WG1 and WG2 have been solicited 3 times each for launching and steering the 2 studies “Mediterranean Marine Protected Areas financial needs assessment & management effectiveness monitoring” and “CTF design and operational guidelines”.
3. Number of engagement (e.g. meeting, workshops, consultations) with stakeholders during the project implementation phase (on an annual basis)		6		
4. Percentage of stakeholders who rate as satisfactory the level at which their views and concerns are taken into account by the project (<i>responsible party for measuring this indicator is CI-GEF Agency and this will be undertaken by the consultant hired by the CI-GEF Agency to conduct the MTR and Terminal Evaluation</i>)				

b. Overall Project Safeguard Implementation Rating

SUMMARY: PROJECT SAFEGUARD IMPLEMENTATION RATING BY TYPE OF PLAN

SAFEGUARDS TRIGGERED BY THE PROJECT	CURRENT FY19 IMPLEMENTATION RATING	RATING TREND
Accountability and Grievance Mechanisms	S	N/A (first year)
Gender Mainstreaming Plan (GMP)	S	N/A (first year)

SUMMARY: PROJECT SAFEGUARD IMPLEMENTATION RATING BY TYPE OF PLAN

SAFEGUARDS TRIGGERED BY THE PROJECT	CURRENT FY19 IMPLEMENTATION RATING	RATING TREND
Stakeholder Engagement Plan (SEP)	S	N/A (first year)

OVERALL PROJECT SAFEGUARD IMPLEMENTATION RATING

RATING	JUSTIFICATION	RATING TREND
S	No grievances were reported during the first year. The project achieved gender participation of almost 1:1 ratio at meetings and on the Fund Committee. The project also hired a gender expert to implement the GMP and established a system for collecting gender data. As the project moves into Year 2, it is expected that the number of beneficiaries will improve.	N/A (first year)

c. Recommendations

CORRECTIVE ACTION(S)	RESPONSIBLE PARTY	DEADLINE
None at this time.		

SECTION V: PROJECT IMPLEMENTATION EXPERIENCES AND LESSONS LEARNED

Required topics

1. Project institutional arrangements, including project governance

A platform of collaboration has been established to steer the initiative including representatives from Mediterranean countries, regional organizations and civil society. This alliance is key for the project to succeed and the Stakeholder Management Plan helps us organize and monitor the engagement of the different stakeholders in a more formal way.

2. Capacity building

Training and support from the implementing agency enable the MedFund to design and improve the administrative and financial processes.

3. Implementation of safeguard policies, including gender mainstreaming, accountability and grievance mechanisms, stakeholder consultations

Gender issues have been formally mainstreamed into the project. GMP helps us formally highlight the work done and the activities to be developed in this regard.

4. Factors that improve likelihood of long term sustainability of project impacts

The main goal of the project is to establish a long term financial mechanism to support MPAs in the Mediterranean.

5. Factors that encourage replication, including outreach, dissemination of lessons learned, and communications strategies

The alliance of key stakeholders - the regional cooperation that we have established in the Mediterranean sea - could be replicated in other regional seas. This ongoing work has been presented in various conferences and workshops and will also be highlighted during the 2020 IUCN World congress.

Results from the project have been disseminated within and beyond the project intervention area through existing information sharing networks and forums such as :

- ➔ The 2018 Latin American and Caribbean Network of Environmental Funds (RedLAC) General Assembly
- ➔ The GEF IWC9 Conference in November 2018 in Morocco
- ➔ The Targeted Regional Workshop “Knowledge Exchange for Marine Projects for GEF International Waters Projects in Africa” Bostwana, May 2019

Lessons learned have been shared with other similar initiatives :

- ➔ The MedFund coordinator was invited by Prince Albert II Foundation to participate in a workshop to explore the creation of a Global Fund for Coral Reefs – lessons learned from our Med ongoing initiative
- ➔ The MedFund coordinator attended and gave a speech at the Targeted Regional Workshop “Knowledge Exchange for Marine Projects for GEF International Waters Projects in Africa” Bostwana, May 2019

Additional topics

1. Engagement of the private sector : the project has started to mobilize resources from the private sector (entrance fees from aquariums and zoos) and discussions are ongoing with private foundations but also companies that rely on a healthy Mediterranean sea to support their business.
2. Scientific and technological issues : the project relies on science to establish robust indicators of success to monitor MPA management effectiveness – this kind of monitoring is not always done in Mediterranean countries due to financial constraints. The MedFund will fund those activities to make sure we can monitor progress and show positive conservation impacts.

APPENDIX I: PROJECT ANNUAL IMPLEMENTATION PROGRESS RATING

Rating		Overdue (O)	Delayed (D)	Not started on schedule (NS)	Under implementation on schedule (IS)	Completed/Achieved (CA)
Highly Satisfactory (HS)	HS	0%			100%	
Satisfactory (S)	S	20%			80%	
Moderately Satisfactory (MS)	MS	40%			60%	
Moderately Unsatisfactory (MU)	MU	60%			40%	
Unsatisfactory (U)	U	80%			20%	
Highly Unsatisfactory (HU)	HU	100%			0%	

- **Highly Satisfactory:** 100% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project. The project can be presented as an example of “good practice” project,
- **Satisfactory:** 80% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project; except for only 20% that are delayed and/or overdue and need remedial action,
- **Moderately Satisfactory:** 60% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project; while 40% are delayed and/or overdue and need remedial action,
- **Moderately Unsatisfactory:** 40% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project; while 60% are delayed and/or overdue and need remedial action,
- **Unsatisfactory:** only 20% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project; while 80% are delayed and/or overdue and need remedial action, and
- **Highly Unsatisfactory:** 100% of the indicators: a) are overdue, and/or b) delayed in their implementation, according to the original/formally revised Project Annual Workplan for the project.

APPENDIX II: PROGRESS TOWARDS ACHIEVING PROJECT EXPECTED OUTPUTS

INDICATORS	PROJECT TARGET	END OF YEAR INDICATOR STATUS	PROGRESS RATING ¹¹	COMMENTS/JUSTIFICATION
Outcome 1.1 Conservation Trust Fund for Mediterranean MPAs established and operational				
Indicator 1.1.1.a: Stakeholders roles and responsibilities approved by The MedFund Board	Roles and responsibilities of participating stakeholders in The MedFund agreed upon	Ongoing	CA	A stakeholder engagement plan has been drafted, shared and discussed with MedFund board members SEP approved by CI GEF on January 15, 2019
Indicator 1.1.1.b: Number of additional countries and NGOs that formally join The MedFund	Support for and participation in The MedFund from 3 additional recipient countries and 2 key NGOs obtained	1 additional country + 1 additional key NGO obtained	IS	<p>Government of Spain officially joined the initiative last April 2018 CEPF MED joined the initiative in October 2018</p> <p>The MedFund 2018 General assembly took place in Monaco December 4th gathering 3 mediterranean countries and 10 regional organizations</p> <p>The MedFund board meeting has been organized during the Monaco Ocean Week 29th March 2019 to strengthen the partnership and steer the initiative</p> <p>Attendance the 14th meeting of SPA/BD Focal Points of the Barcelona Convention to facilitate a dedicated side event on our on going MedFund initiative in order to liaise with high level government representatives</p>
Indicator 1.1.1.c: The MedFund governing documents completed and approved	The MedFund governing structure and regulatory documents developed and adopted	Ongoing	IS	Study on the CTF design and operational guides has been launched

¹¹ **O**= Overdue; **D**= Delayed; **NS**= Not started on schedule; **IS**= Under implementation on schedule; and **CA**= Completed/Achieved

Indicator 1.1.2: Final financial needs and management effectiveness baseline reports approved and available for stakeholders	MPA's financial needs and management effectiveness baseline assessment reports approved by The MedFund Board	Ongoing	IS	Financial needs and management effectiveness baseline studies have been achieved for 3 MPAs in Morocco and 5 MPAs in Tunisia and 1 in Albania. The final report for this first assessment has been received.
Indicator 1.1.3.a.: CTF institutional strategy adopted by the M2PA Board	CTF institutional strategy developed in a participatory manner and validated by key stakeholders	Ongoing	IS	
Indicator 1.1.3.b.: CTF governance structure, legal framework, financial structure, and asset management approach approved and adopted by The MedFund Board	CTF governance structure, legal framework, financial structure, and asset management approach options assessed	2020	IS	A Kick off meeting on the CTF design and operational guidelines study (the 2 components will be addressed in the same study) has been organized with MedFund Members to define timeline and methodology, on June 13 th 2019. A first preliminary report has been drafted presenting 2 CTF design options and has been discussed during the board meeting scheduled on July 2019.
Indicator 1.1.4: CTF's operational guidelines and policies approved and adopted by The MedFund Board	CTF's operational guidelines and policies developed	2020	IS	A Kick off meeting on the CTF design and operational guidelines study has been organized with MedFund Members to define timeline and methodology on June 13 th 2019.
Outcome 2.1 Initial capitalization of the CTF completed				

Indicator 2.1.1.a: CTF Resource Mobilization and Communications Strategies developed under implementation	Target 2.1.1.a: CTF Resource Mobilization and Communications Strategies developed and approved by The MedFund Board	Delayed	D	This activity will be done during the FY20 Q2
Indicator 2.1.1.b: Amount requested through funding proposals	Target 2.1.1.b: Funding proposals for at least USD 10M submitted	Ongoing	IS	MedFund has already raised 6M€ which will be capitalized during FY20.