



# Terminal Evaluation Report

Financial tools for small scale fishers in Melanesia  
Project: 2022 to 2025

# **Terminal Evaluation Report**

## **Financial tools for small scale fishers in Melanesia**

July 17, 2025

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Cover image: By Peter Weston, K4Dev. Evaluation consultation in Tavua District, Fiji.

<b>Project Name</b>	Financial tools for small scale fishers in Melanesia
<b>Country and locations:</b>	Locations
<b>Fiji</b>	Tavua District. Ba Province. Viti Levu island. Nadogo district, Macuata Province. Vanua Levu island
<b>Papua New Guinea</b>	Madang, Sumkar and Bogia districts. Madang Province
<b>Start and End date of Project</b>	Selected for funding in December 2019. First disbursement: March 2022. Project closure: Planned - March 2025. Extended to: Aug 31, 2025
<b>Source and value of funding:</b>	US\$ 1,005,046 from Global Environment Facility. Special Climate Change Fund (SCCF) funding under Objective CCA-1: Reduce vulnerability and increase resilience through innovation and technology transfer for climate change adaptation.
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## Declaration of Conflicts of Interest

The independent consultant evaluators are not and never have been employees of WWF or WTW and have no familial, financial, or other relationships with any of their staff other than the contractual relationship in relation to this evaluation. We declare no conflict of interest exists.

Several staff from WWF Pacific assisted this evaluation's primary data collection as interview organizers and translators for community representatives. To reduce the risk of self-censorship by respondents, or influence by co-facilitators, a scripted introduction to each interview and discussion encouraged participants to share openly and no WWF personnel assisted interviews in communities where he or she was a primary implementer of project activities.

## Acknowledgements

We, the evaluators and authors of this report, pay our respects to the many of coastal residents, leaders, Community Facilitators, government representatives, and project staff in Fiji and PNG, who gave up their time to share their experiences, lessons, and advice. We also acknowledge the commitment of WWF GEF Agency's Amelia Kissick, to commission and support this evaluation to generate credible evidence to continuously learn and improve WWF's vital work. We reserve particular thanks to the WWF Pacific staff in Fiji and PNG who collaborated with us on data collection planning and execution, and who supported our connection to community and national partners – Margaret Tabunakawai-Vakalalabure and Jack Saguma. We extend the same thanks to WWF GEF Agency, WWF Pacific, and WTW personnel who contributed to the evaluation design, shared insights, and provided feedback on emerging findings to sharpen this report: Rachel Kaplan, Jacquelyn Beattie, Adrienne McKeehan, Stuart Calam, Vilisite Tamani, Unaisi Malani -Tagicakibau, and Jackie Thomas. We are grateful to the Global Environment Facility for their visionary Challenge Program for enabling this innovative climate resilience project to take place over many years. The emerging solutions for new forms of climate protection for vulnerable coastal communities are a tribute to the GEF's contribution to the people of Small-Island Pacific countries.

*Peter Weston*

Lead evaluator, on behalf of the K4Dev evaluation team.

July 17, 2025

# Executive Summary

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## The Project

The Financial tools for small scale fishers in Melanesia project's overarching objective was "to improve the resilience of vulnerable coastal communities to the adverse impacts of climate change, including major shock events, in Fiji and Papua New Guinea (PNG)." The project worked in three communities. In Fiji, the project focused on Tavua District on Fiji's main island of Viti Levu, and Nadogo District in Macuata Province, on Vanua Levu's north coast. In PNG, the project focused on Madang Province, settling on partnering communities in Bogia, Sumkar and Madang Districts.

For these coastal communities, the project sought to address an absence of financial protections to assist recovery from increasingly frequent climate-related shocks. Specifically, the project sought to create an enabling environment to overcome gaps in the accessibility to insurance markets for small scale rural producers, low levels of financial and insurance literacy among such remote communities, and a lack of financial mechanisms to protect and restore ecosystem services in the face of climate and weather hazard impacts.

To achieve its objective, the project was organized into the following three components:

**Component 1:** Enabling environment for ex ante risk financing to improve resilience for coastal communities in Tavua District and Nadogo district (in Macuata Province) in Fiji, and three districts in Madang Province in PNG.

**Component 2:** Financial products and incentives for coastal communities.

**Component 3:** Knowledge Management and Monitoring & Evaluation.

## Summary of Findings

### Project Design

Seizing upon the GEF's call for innovative, private sector solutions under its Challenge Program for Adaptation Innovation<sup>1</sup>, the project design pursued an ambitious intent: to research, assess, and nurture an enabling community and policy environment necessary to "develop and deploy innovative ex ante risk financing products"<sup>2</sup> within three years, in two countries.

The project design grew out of discussions between WWF and WTW to identify innovative approaches for achieving greater community and ecological resilience by building financial resilience to climate-related natural disasters in the Pacific.

Being open to considering a wide range of potential financial products depending on the results of community-based assessments, the design evolved over the course of its development, eventually narrowing to a focus on developing a parametric, community-level insurance product for natural disasters in the target communities.

The project's Theory of Change contained assumptions and risks which were mostly found to be justified in implementation, with appropriate measures put in place in the design to manage these.

### Relevance

The project's high-level objectives were very relevant to Fiji's government policy context where the national Insurance Regulations Act was being updated, and the Ministry of Environment and Climate Change and Fiji Development Bank were both exploring options for "derisking" for vulnerable communities. In PNG,

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<sup>1</sup> See <https://www.thegef.org/what-we-do/topics/challenge-program-adaptation-innovation>

<sup>2</sup> Project Document. p.8

government stakeholders affirmed the relevance of the project's objectives but ultimately could not engage sufficiently due to political instability that arose in the country after the project commenced.

In relation to ensuring relevance to residents of partnered communities in the three locations, project designers' efforts were constrained by the rise of COVID-19 travel restrictions. Thus, WWF's GEF Agency and WTW designers were required to rely heavily on existing research and contextual insights from WWF Pacific partners. Once baseline consultations and implementation began, project decision-makers demonstrated responsiveness to community input. Communities in Fiji were in a better position than their peers in PNG to grasp concepts of parametric community-scale insurance in relation to their own circumstances.

Developing a community-focused parametric insurance product to financially recover their livelihoods and the ecosystems on which their livelihoods depend following climate-related shocks, is found to be highly relevant to the mandates of WWF, WTW, the GEF, and its Challenge Program for Adaptation Innovation.

## **Coherence**

The project aligned well with WWF Pacific's broader programming to support coastal communities' management of the marine ecosystems on which they depend by reducing the need to overexploit resources in times of crisis, and by formulating sustainable incentives for good environmental stewardship.

In Fiji, the project's objectives have a degree of coherence with parallel initiatives of the Ministry for Environment and Climate Change and the Fiji Development Bank, both of which were developing disaster financial risk mitigation strategies for vulnerable communities. In PNG, at community level, the project had a degree of coherence with other NGO initiatives focused on climate resilience and financial literacy, but neither national nor provincial government agencies were pursuing programs that this project could align with.

## **Country ownership**

Country-level governance of the Project was predominantly through Project Steering Committees (PSCs). Each country's PSC was comprised of representatives of stakeholder government ministries. In Fiji, the PSC model catalyzed moderate success in nurturing country buy-in, but not so in PNG, where political instability within the government and staff changes in WWF PNG made ongoing engagement difficult. Thus, while WWF PNG continued to hold PSC meetings after the first year, attendance was low for the remainder of the project. The PSC operated effectively in Fiji, and by the end of the project, the PSC had secured a relatively willing, potential policy holder in the Ministry of iTaukei Affairs (MIA) but had not catalyzed natural champion among government ministries to continue to drive momentum of project achievements to fulfilment.

## **Relevance and effectiveness of the project's M&E design**

By the time the project design reached the GEF's Project Implementation Form (PIF) stage, the project's Results Framework's core indicators and targets had been set too high, relative to the size of target populations, the potential pace of roll-out, and context of geographic coverage. WWF proposed lower, more realistic indicator targets at CEO Endorsement stage. However, these were not approved by the GEF review process. Consequently, reporting against the results framework understates the progress of the project. In contrast to the core indicators, the indicators linked to outputs of individual components much better represented the incremental progress of the project and the M&E system's reporting and consultation elements were an asset that enabled ongoing adaptive management of implementation.

## **Project Implementation**

### **Assessment of the project's performance**

The project had successfully educated partnered communities in Fiji to a point of being ready to mobilize around insurance for climate-related shocks, and had finalized the research, documentation, and much of

the institutional stakeholder preparation to do so. Therefore, in relation to establishing the knowledge base and enabling environment to enhance financial risk protection for Pasifiki coastal communities, the project has accomplished much: consistent with the GEF Challenge Program's focus on innovation, climate adaptation, and private sector engagement.

In relation to accomplishing its ambitiously high population coverage targets at Objective level, project results are comparatively modest. Without the deployment of a community-wide insurance scheme, beneficiary coverage was limited to community members trained and equipped with insurance awareness and financial literacy, and national institutional stakeholders equipped with knowledge of the purpose and mechanisms of parametric insurance for climate-related hazards.

Against an overly ambitious target of benefitting 7,500 people, the lack of viable insurance product resulted in the project documented financial literacy education for 182 women and men – though the actual undocumented number is likely to be higher. The results framework listed influence of national policy as an indicator. However, with long lead times required for such outcomes, the project design sensibly set a target of zero.

Project activities were categorized into two main components: creating an enabling environment for ex ante risk financing and developing suitable financial products and incentives for coastal communities to adopt. A third component related to monitoring and communication. The project achieved robust progress under both key components. Results under each component are summarised as follows.

#### [Component 1: Enabling environment for financial products to improve resilience for small-scale fisher communities in Tavua District and Nadogo District in Fiji and Madang Province in PNG.](#)

Implementation led with community baseline assessments in all three project locations. These informed subsequent planning. Financial literacy training and awareness sessions on climate change and insurance were conducted so that 182 representatives of the target communities gained the skills and mindset to be ready to engage with an insurance program. Content of training modules benefited from incremental improvements over time, as executing partners learned from early efforts and adapted. While project outreach generated awareness and interest in partnered communities, this component did not achieve its targeted number of beneficiaries. By the end of the project, against a target of 18 communities, an estimated 10 communities - all in Fiji - were considered sufficiently knowledgeable and interested to engage with a community-based parametric insurance product. In PNG, however, by the end of project, implementers had already determined that conditions were not appropriate in the partnered Madang communities.

#### [Component 2: Financial products and incentives for small-scale fisher communities.](#)

Most technical aspects of the research and design of a potential insurance product were successfully accomplished during implementation, resulting in three financial instruments designed against a target of three. Product elements included hazard identification, community-level price points for premium payments and the basic pay-out structure to be applied. Many discussions were also held on premium financing and finding a suitable policy holder, with promising, but not concluded results. Within the project's limited timeframe, relevant institutional stakeholders expressed support for the launch of a relevant insurance product, the required external support for premium financing was not obtained by the project's close, and final agreement had not been reached on community-level premium financing or a pay-out disbursement mechanism.

### **Sustainability**

The overall rating of sustainability of the project's intended outcomes is 'moderately likely'. The project improved community understanding of the connection between climate hazards and insurance. Potential for sustained community interest and engagement hinges on whether a parametric insurance product can be piloted or sustained after the project has ended – which has little likelihood in PNG and reasonable potential

in Fiji. Similarly, at institutional level, knowledge and interest were generated among relevant government ministries and national insurance providers, but ongoing support beyond the project lifecycle is fragile. WTW has completed technical reports and guidance documents that provide comprehensive instructions for deploying a community/meso-level parametric insurance product. The essential, immediate next step in Fiji would be to secure a financier willing to fund the policy premium. If this was accomplished, the remaining steps required to enable community coverage would be to negotiate with an insurance company to take-up and apply the product, finalize what institution would become policy holder on behalf of covered communities, and negotiate payout mechanisms for household and ecosystems recovery. Thus, future sustainability of achievements depends on WWF securing resources and partnerships to resolve these final steps. By the close of the project, all listed steps were close to fruition but not yet accomplished.

### **M&E implementation: adaptive management and capacity**

While high-level indicators and targets in the M&E system were set too high to fairly represent the project's achievements, the M&E system's reporting around output indicators and consultation processes were an asset that enabled ongoing adaptive management of implementation. Critical moments for reflection in the project's lifecycle enabled timely insight-generation and decision-making. As examples of key moments for learning and revision, diverse informants cited participatory baseline climate vulnerability assessments, progress reporting, periodic reflection workshops and a mid-term review. Early learning reoriented implementation efforts towards research, learning, and scoping whether, where and how parametric insurance might work for remote Pacific communities.

### **Governance and management arrangements in implementation plus coordination, integration and operational management**

The project benefited from a clear definition of responsibilities among WWF GEF Agency, WTW, and WWF Pacific. Communication effectiveness between entities encountered some constraints due to geographical distance and related time zone challenges, insufficient in-country presence of insurance expertise, and insufficient budget for in-country management and activities. Technical expertise from WTW and field experience from WWF Pacific were valuable, but WWF Pacific's gaps in insurance knowledge and heavy workloads strained execution for Fiji and PNG personnel.

### **Gender Equality and Mainstreaming**

The project design incorporated multiple practical steps to ensure gender responsiveness. These steps related to community engagement and consultation, focusing on women's economic empowerment through financial inclusion initiatives, promoting inclusive beneficiary engagement, and training and capacity building content.

**Gender-responsive adaptive management:** the project succeeded in ensuring both women and men had equal opportunities to participate and benefit. In Fiji, implementers followed project guidance to equally recruit female and male Community Facilitators (CFs). In practice, it quickly became apparent that significantly more women embraced the role and project activities than men. Thus, project implementation adjusted to a degree of participant self-selection or opting-out over time, which resulted in more female CFs than male CFs and more women in communities showing interest in project lessons than men.

### **Stakeholder Engagement**

Stakeholder engagement was diverse and well-targeted. The Stakeholder Engagement Plan, established in the design phase, sets out how and when the project would engage with diverse stakeholder groups. The evaluation found that project implementation carried out the stakeholder plan's guidance as intended. In Fiji, WWF and WTW personnel were active in consulting with private sector insurance providers, UNCDF, the Pacific Catastrophe Risk Insurance Company, Global Shield, and the Fiji Development Bank in their pursuit of an appropriate product design, and potential policy providers. Community stakeholder engagement was

consistent via WWF Pacific's cascaded training of CFs, and WWF Pacific facilitation of national government relations via the PSC in Fiji and PNG. In PNG, the project had some limited collaboration and information-sharing with NGOs World Vision and CEFI to exchange knowledge resources and learn from each other's experience in relation to their own financial literacy work in Madang.

### **Safeguards Review**

An 'Environment and Social Safeguards Screening Tool for Landscapes and Seascapes' was completed in both countries during the design stages as part of the Safeguards Review. The Environment and Social Safeguards Screening determined that the project design presented no environmental or social impacts. Due to the project being categorized as low risk, the assessment did not need to complete an Environmental and Social Management Plan, which would have included an Indigenous People's Risk Plan. Reflecting on the project experience, some informants posited that the safeguards mechanism rating should have been set higher due to frequent staff engagement with community members. Consequently, the project risked privileged engagement with ITaukei (Fijian indigenous) communities over local-level non-indigenous Fijian fishers.

Information about a grievance reporting and response mechanism (GRM) was distributed to target communities as planned. No community or institutional informants cited any times a community member needed to use it. WWF's international GRM information did not accord well with partnered community culture or preferred avenues for redress. Therefore, in consultation with communities, WWF Pacific staff adapted the process and information to suit what Pasifiki women and men were comfortable with. This culturally adapted version was formalized by WWF Pacific and was reflected in the posters provided to partnered communities.

### **Finance and co-finance review**

Despite some shortcomings against its core indicator targets, the project has accomplished significant results relative to its budget of little over US\$ 1 million over three years, over two countries. The innovative research and nurturing of an enabling national and community-level environment for climate-resilience parametric insurance represents very high value for money against this budget.

A review of project progress against annual workplans and expenditure against annual budgets identified that both remained sufficiently on track throughout the project. These findings indicate project management kept progress and budget expenditure on track throughout the three-year implementation period. WWF GEF, WTW and WWF Pacific informants all reported very good coordination, and cross-agency support and collaboration, which helped implementation to be cost efficient. Several of the project's organizational structures were also found to be purposefully designed to reduce costs and increase cost efficiency – especially in relation to containing management costs to respect GEF Project Management Cost guidelines to within 10% of total project cost. Although these steps minimized costs, decisions required operational compromises. Subsidization by other projects was needed to cover shortfalls in in-country project management and activity execution costs.

The Project Close-out Report recorded that \$US7,330,578 of co-financing had materialized by the end of the reporting period in March 2025. This is the same amount that had been committed before implementation began. The evaluation review was able to find documentary evidence for \$7.12 million of this co-finance, with the remainder likely to be undocumented in-kind contributions. The co-finance contribution was largely achieved via in-kind contributions of Staff salaries, Operational Costs and related Field Activities from the three project partners, plus a significant grant from the Government of Canada's Ocean Risk and Resilience Action Alliance.

### **Best practices and key challenges**

Three best practices for replication and expansion in future projects were identified. These related to:

- Parametric insurance for climate vulnerable communities

- The Tripartite organizational collaboration, organizational structure and reporting lines between WWF GEF, WTW and WWF Pacific
- The Community Facilitator model for culturally adapted extension.

Six key challenges encountered by the project were identified, to inform future design. These related to:

- Conflicted objectives between research and development versus broad community development outcomes.
- Grassroots feedback missing from the reporting system
- Remote expertise constrained efficiency of alliance-building – especially in the Melanesian context
- Missing key stakeholders in the governance model
- Inadequate in-country execution budget
- Misalignment of indicator targets with pilot innovation aspirations

### Overview of Evaluation Ratings per criterion

Evaluation criterion	Design rating	Implementation rating
Relevance	Satisfactory	Moderately satisfactory
Coherence	Satisfactory	Satisfactory
Effectiveness	Moderately satisfactory	Moderately satisfactory
Cost-efficiency	Highly satisfactory	Highly satisfactory
Sustainability	Moderately likely	Moderately likely
Monitoring and Evaluation	Moderately satisfactory	Satisfactory
WWF GEF Agency implementation	N/A	Satisfactory
Executing Agency execution	N/A	Satisfactory
<b>Overall evaluation rating</b>	<b>Satisfactory</b>	<b>Satisfactory</b>

### Recommendations

1. For projects with a principle focus on researching, developing, and piloting a significant innovation, objectives, indicators and targets related to community engagement should be limited to consultations for learning and not mainstreaming development outcomes.
2. To ensure management-level decision-making is informed by robust stakeholder data, project monitoring and reporting systems should incorporate processes that routinely capture beneficiary and community-engagement staff perspectives.
3. To optimize in-country implementation in a niche sector – such as insurance – design and budget for a national or international staff member specialized in that sector to spearhead progress.
4. For insurance-sector initiatives, key national insurance actors must be incorporated into the project’s governance processes.
5. For multi-country and multi-executing agency projects, design an in-country management and activity execution budget that is greater than for single-country projects.
6. Projects with a heavy research and innovation focus should choose and justify conservative population and geographic coverage targets at concept and design stages.
7. When commencing projects in newly partnered communities, conduct a participatory review of WWF’s GRM to test its suitability for women’s and men’s cultural preferences - especially to include input from marginal sub-groups of the society
8. Ensure that safeguards screening tools rate projects with regular community engagement as an elevated social risk to compel further assessment.

End of executive summary.

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## Glossary of Acronyms

AWP&B	Annual Work Plan and Budget
CEFI	Centre for Excellence in Financial Inclusion
CEPA	Conservation & Environmental Protection Authority (PNG)
CF	Community Facilitator
CCA	Climate change adaptation
FDB	Fiji Development Bank
FGD	Focus group discussion
GEF	Global Environment Facility
LDCF	Least Developed Countries Fund
MECC	Ministry of the Environment and Climate Change (Fiji)
PCR	Project Closeout Report
PCRIC	Pacific Catastrophe Risk Insurance Company
PIF	Project Implementation Form
PIR	Project Implementation Report
PNG	Papua New Guinea
PPR	Project Progress Report
PSC	Project Steering Committee
RF	Results Framework
SCCF	Special Climate Change Fund
SME	Small to Medium Enterprises
SSF	Small-scale Fishers
ToR	Terms of Reference
UNCDF	United Nations Capital Development Fund
WTW	Willis Towers Watson
WWF	World Wildlife Fund

# 1 Introduction to Evaluation

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This study is a Terminal Evaluation Report of the ‘Financial tools for small scale fishers in Melanesia’ Project. The Project was implemented from April 2022 until August 2025 in target communities in Fiji and Papua New Guinea (PNG). It was funded by the Global Environment Facility (GEF), implemented by the World Wildlife Fund (WWF-US) GEF Agency and executed by Willis Towers Watson (WTW) and WWF Pacific.

Primary data was collected for the evaluation in April and May 2025.

The structure of the following report is based on WWF US’s standard evaluation report template as specified by the assignment’s terms of reference (ToR).

## 1.1 Purpose of the evaluation

According to the Terms of Reference, the objectives of this evaluation are “to examine the extent, magnitude and sustainability of any project impacts to date; identify concerns as well as best practices; assess progress towards project outcomes and outputs; and draw lessons learned that can both improve the sustainability of benefits from this project and aid in the enhancement of future related projects.”

Specifically, the terms of reference (ToR) requires that the evaluation should deliver the following<sup>3</sup>:

- Assessment of Relevance (project design/ theory of change) and Coherence
- Assessment of Effectiveness, including review of project Results Framework and rating of project objective and outcomes (individual and overall)
- Validation of Core indicator/Climate Change Adaptation (CCA) Indicator measurements at project end
- Assessment and ratings for Implementation and Execution, including assessment of governance structure and coordination
- Assessment and rating of Risks to the Sustainability of project results
- Assessment and ratings for Monitoring and Evaluation Design and Implementation
- Assessment of knowledge management approach, activities and products, including list of key products
- Assessment of replication, additionality and catalytic effects of the project
- Assessment of stakeholder engagement
- Assessment of gender-responsive measures
- Assessment of any environmental and social impacts generated by the project’s activities as well as its safeguards stipulations, which includes:
  - a) A review of the assigned environmental and social risk category classification; and
  - b) A review of the progress made in the implementation of the mitigation measures outlined in the project’s relevant documents or otherwise utilized to manage risks
- Assessment of Efficiency, financial management and summary of co-financing materialized
- Summary table of key findings by core criteria and GEF ratings, including justification and/or indicators for their determination
- Key lessons tied to identified findings or best practices
- Recommendations useful for project close and sustainability, and for other similar projects to improve on identified issues, replicate best practices or achieve stronger results

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<sup>3</sup> Terms of Reference section ‘Expected Content of Report’. p.5

## 1.2 Scope and Methodology

The evaluation applied a **mixed method, explanatory sequential design approach**. This is to say, different types of data were collected sequentially, with earlier findings informing design of later data collection approaches and tools<sup>4</sup>. In this instance, initial meetings and interviews framed the evaluation design, project documentation was collected and analysed, which informed the targeting and content of qualitative data collection, both remote and in-person with key project implementers.

### 1.2.1 Project documents

A total of 34 Project documents were reviewed. They included the Project Document, Baseline Assessment, progress and field reports, and technical documents on the proposed insurance products. The full list of documents is provided in Annex F. The reviewed documents cover the great majority of documents requested for review in the Terms of Reference.

### 1.2.2 Primary data collection

#### Sample

Primary data collection predominantly consisted of interviews, focus group discussions, and workshops with project stakeholders in Fiji, PNG, WWF GEF management in the US, and WTW in the UK, Canada, and France. Remotely conducted interviews with the North America and Europe-based stakeholders were conducted by K4Dev's Principal Evaluation Consultant Peter Weston (the evaluation lead). The evaluation lead also led primary data collection in Fiji, accompanied by WWF Pacific's Fiji Coral Reef Rescue Initiative Manager, Margaret Tabunakawai-Vakalalabure. Primary data collection in PNG was led by K4Dev's PNG national lead consultant, Noah Mawe, supported by the WWF PNG Senior Marine Protected Areas Officer, Jack Sagumai.

Across the implementing partners and two targeted countries primary data collection consulted:

- 29 key informants (7 female and 22 male), and
- 11 focus groups and workshops of fisher folk and community facilitators, comprising 41 females and 37 males.

Consultations incorporated the following stakeholder groups:

Table 1- List of stakeholder types and informants.

Stakeholder type	Informants	Number of Informants
Executing and implementing entities	WWF GEF	3
	WWF Pacific (Fiji and PNG)	9
	WTW	4
National partner ministries	Fiji	3
	PNG	5
Community Facilitators	Fiji	8
	PNG	12
Community leaders:	Fiji	11
	PNG	4
Fisher folk:	Women: Fiji	13
	Women: PNG	17
	Men: Fiji	4
	Men: PNG	24
<b>TOTAL</b>		<b>117</b>

<sup>4</sup> Toyon, MAS. 2021. Explanatory sequential design of mixed methods research: Phases and challenges, *Research in Business & Social Science*, 10:5. ISSN: 2147-4478.

The primary data collection sample of consultations is summarized in Table 1 and informants are detailed in *Annex F. Preparation and training*

Based on the agreed evaluation questions and data collection matrix, the evaluation lead prepared semi-structured question guides. Draft guides were reviewed by WWF and the local interviewers before being finalized. The evaluation lead then met remotely with the local interviewers to discuss and finalize the question guides and instruct them on data collection protocols. The local interviewers were encouraged to ask follow-up questions not included in the question guides for any interesting responses or avenues of enquiry.

### **Data collection and notetaking**

Data collection took place from March 30 to April 5 in Fiji and April 14 to April 27 in Papua New Guinea.<sup>5</sup> Interviews were led solely by independent evaluators, who recorded the interviews with the participants' permission and later transcribed for analysis. Most workshops and focus group discussions were facilitated in pairs: one independent evaluator and one WWF representative.

### **Data analysis and reporting**

Project documents; especially the design document, progress and field reports, and proposed insurance products; were reviewed first. Key project documents and all primary data transcripts were then coded using Nvivo software based on the Data Collection Matrix (*see Annex G*), which in turn was based on the project design. All the data was then reviewed a second time to obtain a thorough grasp of the project's interventions and issues

The report was drafted according to the required framework set out in the Terms of Reference.

### **Data validation: Participatory review workshop**

Initial interpretation of results was further informed by a presentation and reflective analysis with representatives from WWF GEF, WTW, and WWF Pacific offices, to test, refine and clarify emerging findings, lessons, and recommendations.

### **1.2.3 Limitations of the evaluation**

- 1. Participation of WWF personnel in data collection.** The inclusion of executing organization staff in the data collection team risked compromising the independence of data collection and introducing unintentional bias into what was shared by participants or recorded by evaluation facilitators. To mitigate this risk, for individual interviews, WWF personnel facilitated introductions but were not present during interviews. Scripting of question guides in workshops encouraged informants that WWF was keen to receive critical as well as positive feedback that could help improve future performance.
- 2. Timing of the evaluation.** Remote data collection commenced in March and in-country data collection for the evaluation commenced in early April. The project was due to formally close in March but had been negotiating a no-cost extension through until the end of August. At the time data was being collected, the project's status was in flux. Important decisions were yet to be made about the policy holder, premium financing and whether there is a need for any new project to complete the task of establishing a pilot parametric insurance model in the target locations in Fiji. Any subsequent decisions from May to July 2025 risk rendering some of the report recommendations out of date. As mitigation, the evaluation lead remained attentive to developments during the analysis and report-writing phase, to integrate any final shifts in project completion.
- 3. Constrained evaluation resources.** The project's budget reserved 2.5% of its total budget for the terminal evaluation. As a proportion of a small project budget, this did not provide sufficient resourcing to

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<sup>5</sup> See Section 5 of Inception Report (Annex A).

evaluate the project's design and execution across two countries to a level of quality to meet GEF and WWF evaluation standards. To mitigate the resourcing shortfall, the consultants donated an additional 16 workdays to the evaluation, pro bono, which represents an additional 35% of the evaluation budget.

- 4. Limited data from community members.** Due to the limited evaluation resources, remoteness of some communities and the unavailability of many community members, only one focus group discussion (FGD) in Fiji and four in PNG were held. This limits our understanding of the breadth of community perspectives about climate change, insurance, and the project's contribution. The impact of this gap was mitigated by extensive consultations with female and male community leaders and CFs from all participating communities.

## 2 Development Context and Project Description

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### 2.1 Problems that the project sought to address

The following development challenges are based on Section 1.3 of the Project Document, which describes problems for partnered communities at the time the project commenced. These align with issues and problems described by the meeting participants in the baseline assessments.

- 1. Lack of appropriate financial products for climate adaptation, particularly financial resilience to climate shock events.**

The financial products available were either not accessible or did not appropriately build the adaptive capacity or resilience of Pacific small-scale fishing communities in the face of climate shocks. Insurance provision was almost exclusively focused on urban communities, which mainly consisted of commercial property insurance and was costly or impossible to procure for low-income households. Existing community risk sharing arrangements, such as the Wantok system (where extended family provides for individuals) are suitable for individuals' resilience but not climate hazards experienced by entire communities.

Without financial products that address these climate risks, small-scale fishing communities were left without the necessary liquidity or income replacement to rebuild, replace lost livelihood activities interrupted by natural catastrophe events, and recover. This often left them reliant on the overexploitation of marine resources as a source of food security, which impaired the ecosystems' ability to recover and caused long-term damage to these assets. The result was a vicious cycle of increasing reliance on perpetually degrading marine resources.

- 2. Small market and up-front costs reduce viability of insurance products.**

To underwrite insurance coverage for risks which are correlated across a local market area (which is especially true for climate-related risks in the Pacific), the insurance market requires access to sufficient risk capital to pay simultaneous claims and thereby underpin sustainability of the insurance product. Insurers are regulated to maintain access to capital at determined "solvency ratios" to ensure they can meet their obligations in full to all policyholders, even when those claims, in a particular year, far exceed the premium that has been collected in that year. This volatility means that—even when insurance is priced at actuarially sufficient rates—local markets need to access additional contingent capital. This is achieved by transferring risk to international re/insurance and/or capital markets. However, the small size of most Pacific Island populations put them at a disadvantage: small population size and low insurance penetration, even without being split across multiple primary insurers, provides too little risk volume to be commercially compelling to international risk markets unless potential unintended costs, and uncertainty in underwriting methodologies is radically constrained.

Apart from the small market, upfront costs associated with delivering insurance products to these communities also act to reduce their commercial viability. The costs would largely be due to the lack of a pre-existing insurance market in the target communities<sup>6</sup>, resulting in the need to develop conventions and procedures before any insurance product could be rolled out. These costs include:

- **Risk data is needed to price the cover and be designed to minimize basis risk (if parametric).** Conventional indemnity covers are priced using claims history and/or established risk models, but these did not exist in the target communities. The resultant need for risk analysis would require additional upfront costs.
- **Product distribution.** There would be uncertainty about how to distribute the product to people, issuing insurance policies in exchange for premiums.
- **Claims management.** There would be uncertainty about how to determine whether a covered event has occurred and what claim amount is due to each insured entity.
- **Beneficiary management and pay-out distribution.** There would be uncertainty about how to ensure insurance policy holders / beneficiaries' data is up to date and there is an appropriate process in place to distribute pay-outs to the beneficiaries of those policies in the event of a claim. For example, members in the target communities may not have established bank accounts or ways to access cash after a natural catastrophe event. For community-level cover, enrolled beneficiary information may change.
- **National regulatory regimes for insurance.** Local markets were financially constrained in the amount of catastrophe risk they can underwrite, and they may need to buy reinsurance on the international markets to manage their risk. If international risk markets were required to underwrite risk in local markets, there would be administrative costs associated with 'fronting' agreements, which pass risk from local to international markets.

### 3. A lack of financial literacy among members of coastal small-scale fishing communities.

Many coastal communities had limited skills or understanding of savings and insurance cultures. Such a low level of financial literacy limited these communities from understanding the value of insurance as a climate adaptation instrument. Linked to Point 2, this also posed a barrier to insurance companies distributing products to communities as distribution would require extensive community engagement and training, and insurers would be dependent on development actors to facilitate penetration.

### 4. Paying premiums was a challenge.

Even if the barriers listed above were removed, most households did not have the financial capacity to prioritize insurance and financial planning for climate shock events.

### 5. Incentives to drive positive behavior change towards sustainable resource management were few.

In a poverty context, during times of crisis, motivation can be high to overexploit resources for short-term food and livelihood security needs. There were few incentives or financial resources to adopt Community Based Fisheries Management that included triggers for addressing environmental events like bleaching or extreme weather events.

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<sup>6</sup> PNG's non-life insurance penetration rate is 0.59% while Fiji's is 1.42%.

## 2.2 Theory of Change

Section 2.1 of the Project Document states the project theory of change is that:

- If the target communities and practitioners can collaboratively identify financial risk management solutions to impacts of climate shock events on livelihoods and natural resources
- If risk financing products and program(s) can be developed to provide community-level coverage and rapidly dispersed post-event funds for climate adaptation; (e.g. parametric insurance which pays out to households and/or community organizations immediately after the occurrence of an extreme weather event)
- If financial literacy and risk awareness training can be offered to households to understand financial risk management and the proposed insurance products and program(s)
- If sustainable, long-term financing for developed insurance products is available (e.g. through pooling of risk and aggregation of government and/or other financial support)
- If incentives for community environmental stewardship can be linked to insurance products

Then communities will have reliable, pre-arranged access to post-event liquidity required to reduce short and long-term impacts from major climate shock events by enabling and financing post-event response planning. This will mitigate income shocks, protect development gains, and will also be incentivized to provide environmental stewardship for healthy ecosystems, which also contribute to community resilience.

This Theory of Change and other aspects of the Project design are assessed in Section 3.1.

## 2.3 Project Components

According to Section 2.2 of the Project Document, the project objective is “to improve the resilience of vulnerable coastal communities to the adverse impacts of climate change, including major shock events, in Fiji and PNG.”

To achieve this objective, the Project was organized into the following components and outcomes:

Table 2 - Project components and outcomes

Component 1	Outcomes
Enabling environment for ex ante risk financing to improve resilience for coastal communities in Tavua District and Qoliqoli Cokovata (refocused on Nadogo district in Macuata Province) in Fiji and Madang Province in PNG	1.1 Climate risks, coverage priorities, and risk pooling options identified. 1.2 Improved financial literacy to engage with risk financing and financial products for climate resilience amongst coastal community members. 1.3 Markets developed in the target geographies to provide insurance products for community level climate resilience and adaptation.
Component 2	Outcomes
Financial products and incentives for coastal communities	2.1 Insurance program(s) designed to underpin improved financial resilience to climate shock events for three target communities, including developing options for incentivizing sustainable ecosystem management practices and other climate adaptation measures in risk-responsive pricing. 2.2 Premium financing identified, and mobilization pursued.
Component 3	Outcomes

## 2.4 Evolution of project design

### 2.4.1 Document review

Work on the Project design began in mid to late 2019 and was largely completed by April 2021.<sup>7</sup> Its evolution can be tracked through several key documents and milestones:

1. A Concept Note was written in mid to late 2019.<sup>8</sup>
2. A draft Project Implementation Form (PIF) was written and submitted and reviewed by GEF in November 2019.
3. A response to GEF's review was sent on November 25, 2019.
4. GEF approved funding in December 2019 using Special Climate Change Fund (SCCF) funding under Objective CCA-1: Reduce vulnerability and increase resilience through innovation and technology transfer for climate change adaptation.<sup>9</sup>
5. A revised PIF was sent to GEF on January 6<sup>th</sup>, 2020.
6. The Project design was completed by April 2021.<sup>10</sup>

In the sections below, the evolution of the Project objective, components 1 and 2, and sub-component are tracked from the beginning through to the end of the design period.

#### Project Objective

According to the Concept Note, the Project objective was "increased resilience to the adverse impacts of climate change in vulnerable coastal communities in Melanesia... Specifically, the proposed project will focus on achieving two main impacts:

1. Improved financial security for coastal communities during major shock events -to ensure that actions to mitigate the impacts are undertaken quickly.
2. Local stewardship of coastal resources is incentivized through innovative financial tools."

Further details were added to the objective in the PIF so that the Project objective statement became "to improve resilience to the adverse impacts of climate change, *including major shock events*, in vulnerable coastal small-scale *fisher communities in Fiji and PNG*."

Over a year later, the objective stated in the Project document was almost the same as the PIF but the reference to "*small scale fisher communities*" had been removed. Thus, the final objective statement was "to improve the resilience of vulnerable coastal communities to the adverse impacts of climate change, including major shock events, in Fiji and PNG.

#### Component 1: Enabling environment for financial products to improve resilience for small-scale fisher communities

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<sup>7</sup> According to the 'properties' details in the Project Document.

<sup>8</sup> This is an assumption based on when the Project was selected for funding.

<sup>9</sup> Project Document, page 6.

<sup>10</sup> Based on the "last printed" date in the Project Document's 'properties' menu.

In the Concept Note, Component 1 was intended to be “Assess risks to fishing households and support a local, enabling environment for financial products and ecosystem stewardship.”

References to assessing risks and ecosystem stewardship were both removed in the PIF so that Component 1 was written as “Enabling environment for financial products to improve resilience for small-scale fisher communities in Fiji and PNG (Northern Viti Levu and Vanua Levu coasts and Madang).”

As with the Project Objective, the reference to small scale fisher communities was also removed from Component 1 of the Project Document, although the reference to “coastal communities” remained. In addition, the range of financial products possible under the design was narrowed considerably from [any suitable] “financial products to improve resilience” down to “*ex ante risk financing*.” Thus, the full Component 1 statement in the Project Document was “Enabling environment for *ex ante risk financing* to improve resilience for coastal communities in Tavua District and Qoliqoli Cokovata in Fiji and Madang Province in PNG.”

### **Component 2: Financial products and incentives for coastal communities**

Component 2 was written in the Concept Note as, “Develop a suite of financial products for small-scale fishers: Suitable financial products will be developed based on the risks identified under Component 1, as well as the prevailing policy environment.”

The equivalent statement in the PIF was far more concise: “Financial products and incentives for small-scale fisher communities.” It no longer referred to a *suite* of products. Basing the products on a risk assessment was also removed because a risk assessment was no longer part of Component 1.

In line with the evolution of the objective and component 1, the statement in the Project Document remained very similar to the PIF, apart from replacing “small-scale fisher communities” with “coastal communities.” Thus, the final statement was, “Financial products and incentives for coastal communities.”

“Parametric livelihood protection” is noted specifically in the Concept Note but is mentioned as one of a range of possible options: “Develop a *suite of insurance products*, which could serve different elements of vulnerable communities, *including parametric livelihood protection ... and micro-insurance for life and credit protection*.” Nevertheless, it uses a narrower term than the “suitable financial products” referenced for Component 2.

The statement in the PIF again became more concise: “*Community access to appropriate financial climate risk management products*.” However, the description within this sub-component does refer to a suite of options, including index-based insurance, microfinance, and savings and pensions.

Project Document: “*Insurance program(s)* designed to underpin improved financial resilience to climate shock events for three target communities, including developing options for incentivizing sustainable ecosystem management practices and other climate adaptation measures in risk-responsive pricing.” This statement shows a large shift from the Concept Note and PIF statements. Among other changes, “financial products” is narrowed to “insurance programs” with “risk-responsive pricing.”

### **Scale and Location of project coverage**

In the Concept Note, the Project was intended to operate in 100 “communities” (villages) in Fiji, Papua New Guinea and the Solomon Islands. The number of villages is not specified in the PIF or Project Document but by that stage the Solomon Islands was no longer included. The Project ultimately operated in 69 villages.

### **Funding sources and budget**

In the Concept Note, the intention was to seek funding by the Global Environment Facility (GEF) from two funding sources: \$US660,000 from the Least Developed Countries Fund (LDCF) for Papua New Guinea and \$US1,340,000 from the Special Climate Change Fund (SCCF) for Fiji and the Solomon Islands.

By the time the design was finalized in the Project Document, SCCF was the sole funding source under Objective CCA-1: “Reduce vulnerability and increase resilience through innovation and technology transfer for climate change adaptation.” According to the GEF website<sup>11</sup> SCCF is intended to support two priority areas:

- The adaptation needs of Small Island Developing States
- Strengthening technology transfer, innovation, and private sector engagement

A different page on the website<sup>12</sup> describes LDCF funding: “LDCF funding helps recipient countries address their short-, medium-, and long-term resilience needs and reduce climate change vulnerability in priority sectors and ecosystems.” Due to the two funding sources’ slightly different priorities, the shift to sole funding by SCCF encouraged the project to place a greater priority on innovation and private sector engagement than if it had been funded by LDCF.

The budget in the final design was reduced from \$US2 million down to \$US1,005,046.

## 2.4.2 Implications of shift in project design

The above review shows two broad shifts in the design from 2019 through to April 2021:

1. A shift from specifically focusing on fishers to a slightly broader focus on coastal communities.
2. A shift from an open-ended consideration of financial products based on a risk assessment to a far narrower focus on parametric insurance products.

The Project title has remained ‘Financial Tools for Small Scale Fishers in Melanesia’ and fishing remains an important source of income and food for most target communities. However, the project parameters expanded to be inclusive of all coastal community residents, recognizing that fishing is not the main source of income in Madang and five communities in Macuata are inland communities. One of the main hazards identified in WTW’s Technical Product Report for Madang was drought, which was identified as predominantly affecting farms and gardens.

The shift towards a relatively narrow focus on parametric insurance products had more profound implications on Project implementation. These will be discussed in more detail in the remainder of this report but include a clear implication for the decision to withdraw operations from Madang, Papua New Guinea. Communities in Madang were considered to be suited to the continued development of microfinance, which was a consideration in earlier iterations of the design but not suited to the parametric insurance products which ultimately became the Project’s sole focus.

*In the first meetings (in Madang), it seemed we played this game in the communities to try to convince people they need to buy insurance. In my group in PNG, who are among the poorest, none were convinced they need to buy insurance. Then questions of how to pay for insurance arose. It was hard for them to talk about it when they had to reflect on not being able to afford it while they still have very basic survival issues they cannot afford. (WWF Pacific).*

## 2.5 Probable causes of shifts in project design

### 2.5.1 Funding pressure and narrow starting point

Pressure to align with GEF funding priorities and requests is likely to have influenced the final design.

First, decisions on whether to fund the Project were made by GEF’s Challenge Program, which asked NGOs to design projects which partnered with the private sector. At the time the Challenge Program was calling for proposals, WWF International was already in discussion with WTW to consider the potential of

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<sup>11</sup> <https://www.thegef.org/what-we-do/topics/special-climate-change-fund-sccf>

<sup>12</sup> <https://www.thegef.org/what-we-do/topics/least-developed-countries-fund-ldcf>

insurance or other ex-ante risk financing options for Pasifiki communities' climate impact protection. The Project became an opportunity to put partnership ideas into practice. From WTW's perspective, they took the initiative to form the Project with WWF due to them being GEF accredited and already having ongoing operations in the Pacific.

From WWF Pacific Coordinator's perspective, WTW's involvement coincided with WWF headquarters already having an interest in developing parametric insurance.

*We initiated this as a GCF proposal in 2017. There was a WWF US team for that. They included a presentation from WTW about parametric insurance at the inception workshop for this GCF proposal. It did not make its way to the final proposal concept. Management at the time were intrigued with the idea of parametric insurance and how it could help the communities, so started working with the US WWF team to bring this project about.*

These factors combine to indicate that despite the wider array of options stated in the Concept Note, parametric insurance was already at the forefront of Project designers' minds.

Second, the Project designers' (WWF US and WTW) response to GEF dated November 25, 2019, indicates that they were under pressure from GEF to be clearer and more specific about the financial products the Project would support. In its comments on a previous draft of the PIC, the GEF secretariat wrote:

*Please provide greater clarity about the specific financial products and innovations that will be developed and implemented through this project. To do so, we suggest structuring the outputs of component 2 by type of financial product or innovation.*

While still insisting that the end products would derive from the results of desktop review and community consultation, the response was that:

*The PIF now contains more detail on the likely or potential specific financial products. ... The PIF now makes clear that the project will focus on developing financial risk management products - index-based insurance and savings, which can have several applications.*

In a competitive funding environment, the reduction in funding and removal of Solomon Islands from the project were also due to GEF requests.

## 2.5.2 Local engagement

There was limited local engagement in the design, partly due to it being prepared during the height of COVID-19. More extensive local engagement may have resulted in community-based alternatives to community level parametric insurance.<sup>13</sup>

By the time community consultation took place through baseline assessments, the options may already have been narrowed due to the factors described above. The consultations were carried out in late 2020 in Madang and Tavua, and early 2021 in Macuata, before the Project Document was submitted in April 2021. The final question in those assessments asked about the extent of community support for a potential insurance product rather than a broader exploration of which types of financial products the communities believed would make them more resilient to natural disasters. This relatively specific focus guided the type of data collected from target communities during the design period.

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<sup>13</sup> Also see 'Relevance: Responsiveness to beneficiary needs and priorities' section.

## 2.6 Underlying rationale

By the time the Project Document was submitted at the end of this evolution in the design, the underlying belief was that community or district- meso-level<sup>14</sup> insurance solution was needed to match the scale of the climate challenges facing the target communities.

The Project Document cited research<sup>15</sup> which showed that annual losses in the Pacific are the highest in the world on a per capita basis. It gave the example of Cyclone Winston in February 2016 causing one billion dollars' worth of damage of which, according to the PIF,<sup>16</sup> only 130 million had been insured.

Fiji and Papua New Guinea were selected due to them being especially susceptible to climate change risks. Within those countries, coastal communities were considered to be particularly vulnerable. According to a World Bank report, climate-related shocks events push approximately 25,700 Fijians into poverty each year.<sup>17</sup>

Insurance products were considered to be the best way to cope with such large-scale damage as part of a perception that broad, large scale risk financing mechanisms were the most effective way to help communities to cope with such broad, large-scale natural disasters.

*Recognizing the benefits of a proactive approach to the management of the financial impacts of climate shock events, within a broader risk management framework, a growing number of governments, donors, development partners, and international financial institutions are supporting risk financing mechanisms. Ex ante risk financing mechanisms are financial tools arranged in advance of a shock event to help to mitigate the impacts of shocks and events on capital flows by rapidly dispersing predictable, pre-arranged funding. (Project Document, page 13)*

This rationale resulted in the Theory of Change included in the final Project Document and presented in the next section.

## 2.7 Project Locations

The project took place in Fiji and Papua New Guinea, which are both Melanesian countries located in the South Pacific<sup>18</sup> (Figure 1).

In Fiji, the project worked in two provinces (Figure 2):

- Tavua District. Ba Province, Viti Levu island. Coordinates - 17.5396° S, 177.9139° E.



Figure 1 – Project locations on a map of the Melanesia region.

<sup>14</sup> Meso-level insurance aggregates risk across specific population groups. See

<https://indexinsuranceforum.org/faq/what-macro-level-meso-level-and-micro-level-index-insurance>

<sup>15</sup> Project Document, Page 9, citing Brown, Daigneault, and Gawith, “Costs and Benefits Of Ecosystem-Based Adaptation For Flood Risk Reduction In Fiji”, Agricultural & Applied Economics Association, Minneapolis, MN, July 27-29, 2014.

<sup>16</sup> Project Document, Page 7

<sup>17</sup> Project Document, page 9, citing <http://documents1.worldbank.org/curated/en/163081509454340771/pdf/Climate-vulnerability-assessment-making-Fiji-climate-resilient.pdf>

<sup>18</sup> All maps in this section have been taken from the Project Document.

- Macuata Province, Vanua Levu island. Coordinates - 16.4865° S, 179.28° E.

Operations in Macuata Province are further divided into two distinct areas:

- Nadogo Island/District
- Cokovata Qoliqoli, a fishing ground with customary ownership among four districts: Macuata, Dreketi, Sasa and Mali.



Figure 2 - Map of project locations in Fiji

In Papua New Guinea, the project worked in Sumkar, Madang and Bogia districts, Madang Province (Figure 3). According to the baseline assessment, WWF works in 15 communities in those districts. The Madang Province coordinates are 5°10'S 145°20'E.



Figure 3 - Map of project locations in Papua New Guinea.

## 2.8 Main stakeholders and beneficiaries

### 2.8.1 Community members in target fisher communities

Community members in the target communities were intended to benefit from Project activities in the following ways:

- Increased awareness of the risks of climate change and steps they can take to mitigate against those risks
- Improved financial literacy, including increased understanding of savings mechanisms
- Increased understanding of insurance as a way of mitigating against the risk of climate change-related natural disasters
- Access to a parametric insurance product which pays out to all members of the target communities in the event of a natural disaster

Community members outside the target communities in Fiji and PNG are potential indirect beneficiaries as they stand to benefit from a roll-out of any successful pilot of parametric insurance products.

## 2.8.2 Government ministries in Fiji and Papua New Guinea

Government ministries are both stakeholders in and potential beneficiaries of project activities. Project interventions aimed at raising community awareness and establishing an insurance product ultimately support government aims to improve community stewardship of the environment and enable them to recover quickly from natural disasters. Governments have an interest in the project's approach and success as they need to ensure that it aligns with and contributes to government programs and priorities.

### Non-government organizations (NGOs)

NGOs are stakeholders in the Project because they have an interest in:

- Ensuring coordination between WWF and their own programs and interventions
- Learning lessons from the Project, particularly given that it is pilot project with a new and innovative approach
- Building on any project successes and lessons learnt to design new projects aimed at further protecting communities against natural disasters.

### Global Environment Facility and other multilateral climate finance organizations

These organizations have similar interests to NGOs in ensuring coordination with their own activities and learning lessons from the Project's approach and final outcomes. They have a long-term interest in Project outcomes to inform future decisions on funding allocation, especially those relating to savings, insurance, and disaster risk reduction.

### National banks and insurance companies

These are stakeholders and potential beneficiaries in two ways:

- Improved financial literacy and savings culture. Project activities to improve community members' financial literacy and understanding of savings, which may require greater engagement between project participants and banks, and potential registration of participants' bank accounts to receive insurance policy pay-outs.
- Potential involvement in insurance products. Local insurance companies have the opportunity to be directly involved in the insurance products piloted by the Project. Their involvement could be as the sole owner of these products or as the local partner to international insurance companies or other financial institutions. They therefore have a stake in decisions on the insurance product, as well as any discussions about the policy holder, premium financing and pay-out mechanisms.

## 2.9 Discussion of baseline and expected results

Three baseline assessments were written:

- One for Madang
- One for Fiji's Macuata Province
- One for Fiji's Ba Province (Tavua District)

In Madang, the results appear to be based on responses from 40<sup>19</sup> participants given during a follow-up meeting to a household survey. The meeting is likely to have taken place in late 2020.

The Tavua assessment report was based on a meeting held on October 12, 2020. Forty participants (18 males, 22 females) from seven villages in Tavua District attended the meeting.

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<sup>19</sup> There are some doubts about this figure. The report itself states that "40HH (n) were surveyed consisting of 636 adult males, 560 adult females, 454 school age males, 366 school age females, 172 male children and 133 female children giving a total sample size of 2321 persons."

The Macuata assessment reported on the findings of two meetings:

- One in Cokovata Qoliqoli
- One in Nadogo District.

The meeting for Cokovata Qoliqoli was held on February 25<sup>th</sup>, 2021, in Sasa Village. Seventeen people attended, including representatives from all four districts in that area. The meeting for Nadogo District was held in Vunivutu Village on March 5<sup>th</sup>, 2021. Twenty-one people attended, including the High Chief for the district. This report presented the population figures for each district. These are combined with population figures obtained through other sources and presented in Table 3.

Table 3 - Population of target communities

Target location	Villages	Households	Population
Madang, PNG	15		
Tavua, Fiji	7 <sup>20</sup>		23,000 <sup>21</sup>
Macuata, Fiji	47	1,694	5,903
Nadogo	10	321	1,176
Cokovata	37	1,373	4,727
<b>Total</b>	<b>69</b>		

Participants were asked the same questions in all four meetings. Their responses are summarized in Table 4.

Table 4 - Summary of baseline assessment responses.

Questions	2020-2021 Responses summary
What are the main income sources for your community?	All Fijian communities placed fishing at the top of their list. In Madang, fishing was second after garden or farm produce as a source of income. All communities earn an income from agriculture but in Tavua this is restricted to casual wages from harvesting sugar cane. Paid employment was listed by all four communities but was at the bottom of the list for all except Madang.
What are the main food sources for your community?	Fishing was listed by all four communities but was not top of the list in Madang. All communities also consume food produced by their farms or home gardens. All except Nadogo purchase food from a store.
How important is fishing?	Fishing is clearly the main source of income and protein in Tavua, but the picture is less clear in the other communities. It is also very important to all the target villages in Qoliqoli Cokovata except for five inland villages in Dreketi District. It is second to farms or gardens as a source of income in Madang. Six of the 10 target villages in Nadogo are inland and therefore depend more on the land and rivers.
Is fishing for consumption or sale?	It is for both sale and consumption in all four communities.
Who does fishing, and what is women's role?	Men are the ones to engage in offshore fishing in all communities except Tavua, where "women go out to fish double the time of men." Women collect shellfish and other seafood close to the shore in Madang and Qoliqoli Cokovata.

<sup>20</sup> Number of villages from which representatives took place in the baseline assessment .

<sup>21</sup> Approximate for the whole district, according to Project Document, page 24

	Women are on the fishing management committee in both Macuata communities. Respondents in Madang stated that women have an equal say in decision-making relating to fishing.
Have you faced major events in the past 10-20 years that have caused problems on fishing or other subsistence/economic activities (like cyclones, extreme rainfall, coral reef damage)?	All three Fijian communities have experienced cyclones, and Madang has experienced “strong winds and flooding.” Sedimentation has adversely impacted the fishing grounds in all four communities. The Madang and Tavua communities attributed this to the logging and farming practices in inland areas. Madang and Tavua also mentioned the loss of mangrove forests. Nadogo and Qoliqoli Cokovata mentioned drought.
What was the impact? When did this happen?	A drop in fishing diversity and quantity has occurred in all four communities. Madang and Tavua also mentioned losses to fishing equipment.
How did you bounce back?	Madang and Macuata have polar opposite responses. In Madang, fishing is closed for six months to allow the fishing ground to recover. In both communities in Macuata, there is a heavier reliance on fishing to compensate for damage to gardens or farms as fishing recovers more quickly than farms from natural disasters.
Are there any livelihood protection actions or policies for when major events harm your fishing?	Government assistance in Madang and Tavua. Savings or, for a minority, access to the Fiji National Provident Fund in Macuata. Qoliqoli Cokovata also receives assistance from relatives in urban areas or overseas. No insurance in any community.
What has been done? Locally/CSOs/government	All four communities have established areas where fishing is restricted. In Madang they referred to these as tabu areas. In Fiji they were termed Marine Protection Areas. There is a ban on catching some species in Tavua. Both Macuata communities have increased awareness and developed disaster preparedness plans with the help of NGOs.
We are considering creating an approach where insurance “can benefit both your reef system and fishing community, what are your thoughts about that?” <sup>22</sup>	Tavua stated that “yes, insurance can be helpful...”. The other three communities expressed the desire to learn more about the idea.

The meeting results were not used to provide baseline figures for project indicators because all baseline values were zero, except for Outcome 2.2, which had a baseline value of 1 for an indicator which used a rating scale from 1 to 4. However, the baseline assessment workshops did add more detail and local nuance to pre-existing knowledge about problems in the target communities, as described in the next section.

## 3 Findings

### 3.1 Project Design

#### 3.1.1 Assessment of Project Logic

The project design was an innovative effort to address economically marginalized and increasingly climate vulnerable coastal communities and environmental services. Seizing upon the GEF’s call for innovative, private sector solutions under its Challenge Program for Adaptation Innovation, the project design’s intent to research, assess, and nurture an enabling community and policy environment necessary to “develop and

<sup>22</sup> This phrase was used for the workshop in Macuata, Fiji. The end of the sentence was left open (i.e. “xxxx”) in the other two assessment reports.

deploy innovative ex ante risk financing products”<sup>23</sup> within three years, while simultaneously was extremely ambitious.

The assumptions behind the Project design are analysed in this section. The analysis relies mainly on evidence presented for making those assumptions in the PIF, Project Document and associated documents developed prior to Project implementation. Generally, the evaluation evidences that the identified assumptions were appropriate and measured put in place in the design to manage them. The extent to which these assumptions were justified is further considered under Section 3.2 onwards.

### Theory of Change assumptions

The assumptions below are a rephrasing of the “if” statements included in the Project’s Theory of Change:

#### 1. “The target communities and practitioners can collaboratively identify financial risk management solutions to impacts of climate shock events on livelihoods and natural resources.”

This assumed a risk assessment, or some other form of community consultation practice would take place. Given that this assumption was made in the Project Document, it assumes that such an assessment or consultation would take place during the early stages of implementation.

The assumption was actioned by Output 1.1.1 of the Project Design: “Desktop risk assessment and community consultations, surveys and workshops to identify and prioritize critical climate risks and impacts facing targeted communities and risk pooling options”,<sup>24</sup> including the following activities:

- Community-specific desktop vulnerability and risk management priority assessment outline and data collection strategy designed
- Vulnerability and risk management priority assessment (based on outline above), identifying adaptation needs and opportunities for men and women
- Gender-sensitive insurance demand assessments / willingness to pay surveys designed including components on existing environmental stewardship / community-based resource management practices.

Phrases in the output and outcome statements (i.e. “risk pooling options”) as well as Component 1’s reference to “ex ante risk financing” indicate that any identified risk management solutions were limited to community-level insurance products.

The extent to which this assumption was fulfilled depends on two factors:

1. Community members’ ability to understand the range of financial risk management solutions available to them; and
2. Opportunities for practitioners and communities to meet and discuss so that any identified risk management solutions could be identified in a collaborative manner.

The Project worked to increase *community members’ ability to understand the range of financial risk management solutions available to them by conducting training on climate risk, financial literacy, and insurance programs*. As presented in other sections, there is uncertainty about the reach of financial literacy training, but beneficiaries and project staff agreed that this was a successful and beneficial aspect of the course in its own right.

*Training community members in financial literacy gave a foundation for WWF Pacific to go on and build on this work in Fiji. We went to a training in Fiji, and it seemed to have impact. People were interested and engaged. Whether or not the insurance product rolls*

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<sup>23</sup> Project Document. p.8

<sup>24</sup> Year 1 Work Plan.

*out, I still saw that people walked away saying ‘we never knew having a saving account would be beneficial. Now we know it makes life more resilient. (WWF GEF informant)*

Fishers in Tavua were unsure what the longer terms influence training had on local culture to prepare it for insurance. They believed that saving for future needs was still a relatively new concept in local culture and embedding that properly was necessary before communities would be ready to take part in an insurance program. A senior WWF representative agreed with them:

*On the community end, we underestimated the time it would take for sensitization. We thought we could do a sensitization meeting and then next start rolling it out [but] when the teams came from WTW, people did not understand.*

*Opportunities for practitioners and communities to meet* were limited if “practitioners” is defined as Project staff or insurance company representatives. However, they were extensive if Community Facilitators are considered practitioners. Community Facilitators (CFs) had been trained on insurance and delivered messages according to guidance from the Project. CFs met with communities and discussed insurance with them. Although there is uncertainty about the number of people who attended training sessions, it is safe to assume that most interested adult members would have attended the introductory workshops on the proposed insurance program, according to some community leaders in Fiji. When asked about WTW’s calculation of probable insurance premium cost per household, a leader in Nadogo explained:

*Yes, ... [It’s a] good initiative, we would be able to practice sustainable management and better manage when payout is done. It will bring a lot of benefits for community conservation and participation when [community members] see the payout and the impact. [Environmental services] are the only assets of the ITaukei (Indigenous people). We need to manage them sustainably. (Community Leaders, Nadogo District, Fiji)*

Yet, while there was consultation during the baseline phase, community responses suggest that communication in the workshops mostly flowed in one direction: the Project or its partners presented information and responded to questions but did not engage in co-development.

*We conducted awareness sessions on insurance. However, WTW rushed us to quickly raise awareness about climate change insurance—what it is and how it will work. ... Based on our awareness efforts and conversations with the community, people are happy. They mentioned that this insurance will truly help them. (Community Facilitators, Madang)*

Some communities in PNG could either not recall any sessions about insurance or recalled them only taking place once, with more follow-up and explanation needed. That is not enough contact to build a meaningful collaborative relationship between communities and practitioners.

For those reasons, this first assumption in the Theory of Change was not fulfilled in PNG.

## **2. “Risk financing products and program(s) can be developed to provide community-level coverage and rapidly dispersed post-event funds for climate adaptation.”**

This assumed that a mechanism could be devised to calculate insurance premiums and pay-outs at a community level yet still disburse those pay-outs to individual households. The Project Document acknowledged that such a community-level insurance mechanism did not yet exist in the target countries but asserted that “Willis Tower Watson will engage with local insurance markets and provide a financial product and program designs to provide community-level ex ante risk financing.”<sup>25</sup> The assumption that such a community-level product could be developed was based on analysis that Fiji already had a relatively

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<sup>25</sup> ‘Appendix 4: Stakeholder Engagement Plan’ in Project Document.

developed insurance market and that the government was actively engaged in insurance initiatives, including livelihood protection.<sup>26</sup> No such claim was made for Papua New Guinea. On the contrary, the Project Document cited evidence that 60.2 percent of men and 81 percent of women in Madang reported owning no financial product.<sup>27</sup>

The development of a community-level product depended on identifying a policyholder which could hold the contract with an insurance provider on behalf of its community. This in turn depended on three assumptions:<sup>28</sup>

- The policy holder would be able to collect, manage, and pay premiums
- The policy holder would be able to distribute pay-outs to covered beneficiaries (and manage disputes)
- The underlying parametric index would serve as a good proxy for impacts to that policyholder—at an appropriate resolution

Although the development of a community-level product was included as an assumption in the Theory of Change, the Project designers acknowledged that this might not be possible, in which case, “cover will likely need to be direct between the beneficiaries and the insurers, with households / enterprises acting as the policyholders.”<sup>29</sup>

Like the first assumption, this was not fulfilled because no risk financing products were fully developed. Technical product reports, policy holder guidance, and a short-term premium financing engagement strategy were all prepared so there are future opportunities to fully develop a product but at the end of the project no product was available which would “provide community-level coverage and rapidly dispersed post-event funds for climate adaptation. The WWF Pacific Director confirmed that a lot of work had occurred to develop suitable products and programs but that major obstacles still remain:

*More thinking is required into how the product would work. There has already been a lot of discussion. Still, who would want to sell a product like this when the people have limited potential to pay the premium. And then there are so many climate impacts. Who would take on such an insurance product? If there are floods, droughts and cyclones all the time, is it going to be viable.*

### **3. “Financial literacy and risk awareness training can be offered to households to understand financial risk management and the proposed insurance products and programs.”**

This assumed that the provision of training to target households would be logistically possible, that they would be willing to attend, and that the training would be of sufficient quantity and quality for the training participants to understand financial risk management and the insurance products as expected. Activities planned under Outcome 1.2 were intended to achieve this by developing a training manual, conducting training-of-trainers workshops for local Community Facilitators and then supporting these facilitators to train others in their communities.

As mentioned under point 1, it is certain that financial literacy training was held in some communities and that the training was generally well received. There is far less certainty about the number of participants, the extent of the training for each participant, and whether it was enough for them to understand financial risk management well enough to be ready for the proposed insurance products and programs.

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<sup>26</sup> Project Document, page 24.

<sup>27</sup> Product Document, page 24 citing evidence from <http://documents.worldbank.org/curated/en/704801471496337675/pdf/105185-REVISED-WP-P145131-PUBLIC.pdf>

<sup>28</sup> Project Document, page 36. The term used in the Project Document was “key conditions”.

<sup>29</sup> Project Document, page 37.

#### 4. “Sustainable, long-term financing for developed insurance products is available.”

Target communities’ lack of financial capacity was identified as a barrier before implementation began but the gap between the cost of any insurance program and the amount that communities were willing and able to pay was still unclear. The Project therefore planned to determine this gap, attract external sources to cover the gap in the short-term, and provide a proof of concept of the insurance program(s) so that both the target communities and external financial backers would be willing to continue to pay for premiums beyond the life of the project.<sup>30</sup> This in turn assumed that:

- The gap between cost and capacity could be determined
- It would be possible to attract short-term external financial support for insurance premiums without a proof of concept
- It would be possible to select the most suitable insurance program(s) and achieve a proof of concept within the three years of Project implementation

This assumption was clearly not fulfilled and was one of the central sticking points preventing an insurance product from being developed by Project Close.

Analysis was conducted to ascertain the amount that community members would be prepared to pay in regular premiums and the GEF Secretariat<sup>31</sup> was keen for this to be enough to fund insurance products on its own. However, to WTW it was evident from the beginning that their contributions alone would not be enough to finance a viable insurance product. External funding support was needed, even in Fiji, where the development of an insurance product was still seen as a realistic possibility. The search then began to find external funding. That search has so far been unsuccessful, as described by a WTW representative :

*We have discussed with the Ministry [of iTaukei Affairs] and others, that having the first years covered by donor or public finances would help get it up and running and help communities understand the concepts. ... This program was always conceived as a community and environment thing. So, some level of external support is natural too. ... We pushed pretty hard for a premium payment from the project, but GEF didn't allow it at the time. Now they do allow it, but it's too late for this project. In year 3 we earmarked a portion of the WTW budget towards premium financing if it was matched to fully fund it. But the rest of the premium financing could not be allocated in time by iTaukei (Affairs Ministry) or others.*

Several potential financiers were identified in the Project Close-out Report, including Global Shield, the Fijian Ministry of Finance and Strategy, and the Pacific Catastrophe Risk Insurance Company but to date no single organization has been confirmed as agreeing to provide the required financial support for insurance premiums.

#### 5. “Incentives for community environmental stewardship can be linked to insurance products.”

The Project Document (page 32) made two assumptions, which it termed “essential conditions” for establishing a link between environmental stewardship and insurance products.

1. There must be financial support available to offer concessional access to insurance as an incentive.

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<sup>30</sup> Project Document, page 39.

<sup>31</sup> According to a WTW interview response.

2. There must be an existing ecosystem management policy / plan / program<sup>32</sup> to which adherence is to be incentivized (and monitored).

The first of these coincides with assumption # 4 directly above. For the second, the Project Document states that it is beyond the project scope to develop such a policy or program. Thus, the design assumed that:

- The Project would be able to find a suitable pre-existing policy or program
- The policy or program would still be applicable when the target community members were receiving concessional (i.e. subsidized) access to insurance

WTW undertook some exploration of how environmental restoration payouts might work, identifying District Development Committees as entities that could receive payments and ensure it is used for mangrove restoration following a weather hazard event. Yet, the Project's need to primarily focus on establishing the necessary conditions for a parametric insurance program to be viable in the Fijian communities, only basic mapping of how to build incentives for environmental stewardship into the product was completed. Establishing necessary conditions related to identifying a premium financier and policy holder and working out the product's premium payment and claim pay-out mechanisms.

### Other identified design assumptions/risks

The following risks were identified in Section 3.4 of the Project Document. Many of the identified risks represent a reframing and elaboration of the Theory of Change assumptions. Like the assumptions, the identified risks and their ratings at design were largely found to be justified and appropriately addressed in the project design.

#### 1. "Communities lack interest in engagement to identify adaptation solutions and related finance products."

##### **Risk level: Low**

The Project was confident that this was a low risk because it was clear from the context that the existing financial products were not sufficient or suitable to cope with the scale and frequency of natural disasters in the region. According to the Project Document, "the financial products currently available covering climate risk in the Pacific ... have little relevance to those who rely on subsistence activities and public goods for their livelihoods and wellbeing."

If this risk statement is defined in a broad sense, then the risk level was correctly rated as low because the identified risk did not occur. Communities in all districts in both countries appeared very engaged in proposed insurance products, even if uncertain about the details of how it would work and were keen for it to come to fruition. The assumption made in the Project Document that they believed the financial products which existed before the project again were not sufficient to protect them against climate-related risks.

If the risk is defined more narrowly, then the risk was not considered seriously enough. As demonstrated in the previous section, although communities were engaged in learning about what was presented to them, they were not engaged in identifying the best solutions for their communities or even in adapting the Project's proposed solution.

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<sup>32</sup> It is beyond the scope of this project to develop or strengthen plans or policies for environmental stewardship or provide capacity building or training towards this goal. The project will engage with existing plans and policies and examine whether concessional access to the project-developed insurance products can be integrated into the implementation of those plans and policies as an incentive towards existing initiatives to help strengthen community resilience to climate change.

2. **“Culturally inappropriate project delivery will hamper relationships with communities, and such relationships and trust are key to project success.”**

**Risk level: Low**

The Project intended to work through local Community Facilitators who understood the local context and the most culturally appropriate delivery methods. This is what generally occurred in practice. There is no evidence of the delivery from Community Facilitators hampering relationships but community representatives in Tavua, Fiji, emphasized the importance of WWF and the CFs ensuring all actions are discussed and authorized in advance with local leaders.

The only apparent damage to relationships with communities occurred with some communities in Papua New Guinea. It occurred not because of how activities were delivered but due to the lack of activities and communication. After the initial assessments and training sessions in which the proposed insurance product was introduced, the Project did not return at all to those communities until towards the very end of the implementation period. The early sessions built up hope and left lots of unanswered questions, but the hope was never fulfilled, and the questions were left unanswered.

*Participants recalled that the awareness was not effective due to its one-time nature. ... The men’s group also voiced their concerns about a recurring issue in the community. They noted that many organizations—including INGOs, NGOs, and government agencies—come into the community, to conduct awareness sessions or collect data, make promises, and then leave without any sustained support. Due to these past experiences of unfulfilled promises, community members have grown disappointed and often choose not to attend new awareness sessions. (Men’s FGD, Madang Province, PNG)*

3. **“Insurance scheme developed at the wrong level (individual, community, ward, resource).”**

**Risk level: Low**

It was assumed that consulting with the target communities would ensure that the insurance scheme was developed at the level which they preferred, and which best met their needs.

By the end of the implementation period, it is an unanswered question as to which levels of insurance are “wrong” and which one is right, i.e. the most suitable in the local context. The community-level insurance proposed by the Project was accepted as not being suitable for Papua New Guinea and has not yet been established in Fiji. Nevertheless, opportunities still exist to pilot this type of insurance, and the pilot may turn out to show that this is in fact the right level. Individual-level insurance has been trialed with some success by the United Nations Capital Development Fund (UNCDF) but the payouts for this type of insurance have so far not been large enough to have confidence they will meaningfully help community needs.

4. **“Communities do not ultimately see the value of risk financing; therefore, take-up is limited, and the financial products are not mainstreamed for long-term use.”**

**Risk level: Medium/high**

The risk level was rated higher than for risk # 1 despite being similar. The risk mitigation technique was also very different. The technique for risks 1 and 3 emphasized consultation but the technique for this risk focused on persuasion by stating the need to develop: “a proof-of-concept phase to encourage initial uptake and demonstrate the value of the products.”

The implementation period demonstrated that the communities certainly saw the value of some form of risk financing and were willing to consider it “if a product could be found which met their needs”. The risk of take up being limited has not been tested but if they are to eventually be offered the chance to take up

risk financing, their reaction during the project shows that it would be due to the high premium cost or unsuitable pay-out conditions rather than not seeing the overall value of risk financing.

5. **“There is limited interest to finance premiums, both at the community-level and from government, donors, and other potential premium financiers.”**

**Risk level: Low/medium**

This risk is the inverse of Assumption # 4 in the previous section. Other than developing a proof of concept, the proposed mitigation measures did not include specifics on the intended strategies to attract interest in paying premiums. The lack of strategy to mitigate a medium-level risk shows a gap in the Project’s risk management strategy which has ultimately harmed its success given that it did not succeed in securing external financiers before the project ended.

Community level interest in finance premiums naturally depended on the amount they needed to pay. The target communities were told that they would need to pay premiums and inquired about the amount they would need to pay. No records are available regarding whether those amounts per household would be enough to make a community-level insurance product commercially viable but the search for external finance suggests that it would not.

6. **“Premium financing isn’t mobilized, or conditions aren’t in place to incentivize improved ecosystem management or to provide payouts for improved ecosystem management.”**

**Risk level: Medium/high**

This risk statement is the inverse of Assumption # 5 in the previous section.

According to the Project Document (page 57), to mitigate this risk, “the project will assess entry points and engage a range of stakeholders to identify where the project may offer concessional community-level insurance as a reward for behavioral shifts to sustainable ecosystem management practices and potential donors to cover the costs.”

The Project did assess entry points in terms of the level of premiums that community members were prepared to pay but that assessment did not refer to any premium concessions or pay-out rewards for sustainable ecosystem management practices.

7. **“Local insurers lack interest or capacity to provide a product as primary carrier and administrator.”**

**Risk level: Low**

The risk level was rated low despite an existing problem identified in the Project Document being a “small market and up-front costs reduce viability of insurance products,” making the provision of this form of insurance difficult for local insurers and unattractive for international insurers. The project planned to support local insurers through “technical materials that underwrite the products” and resolve the identified problems, including costs associated with data collection, product distribution and claims management.

According to the Year 2 Project Implementation Report, WWF and WTW met with at least three local insurance companies in Fiji. Among other objectives, the meetings helped WTW to “make progress on financial loss modelling for the Fiji Tropical Cyclone product.”

8. **“No insurance markets want to take the risk at an acceptable price.”**

**Risk level: Low**

The risk is closely linked with risk # 7 and the same problem of a “small market and high up-front costs” reducing potential products’ viability and attractiveness for insurers. The only specific mitigation measure to resolve this problem was that the Project would identify “appropriate technical pricing” by using parametric insurance and primary data sources.

Given the information available before Project implementation, the risk level stated in the Project Document was lower than required. Two fundamental factors were evident before the project began and were documented in the Project Document:

1. Low and unstable incomes resulting in a limited ability to pay insurance premiums
2. A high and increasing risk of natural disasters for which an insurance pay-out could reasonably be expected.

Those two factors combine to work against the commercial viability of insurance in those circumstances, which reduces the likelihood of finding an insurance company willing to take the risk.

#### 9. “Legal and regulatory barriers.”

##### **Risk level: Low**

The fact that both countries wrote their laws in English and used pre-existing concepts from Australian law helped the Project to have confidence that legal and regulatory barriers would only pose a low risk.

The Project Document<sup>33</sup> also stated that the Reserve Bank of Fiji, which was responsible for insurance regulation had shown that it supported innovative parametric insurance products. It planned to further reduce the risk by engaging regulators from the early stages of developing insurance products.

Regulatory barriers were not mentioned as a concern in either the progress reports or informant interviews, so the risk level appears to have been justified.

#### 10. “A natural (earthquake, tsunami) or anthropogenic (mine spill) event outside the scope of insurance policy occurs and impacts policy uptake.”

##### **Risk level: Medium**

The Project Document<sup>34</sup> stated this risk would be reduced by being clear about which events would be covered by the insurance product(s) and which would not.

WTW’s Technical Product Reports for Papua New Guinea and Fiji did help to mitigate the risk as stated in the Project document by identifying the two most significant natural hazards in each country and only analysing the financial mechanism for those hazards. The risk level was moot because a natural event did not occur that could have affected policy uptake.

### 3.1.2 Relevance of the design

Relevance is defined in the evaluation Terms of Reference as:

1. The extent to which the project design, outcomes, indicators and targets remain valid and consistent with local and national development priorities and organizational policies
2. The extent to which the project objectives and design are responsive to the needs and priorities of the intended beneficiaries
3. The extent that the project responds to the mandates of the GEF Agency and GEF partners.
4. The extent that project objectives and results remain relevant at project completion.

#### **Consistency with local and national development priorities and organizational policies**

In **Fiji**, the project is found to be highly relevant to the national context. Implementation commenced at a time when the national government was intending to update the Insurance Regulations Act. The timing of

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<sup>33</sup> Project Document, Page 58

<sup>34</sup> Project Document, Page 58.

implementation coincided with the Ministry of Environment and Climate Change (MECC) researching and preparing a Disaster Risk Financial Policy and the Fiji Development Bank (FDB) has a priority to research and develop options for “derisking” for vulnerable communities. This small-scale fishers’ parametric insurance model introduced an additional option for government stakeholders to consider. As an FDB representative explained:

*Most of our customers in the fisheries, agriculture and forestry sector are small or micro, women or youth-owned. They do not have a backup plan. So, if their livelihood is impacted, their only response is to take another loan. Even under the parametric insurance with UNCDF - the payout is too small. It has more to do with the individual livelihood of the policy holder. Enough to get water and food like \$50 or \$100: just enough to survive. But does not cover them to recover their livelihood... So that is why this project here is very important. We can learn from it and decide if this is scalable with another funder. There is definitely a need. We are thinking of if we can use our GCF accreditation to scale up what WWF has tried.*

In implementation, the project’s ability to align with Fijian government priorities was set-back by frequent changes to government personnel and changes in government priorities over the lifetime of the project. For example, following the Fijian national elections in December 2022, Fiji’s Climate Finance Office was transferred from the Ministry of Finance to the Prime Minister’s Office and then to the MECC. As a result, government membership in the Project Steering Committee also changed frequently.

In **Papua New Guinea**, the project was also highly relevant at the time of design. However, during implementation, several factors eroded government stakeholders’ capacity to engage. The government signed a letter of endorsement before the project began and was interested in its implementation. The PNG government informants expressed interest in the concept even at the end of the project. Implementation began in PNG in the absence of a solid pre-existing governance framework for insurance. Insurance was governed by the Insurance Act of 1995 but at the time the Project Document was written, this law had largely been ignored, despite a government reminder to businesses about this act in 2016.<sup>35</sup> The project may have provided an opportunity for government stakeholders to reengage with this policy to refresh its relevance to geographically and economically marginalized fishers. Despite potential to align with national interests, ultimately the unforeseeable rise in political instability in the country prevented regular engagements with ministry representatives and direct engagement by WTW and WWF Pacific personnel based outside PNG.

### **Responsiveness to beneficiary needs and priorities**

The evaluation found that COVID-19 restrictions in 2020 constrained intended consultations with local communities during the period from submission of the Concept Note to completion of the Project Document: from December 2019 until April 2021. During this critical time in the design, the Fijian and PNG governments restricted large gatherings, closed schools, and imposed lockdowns.<sup>36,37</sup>

Thus, WWF GEF and WTW designers were required to rely heavily on existing research and contextual insights from WWF Pacific informants. Design documentation and evaluation informants noted that the Project’s design was grounded in lessons learned in other Global South countries and data about climate change vulnerabilities of targeted countries.<sup>38</sup>

However, once baseline consultations and implementation began, project decision-makers demonstrated responsiveness to community input. The Project’s concept proved to be relevant to the target communities in

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<sup>35</sup> Project Document, page 14.

<sup>36</sup> [https://en.wikipedia.org/wiki/COVID-19\\_pandemic\\_in\\_Fiji](https://en.wikipedia.org/wiki/COVID-19_pandemic_in_Fiji)

<sup>37</sup> [https://en.wikipedia.org/wiki/COVID-19\\_pandemic\\_in\\_Papua\\_New\\_Guinea](https://en.wikipedia.org/wiki/COVID-19_pandemic_in_Papua_New_Guinea)

<sup>38</sup> See Evolution of Project Design/ Possible causes of shift in project design.

Fiji, but less so in PNG.<sup>39</sup> As shown by their responses during the baseline assessment, communities in Macuata, Fiji both broadly supported the idea of developing insurance, although they wanted to know more details.<sup>40</sup> Representatives in Tavua District (also in Fiji) agreed that it would be useful providing that the pay-out period was short enough.<sup>41</sup>

In Madang, PNG, baseline assessment responses were non-committal, and it was evident to WWF and WTW staff alike that more preparation and education would be required in PNG before they would be ready for any kind of insurance product. As a WWF PNG informant noted:

*[Among consulted community members] in PNG, who are among the poorest, none were convinced they need to buy insurance. They had questions about how to pay for insurance; it was hard for them to talk about when they had to reflect on them not being able to afford it when there are still very basic survival issues they cannot afford.*

Similarly, a WTW informant found that:

*The genesis of the project was to build this at a community scale. Not microinsurance but community insurance. It struck me that the PNG side did not have the enabling conditions to make that work. They were more interested in microinsurance cover for their individual families. Getting them to a world of zero insurance to community insurance and the ecosystem around them was too big a leap. What was in the design document and what actually in the ground did not synthesize well.*

Apart from the baseline assessments, evaluation consultations with community members from Tavua District indicated that while insurance is a relevant solution to climate change-related risks, it is a mid-level priority compared to more immediate pressures. Community facilitators and members in Tavua both mentioned heavy rains and poor drainage as problems which exacerbated frequent flooding. Community members asked for WWF's support to resolve this problem.

Separate from issues raised about the relevance of the proposed insurance to target communities, while the CF model for community engagement is appropriate and effective, CFs in Madang spoke about the need to reinforce their roles with more authoritative content. Ideas included more training materials and videos, and inviting a range of expert voices to deliver messages and raise awareness.

*Currently, only we Community Facilitators are doing the awareness. People in the community see us all the time, and they want to hear from other stakeholders as well.*

### Relevance to WWF's mandate

In relation to organizational relevance, a key characteristic of the proposed insurance product to be developed by the Project was a set of financial incentives to encourage strong environmental stewardship in the target communities. This aligns with **WWF's mission**<sup>42</sup> "to build a future in which people live in harmony with nature." The mission statement also emphasizes the organization's intent "to ensure the sustainable use of natural resources to support current and future generations". Consistent with this intent, the project design

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<sup>39</sup> See Section 3.2.

<sup>40</sup> GEF Melanesia- Northern Consultation Report- Fiji. The recorded response from Cokovata Qoliqoli was a "general agreement that insurance as a concept is something they lack knowledge on and are willing to learn more and determine what could likely work to the general benefit of the community."

<sup>41</sup> Baseline Information Questionnaire Tavua

<sup>42</sup> <https://www.worldwildlife.org/about/our-values>

acknowledges that methods to support financial recovery from climate pressures is expected to reduce maladapted coping mechanisms of overexploiting marine resources to self-finance recovery<sup>43</sup>.

With its focus on developing an insurance product, the Project was consistent with the Executing **Agency, WTW's** priorities and specialist skills. WTW *“has extensive experience in developing and assessing risk management tools and risk transfer products”*<sup>44</sup> and over 25 years' experience in the Pacific.

### Responsiveness to GEF mandates

The project's objective and outcomes are fully aligned with the Global Environment Facility's (GEF) mandate. The GEF pools funds from several donor countries to support several multilateral funds<sup>45</sup> to address the planet's most pressing challenges in an integrated way.<sup>46</sup> According to its website, GEF supports “developing countries' work to address the world's most pressing environmental issues. We organize our work around five focal areas – biodiversity loss, chemicals and waste, climate change, international waters, and land degradation – and take an integrated approach to support more sustainable food systems, forest management, and cities.”

Both participating countries can be classed as developing countries and the project design sought to address pressing issues related to climate change and biological diversity: two of GEF's five operational focal areas.

**The GEF Challenge Program's** mandate is for its funding recipients to develop partnerships with the private sector and to pilot innovations that would not usually receive GEF funding.<sup>47</sup> A strong WWF partnership with the private sector (via WTW) is at the core of the Project design. Establishing community-level parametric insurance had never been attempted in either target country so can be considered an innovation within that context.

### Extent to which project objectives and results remain relevant

The Project objective was “to improve the resilience of vulnerable coastal communities to the adverse impacts of climate change, including major shock events, in Fiji and PNG.” The objective was developed due to the high prevalence and intensity of climate change-related natural disasters in the target communities and the lack of insurance or other financial products to enable residents of remote coastal communities to manage risk and recover quickly from such disasters. This objective remains relevant because these factors remain unchanged.

To the extent that there is still an opportunity for a suitable parametric insurance product to be developed (see Section 3.2), the results remain relevant in Fiji. An insurance product was also developed for Papua New Guinea but is not yet viable. This is still a relevant result as future projects in Papua New Guinea can apply lessons learned from this approach and lessons related to design-phase assessment of institutional and community readiness when considering the most appropriate ways to increase community resilience.

The United Nations Capital Development Fund (UNCDF) launched a parametric microinsurance product in Fiji in August 2021 that is being scaled regionally and covers wind and rainfall triggers.<sup>48</sup> However, this product's policies only cover land-based farming and are only accessible to individuals. What's more, the United Nations

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<sup>43</sup> Project Document. pp.7,10&12

<sup>44</sup> Project Document, p. 43

<sup>45</sup> the GEF works with three Implementing Agencies (the World Bank, UNDP and UNEP) and seven Executing Agencies (African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank, International Fund for Agricultural Development, UN Food and Agriculture Organisation, and the UN Industrial Development Organisation) and other stakeholders. See the GEF mandate at [https://unemg.org/images/emgdocs/members\\_activities/gef.pdf](https://unemg.org/images/emgdocs/members_activities/gef.pdf)

<sup>46</sup> <https://www.thegef.org/who-we-are>

<sup>47</sup> See <https://www.thegef.org/what-we-do/topics/challenge-program-adaptation-innovation>

<sup>48</sup> Year 1 Project Implementation Report.

Capital Development Fund (UNCDF) product's rates of policy renewal have been very poor<sup>49</sup> and pay-out rates are only enough to help their beneficiaries survive in the short term, but not sufficient to recover their productive assets and do not cover restoration of ecosystem services damaged by acute hazard events.<sup>50</sup> Thus, despite the development of this parallel insurance product that addresses climate and disaster resilience, on many levels this WWF/WTW project concept remains relevant due to its differentiated approach of spreading the cost of the premium and the payouts across entire districts, and its inclusion of post-hazard ecosystem recovery.<sup>51</sup>

### 3.1.3 Use of lessons from other similar projects

The Project piloted an approach which had never been implemented in the Pacific, so it was not possible to learn lessons from similar projects in this geographical context. The approach was based on international agreements and the international development sector's increasing awareness of the importance of climate risk resilience. At the time the Project began, the Insurance Resilience Global Partnership (IRGP) had already been firmly established. The partnership has aimed to increase climate risk insurance coverage by 500 million vulnerable people in the developing world by 2025.

The Caribbean Catastrophe Risk Insurance Facility was launched in 2007. Since that time, by 2022 risk pools had been developed to potentially cover more than 70 countries in Africa, the Caribbean & Central America and the Pacific, for multiple hazards, including the Pacific Catastrophe Risk Insurance Company (PCRIC).<sup>52</sup> WTW drew lessons from these projects in other regions to inform the design of an insurance product for Melanesian countries.

### 3.1.4 WWF and WTW comparative advantage

WWF benefited from having existing programs and a good reputation in the target communities. On the other hand, WWF Pacific personnel in Fiji and PNG encountered an intense challenge of having to rapidly learn completely new concepts related to the insurance sector and apply those concepts to educating stakeholders and liaising with national insurance companies. WTW drew on their experience of project and on-the-ground experience in Fiji and PNG to provide remote technical support but had limited capacity to directly engage sector stakeholders in target countries. Thus, the learning curve for WWF Pacific management and implementation staff was significant.

### 3.1.5 Coherence

This section also considers the project's alignment with WWF and Country priorities.

The Terms of Reference defines "coherence" as "the compatibility of a project intervention with other interventions (particularly policies) in a country, sector or institution." It consists of two components:

- Internal coherence: the extent to which the theory of change, project components, activities, and M&E system are aligned with the project objectives and consider good practices and previous GEF/Non-GEF interventions.
- External coherence: consistency and compatibility of the project interventions among other activities and strategies implemented in the project country, plus compatibility with targeted sectors, institutions and other organizations to review the synergies and trade-offs involved in the project.

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<sup>49</sup> Year 2 Project Implementation Report

<sup>50</sup> Manager, Climate and Eco Finance, Fiji Development Bank.

<sup>51</sup> See the Sustainability section.

<sup>52</sup> Project Document, pages 13-14.

## Internal Coherence

The Project objective was “to improve the resilience of vulnerable coastal communities to the adverse impacts of climate change, including major shock events, in Fiji and PNG.”

In summary, the proposed Theory of Change was that if a suitable insurance product could be found and the capacity to sustainably manage the product and finance premiums could be developed then communities would receive reliable funding to help them recover quickly from major climate shock events and would be incentivized to look after the natural environment on which their livelihoods depend.

Responses from WWF informants in Fiji indicate that the Theory of Change aligns well with the Project objective and that this objective supports WWF’s broader objectives in the Pacific. Through other projects in Fiji (the GEF-funded Coral Reef Rescue, and the GCF-funded Coral Reef Resilience Program (CRRP)), WWF has been supporting the target communities to protect and replant mangroves and protect their marine and land environment. The project also encouraged communities to become more self-reliant. Without any financial protection, after natural disasters strike, communities can be forced to exploit their resources to survive, regardless of long-term environmental sustainability. They may also be forced to rely more on short-term external assistance, including from the government. Prompt insurance payouts would reduce the need for short-term over-exploitation or for government assistance.

The Project design was also in line with WWF’s mission through its aim to build incentives for good environmental stewardship into the design of the insurance product it developed and introduced.<sup>53</sup>

## External Coherence

The evaluation found that, in **Fiji**, the project’s objectives have a degree of coherence with parallel initiatives of the MECC and FDB in particular, both of which were developing disaster-responsive financial risk mitigation strategies for vulnerable communities. In PNG, at community level, the project had a degree of coherence with other NGO initiatives focused on climate resilience and financial literacy, but neither national nor provincial government agencies were pursuing any programs that this project could collaborate with or strengthen.

In Fiji, The MECC was in the process of preparing a Disaster Risk Financial Policy at the time of the evaluation which may give more clarity to future pursuit of parametric insurance for climate protection. Thus, while it did not have departmental staff positioned to engage in parametric insurance, the project was timely to inform MECC exploration of financial risk mitigation option<sup>54</sup>. MECC informants referred to their interest in lessons from this project in parallel with a parametric insurance product developed by UNCDF. The informant also proposed that the achievements of this project be incorporated into supporting and expanding UNCDF’s existing insurance product.

For Fiji’s FDB, “derisking” for vulnerable communities is one of the bank’s assigned roles. A Bank representative explained that “insurance is part of [the Bank’s] pipeline to be developed.” They have closely followed lessons from this project as well as UNCDF’s and are actively considering pursuing other climate finance (such as the GCF) to “scale-up what WWF has tried.”

The Project took place when the UNCDF was already piloting a parametric insurance program for small scale farmers. Compared to the Project’s community-wide parametric insurance model, the UNCDF initiative was narrower in scope, with policies, premiums, and payouts targeted at individual households and on a smaller scale.

In **PNG**, the project appears to have reasonable coherence at community level with other initiatives related to financial literacy and VSLAs. WWF and the Madang Provincial Division of Commerce have worked together on financial literacy training. Project implementers in PNG considered VSLAs to be the appropriate gateway

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<sup>53</sup> Project Document pages 31-33.

<sup>54</sup> See Relevance/Consistency with development priorities and organizational policies

associations for developing insurance products, since these were already registered with the PNG government's Investment Promotion Authority.<sup>55</sup>

The PNG project also had some level of coherence with climate resilience initiatives of other NGOs working in some of the targeted villages in Madang. Binatang conducts awareness activities on climate change, reforestation and ecological biodiversity. World Vision also works to raise awareness on climate change, as well as other activities related to the Project objectives, such as financial literacy training and supporting VSLAs. Project implementers also contacted national NGO, CEFI: the Centre for Excellence in Financial Inclusion, to discuss incorporating topics on insurance into CEFI's training modules and share research outcomes of the project in PNG communities. It is unclear to what extent CEFI made use of these exchanges.

At Madang provincial level, the provincial representative reported that the government at this level does not have any insurance related initiatives, so could not identify any coherence, except in relation to the potential for insurance to align to the provincial government's priority sectors for development being fisheries, agriculture and small-to-medium-sized enterprise (SME) development.<sup>56</sup> Representatives of the PNG Commerce & Tourism Division also qualified that, for them, that government's main priority is to nurture small and medium enterprises more than individual fisher households.

Internationally, as cited earlier, this project took place at a time when pooled risk insurance initiatives are being developed or launched in more than 70 countries in Africa, the Caribbean & Central America and the Pacific, for multiple hazards. In the Pacific, these include UNCDF-led Pacific Insurance and Climate Adaptation Programme<sup>57</sup>, the Pacific Catastrophe Risk Insurance Company (PCRIC), UNCDF's, and to a lesser extent, the G7 government-to-government 'Global Shield' initiative.

### 3.1.6 Project Governance and management arrangements

The Project was managed and implemented by three organizations:

- WWF GEF Agency: GEF Implementing Agency
- WTW: Executing Agency, containing the Project Management Unit (PMU)
- WWF Pacific: Executing Partner, national implementing office

As shown by Figure 4<sup>58</sup>, WWF GEF Agency received the funds from the GEF Trust Fund and was responsible for reporting to the donor. It disbursed funds to WTW and to WWF Pacific. WTW's PMU was responsible for the day-to-day management of the project, for providing technical support on insurance products and financial capacity building, and for leading the production of all technical reports. WWF Pacific carried out project activities in the target communities. It was managed by a Project Director, based in Fiji, who managed Project Coordinators in each country.

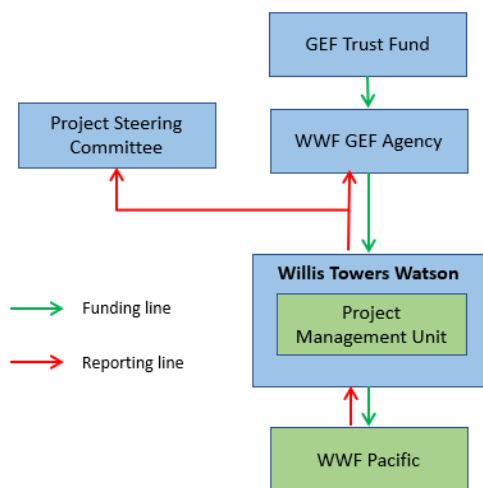
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<sup>55</sup> Men's FGD, Bogia District.

<sup>56</sup> Commerce and Tourism Division, Madang Province

<sup>57</sup> PCRIC is implementing in Fiji, Papua New Guinea, Samoa, Tonga, and Vanuatu. See <https://www.uncdf.org/article/8674/scaling-parametric-insurance-in-pacific-small-island-developing-states-through-meso-level-solutions>

<sup>58</sup> Taken from Project Document, Figure 4.



Each country’s operations were also intended to be guided by Project Steering Committees (PSCs), consisting of representatives of relevant government officials and private sector organizations. WWF Pacific recruited, trained, and called on Community Facilitators based in the target communities to facilitate most of the consultation and awareness activities in the target communities.

Bi-annual progress reports were written by key Project staff at WTW with input from WWF Pacific and then submitted to the WWF GEF Agency.

Figure 4 - Project accountability and reporting structure.

### 3.1.7 Country ownership

Country-level governance in the Project was predominantly through the PSCs, whose position within the project’s management structure is shown in Figure 4. In Fiji, the PSC model catalyzed moderate success in nurturing country buy-in, but not so in PNG, where external political pressures in the country and staff changes in WWF PNG made ongoing engagement difficult.

Informants cited that, initially, the project formed a single two-country PSC. Participants found that, due to the very different country contexts, this did not work, and project implementers adapted by splitting to have one PSC per country. Fiji members expressed that this was appreciated and far more efficient – due both to the improved focus and their ability to meet face-to-face instead of online.

Fiji’s PSC consisted of the Fiji Locally Managed Marine Area Network (FLMMA), FDB, MECC, Ministry of Fisheries & Forests, and Ministry of Economy (prior to shifting its climate change division to the MECC). In the final year, the Ministry for ITaukei Affairs (MIA) became an observer. The PSC in Fiji initially met once per quarter and was particularly active in the early stages of the project. Meetings became less frequent as implementation proceeded and were later held when there was an important matter to discuss and/or when the technical specialists from WTW were visiting Fiji. The PSC’s ability to make a meaningful contribution was hindered by changes to both the government structure and the absence or rotation of personnel representing member agencies. Thus, it was difficult for it to build up continuity and connections with the project for it to be able to make decisions which affected the project’s direction.<sup>59</sup> A PSC member also posited that a lack of progress reminders and updates between meetings meant project issues were not “*fresh in people’s minds,*” by the time the next meeting came around.

The Fiji PSC did not include the regulator of insurance companies – which is a regulatory body that sits within the Reserve Bank of Fiji. This body would be an appropriate addition to any similar future insurance-related projects.

By the end of the project, the PSC in Fiji had secured a relatively willing, potential policy holder in the Ministry of ITaukei Affairs, but had no natural champion among government ministries to continue to drive momentum of project achievements to fulfilment. The project also did not achieve a national insurance company willing to adopt the policy. If assessed by the responses from the MECC representatives, the Fijian government saw value in what the project had done and was satisfied that it had helped to progress the cause of establishing

<sup>59</sup> Principal Climate Finance Officer, MECC.

a suitable insurance program for small scale fishers and farmers. But the government has broader objectives than the Project. It is ready to “own” whichever program is the most suitable and has the best chance of long-term survival, whether it originates from WWF, UNCDF or elsewhere.

Membership of the PNG PSC included the National Fisheries Authority- Coastal Fisheries Division, Conservation & Environmental Protection Authority (CEPA), Climate Change Development Authority, and Department of Finance. The full PSC in PNG met once early in the Project. Former participants posited that it ceased to function when follow-up by WWF reduced. Other stakeholders asserted that government capacity in PNG and willingness to drive an innovative insurance product was low. Their assessment related to both ministry capacities, as well as the highly unstable nature of national governance in the early years of the project. Thus, while WWF PNG continued to hold the PSC meetings after the first year, attendance was very low for the remainder of the project.

### 3.1.8 Relevance and effectiveness of the project’s M&E design

The project’s core indicators and targets established at design bore little relevance to the actual requirements of the project and its contexts. Core indicators were constructed under the incorrect expectation that the project would achieve an insurance product early in its lifetime and progress to roll-out of the product. What’s more, Results framework targets were unrealistic to:

- The size of populations of target communities
- The potential pace of roll-out
- Context of geographic coverage

Consequently, reporting against these core indicators understated the progress of the project and undermined morale of implementing staff.

**The Project’s Results Framework** (presented in Table 5 in the following report section) was the heart of the project’s M&E design. It consisted of four GEF core indicators intended to measure the Project objective, no measurement at Component level, and one to three indicators to measure each of the outcomes within the three components. There were three intended outcomes within Components 1, two within Component 2 and one within Component 3.

**Core indicators** were not fully relevant measures of the Project objective. In practice, the Project’s design was to establish, or at least pilot, a community-level insurance product in the target communities. The number of people participating in the Project was secondary to being able to get a pilot insurance underway because any pilot could be used as a proof of concept, which would have far reaching benefits to communities throughout Fiji and potentially beyond. A more relevant measure of the Project’s objective would have been the indicators used for outcomes 2.1 and 2.2, which used rating scales to measure the degree of progress with an insurance program design and premium financing respectively.

**Core indicator targets** in the Results Framework were set too high relative to the size of populations of target communities, the potential pace of roll-out, and feasibility of geographic coverage measurement. Consequently, reporting against the core indicator targets understates the progress of the project and undermined morale of implementing staff. The target for beneficiaries for Core Indicators 1 and 4, was set at of 7,500 women and men, plus a target of 20,000 hectares managed were identified as unrealistic for a project that is firstly a research project and secondly, engaged with small remote populations.

The Fijian target district of Tavua has a total population of 23,269 and Macuata: 9,346. Therefore, to achieve the target population coverage, within its three-year lifecycle, the project would have needed to research, document, negotiate, and launch a product, and then achieve immediate coverage of around a quarter or the entire districts’ populations.

According to the WWF GEF team informants, the high targets came about, partly due to barriers to testing assumptions via community consultations due to COVID-19 travel restrictions, combined with an expectation

of greater engagement and coverage across Madang province PNG than what eventuated, and GEF Secretariat expectations of high targets to justify the Challenge Program model. Once the WWF GEF Agency had further developed their design phase assessment, they applied for a reduction in the targets at CEO Endorsement phase, but the request was not approved by the GEF review. The annual progress report for Year 1 (April 30, 2023) also acknowledged stated that “the project development rating has suffered due to the number of target beneficiaries in GEF CCA Core Indicator 1 and 4” and then “consideration [is needed] towards the number of beneficiaries and whether there is an opportunity to review these numbers in the M&E Framework. Since such a revision would have been designated as a “major” design modification, it was deemed unattainable.

Project personnel at all levels highlighted that these unrealistic targets initially distracted managers and implementers from what the project was endeavoring to achieve. They also noted that the high targets negatively impacted the motivation of field staff, given that they could not hope to reach the targets regardless of how effective they were. Stakeholders indicated that the combination of GEF review feedback pressing for higher than realistic indicator targets and the GEF Secretariat not permitting a revision of indicators once implementation verified their unviability caused a minor form of moral injury to project personnel<sup>60</sup> by compelling them to pursue and be accountable for project outcomes that were knowingly unachievable.

In contrast to the core indicators, the **indicators linked to individual components** much better represented the incremental progress of the project – especially in relation to Component 2, to research and develop a financial/insurance solution. These indicators and results are presented on the following page, under ‘Assessment of Project Performance’.

Despite shortcomings in the Results Framework, the M&E system’s reporting and consultation elements were an asset that enabled ongoing adaptive management of implementation. This topic is elaborated in detail under this report’s ‘Efficiency’ section.

## 3.2 Project Implementation

### 3.2.1 Assessment of Project Performance

#### Overview

The Project’s performance is assessed in terms of its effectiveness and impact – especially against the project’s own higher-level objectives and indicators. Effectiveness is defined in the Terms of Reference as “the extent to which the outputs, outcomes and project objectives have been or are likely to be achieved, taking into account their relative importance.” Project achievements against the objective and outcome indicators will be assessed in turn and the factors which have facilitated or impeded this achievement will be analysed.

Assessing project effectiveness for each outcome will assist with an assessment of impact, which the Terms of Reference defines as “a measure of the broader consequences of the intervention at different levels.” This includes unintended positive and negative effects, the validity of the Theory of Change and the potential to scale up or replicate project outcomes and impact.

The project’s Results Framework contains the full list of indicators for objective and outcome levels, along with end-of-project targets for each indicator, established at project approval. At the time of evaluation, results against each indicator are based on information from progress and field trip reports, interviews with Project employees, and the year 1 results included in the Results Framework.

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<sup>60</sup> ‘Moral injury’ refers to compelling participation in an act that “violates assumptions and beliefs about right and wrong.” Litz BT, Stein N, Delaney E, Lebowitz L, Nash WP, Silva C, Maguen S. Moral injury and moral repair in war veterans: A preliminary model and intervention strategy. *Clinical Psychology Review*. 2009;29(8):695–706. doi: 10.1016/j.cpr.2009.07.003. at <https://pubmed.ncbi.nlm.nih.gov/19683376/>

Table 5 - Summary of Project achievements against targets

Logframe statement	Indicators	Target	Achieved
<b>Objective: To improve resilience to the adverse impacts of climate change, including major shock events, in vulnerable coastal small-scale fisher communities in Fiji and PNG.</b>	Total number of direct beneficiaries	7,500	Estimated at 182
	Total number of policies/plans that will mainstream climate resilience.	0	0
	Area of land managed for climate resilience (hectares).	20,000 hectares	0
	Total number of people trained through the project.	7,500	Estimated at 182
<b>Component 1: Enabling environment for financial products to improve resilience for small-scale fisher communities in Tavua District and Qoliqoli Cokovata in Fiji and Madang Province in PNG.</b>			
<b>Outcome 1.1:</b> Climate risks, coverage priorities, and risk pooling options identified.	Number of climate risk and vulnerability assessments conducted for target sites.	3	3
<b>Outcome 1.2:</b> Improved financial literacy to engage with financial products for climate resilience among coastal community members.	Percentage of people with improved financial literacy to engage with project-supported financial products.	60% of financial literacy training participants	No data available
	Conditions in place for insurers to underwrite project-developed insurance products.	2 underwriting methodologies 1 final retrocession readiness	2 draft underwriting methodologies (1 for wind 1 for rain). No retrocession readiness.
	Conditions in place for insurers to distribute and administer project-developed financial products.	18 (1 per community)	At least 10 <sup>61</sup>
<b>Outcome 1.3:</b> Markets developed in the target geographies to provide financial products for community level climate resilience and adaptation.	Number of insurance markets ready to distribute the product of proposed insurance program.	1 market ready	No market ready
	<b>Component 2: Financial products and incentives for coastal communities</b>		
<b>Outcome 2.1:</b> Insurance program(s) underpinning improved financial resilience to climate shock events for three target communities.	Number of financial instruments to enhance climate resilience developed.	3	3 (designed but not deployed)
	Level of progress for insurance program design.	4 components of insurance design completed, including pricing analysis for 3 sites	4 completed for Fiji (2 sites) 2 components completed for PNG (1 site)
	Number of community members benefitting from project-developed insurance products.	No target	No community members benefitting

<sup>61</sup> This figure is taken from the completed Results Framework at the bottom of the Year 2 PIR. It is not independently verified by the evaluation.

<b>Outcome 2.2:</b> Premium financing identified, and mobilization pursued.	Level of premium financing identified and mobilized.	4 (maximum of 5 levels)	3 (= premium financers express support)
<b>Component 3: Knowledge Management and Monitoring &amp; Evaluation</b>			
<b>Outcome 3.1:</b> Effective project communications, knowledge management and adaptive management.	Percentage of Monitoring and Evaluation Plan implemented in a timely manner.	100%	Less than 100% but no clear percentage (see narrative below)
	Percentage of communications and knowledge management plan implemented.	100%	Less than 100% but no clear percentage (see narrative below)

### 3.2.2 Assessment of performance per outcome

Overall, the evaluation rates the project's outcomes as moderately successful. Table 6 presents a summary of assessments and justification per evaluation criterion. This table is followed by an assessment of results against the project's Objective/core-level indicators and Component Outcome-level indicators.

Definitions of GEF's rating scale are provided in Annex H.

Table 6 - Summary table of project performance against evaluation criteria

Overall Assessment of Project Outcomes	Justification
<p>Were project outcomes <b>Relevant</b> when compared to focal area/operational program strategies, country priorities, beneficiary needs, mandates of WWF GEF and partners, and WWF priorities?</p> <p><b>Implementation rating:</b> Moderately satisfactory</p>	<p>The need to support the target communities to improve their resilience to climate-related disasters was highly relevant and supported by both governments and the communities themselves.</p> <p>Early in the project, the type of insurance program being developed was found to be less suitable to villages in Madang, PNG. No alternative climate risk management alternatives were developed in its place. The proposed insurance program was more relevant in Fiji but the time frame of the project undermined potential to procure the support needed for it to be piloted by project close.</p>
<p>Is the project <b>Coherent</b> or compatible with / supported by other relevant projects and programs in the recipient country or countries? Does the project have alignment among the theory of change, governance structure, activities and M&amp;E system? Is there alignment with GEF policies, guidelines and is there integration of lessons from similar projects?</p> <p><b>Implementation rating: Satisfactory</b></p>	<p>The Theory of Change aligns with the project objective, governance structure, and M&amp;E system, as well as WWF's WTW's and GEF's respective mandates. The design and execution ensured coherence with government ministry objectives, especially in Fiji, and some dialogue with other multilateral actors engaged in similar pursuits - such as UNCDF and Global Shield. Dialogue with government, multilateral, and insurance sector actors were compromised by insufficient presence of in-country insurance sector expertise.</p>
<p>What is the <b>Effectiveness</b> of project outcomes (e.g. were ex-ante targets met)? Did the project make the expected contributions to global environmental benefits? Were there unintended consequences of the project that added to or negated project benefits?</p> <p><b>Implementation rating:</b> Moderately satisfactory</p>	<p>The Project created research and guidance documentation to inform the creation and deployment of a community-and-ecosystem-focused parametric insurance product, and helped to raise community, government, and stakeholder awareness and skills on climate change, financial literacy and insurance in Fiji. The intent of piloting an ex-ante parametric insurance program in both countries was not met. Nevertheless, the Project succeeded in laying some of the groundwork for such a program to be piloted in Fiji in the future and helped partnered communities to be more aware about insurance, financial literacy and climate-related disaster resilience. It did not achieve a similar result in Papua New Guinea where the non-viability of the identified insurance model</p>

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discouraged ongoing engagement among communities and government stakeholders.

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What is the **Cost-efficiency** of project outcomes?

How does the project cost/time versus output/outcomes equation compare to that of a similar project?

**Implementation rating:** Highly satisfactory.

Despite some shortcomings against its core indicator targets, the project has accomplished significant results relative to its budget of little over US\$ 1 million over two countries, over three years. The innovative research and preparation of an enabling environment for climate-resilience parametric insurance represents very high value for money against this budget.

The project design forecast over US\$ 7 million in co-financing, which was realized over the course of implementation. Project management kept progress against workplans and expenditure against budget on track throughout the three-year implementation period.

A shortcoming in the budget design was to allocate insufficient funding to management and execution of activities in partnered countries, requiring the majority of project management and implementation in Fiji to be uncosted to the project. Furthermore, the nature of combining a research project with a community implementation project to research and assess feasibility of a new concept is not comparable to a 'conventional' climate resilience or livelihoods project value-for-money proposition. The evaluation found no evidence to suggest that funding for any component was used inefficiently.

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### Overall Rating of Project Outcomes

Using the above criteria, please provide an **overall rating** for the achievement of the Project outcomes. This assessment should analyze both the achievement and shortcomings of these results as stated in the project document.

**Implementation rating:** Satisfactory

### Justification

Considering Pacific Island communities' vulnerability to climate-related hazards, the project design's relevance is evident. Yet, its identified solution is applicable to just one of the two targeted countries. The design and execution ensured sufficient coherence with government ministry objectives, especially in Fiji, and knowledge-exchange with other multilateral actors engaged in similar pursuits. The project's research, plus consultations with government, multilateral, and insurance sector actors laid groundwork to potentially inform a pilot deployment of an insurance product in Fiji by WWF, WTW, or another entity adopting the project's research. Ultimately, the project did not secure premium financing or a policy holder and did not finalize mechanisms for premium payments or post-hazards pay-outs for households or ecosystem protection. Little progress was made in Papua New Guinea due to community residents and government stakeholders not being ready for the preferred model. These results in PNG brought down the overall rating. Nevertheless, against the very modest budget of little over \$1 million, overall results represent high value for money.

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## **Project Objective<sup>62</sup>: To improve resilience to the adverse impacts of climate change, including major shock events, in vulnerable coastal small-scale fisher communities in Fiji and PNG**

As described in more detail under Components 1 and 2 below, the project had successfully educated partnered communities in Fiji to a point of being ready to mobilize around insurance for climate-related shocks, and had finalized the research, documentation, and much of the stakeholder preparation to do so. However, the project ended before it could deploy its primary vehicle for improving community resilience to adverse impacts of climate change: a community-based parametric insurance product. Therefore, in relation to establishing the knowledge and enabling environment to enhance financial risk protection for Pasifiki coastal communities, the project has accomplished much, consistent with the GEF Challenge Program's focus on innovation, climate adaptation, and private sector engagement.

In relation to accomplishing its ambitiously high population coverage targets at Objective level, project results are comparatively modest. Without the deployment of a community-wide insurance scheme, beneficiary coverage was limited to community members trained in insurance awareness and financial literacy, and national institutional stakeholders whose knowledge of the purpose and mechanisms of parametric insurance for climate-related hazards.

However, the absence of headline results should not mask the significant research this project achieved to inform potential future (post-project) development of parametric insurance products, and the education of national government stakeholders around its relevance and potential. Such outcomes are consistent with the intent of the GEF Challenge Program for Adaptation Innovation, even if not well captured by the core indicators.

Objective-level results were measured via four GEF CCA Core Indicators. End-of-project results per core indicator are as follows.

### **Indicator 1: Total number of direct beneficiaries**

**Target:** 7,500

**Achieved:** Estimated at 170

According to the Results Framework, direct beneficiaries of this project were defined as anyone "who accesses insurance risk products or participates in project-funded training." At the time of project closure, nobody had accessed insurance risk products so only training participants were counted.

The Results Framework completed at the end of year 1 records 97 beneficiaries: 33 males and 64 females. The October 2024 progress report recorded 73 training participants, 27 males and 46 females, in training which had occurred up to March 2024. The total number of recorded beneficiaries is therefore at 182, of whom, 65% were female.

The project's approach was for WWF-trained Community Facilitators to on-train a wider number of community members. Whilst validated as an effective and culturally sensitive method (see Section 3.4, Stakeholder Engagement), in practice, cascade training achieved only modest success, due to the following barriers:

1. The lack of viability of an ex-ante climate risk financing product in PNG resulted in implementation reducing and then ceasing.
2. In Fiji, the lack of insurance product to mobilise people around.
3. The project's Trainer-of-Trainer packages explaining parametric insurance were initially difficult for CFs and WWF Pacific staff did not communicate parametric insurance well initially, leaving staff and CFs confused. Ultimately, collaboration between WWF Pacific and WTW resolved this with more contextualized language and explanations.

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<sup>62</sup> This statement and all the component and outcome statements are taken from the Results Framework.

4. The absence of an insurance product provided no focus for CFs to mobilise community members around, which reduced CF motivation and community members’ interest.

Project reporting indicates community-level training took place approximately once per year per location. Project records mainly recorded training for Community Facilitators but did not record attendance numbers usually not for community members trained by the CFs. Therefore, total numbers of community members trained is likely to be higher than reported. Yet, in the absence of records, the total can only be speculated.

The progress reports presented in Table 7 gave a further indication of the training events that occurred.

Table 7 - Summary of reported training events

Reporting period	Training description
March – September 2022	A training manual was drafted but no training activities took place.
1 April 2022 – 31 March 2023	48 Community Facilitators trained from 8 villages in Tavua, Fiji. A three-day training workshop was held with 12 community representatives (equal gender split) in Madang, Papua New Guinea.
1 April 2023 – 31 March 2024	Insurance concept workshops were held in Tavua and Nadogo, Fiji. Refresher financial literacy training sessions were held in Fiji in May 2023 (with follow up workshops in June and August 2023) and PNG, in May 2023. The number of participants was not recorded and it’s unclear whether participants were community members or Community Facilitators.
May – October 2024	In Fiji, Community facilitator training was planned for November 2024. No further training was being conducted but the 73 training participants from a previous reporting period (described above) were recorded. This report recorded “a large gap in the expected number of men and women trained in the last reporting period. In PNG, this has triggered the discussion of utilizing CEFI to boost beneficiary numbers (without double-counting) and in Fiji, more training will take place.”

## Indicator 2: Total number of policies/plans that will mainstream climate resilience

**Target:** Zero

**Achieved:** Zero

This indicator was not included in the Results Framework but was included in the Project Document (page 55). A target of Zero was set in that document but if it is assumed that the relevant policies/plans relate to the development of at least one parametric insurance product then it could be assumed that the target should have been more than zero.

No such insurance product or associated policy had been developed by the end of the Project, so the achievement is recorded as zero.

## Indicator 3: Area of land managed for climate resilience (hectares)

**Target:** Project Document – Zero. Results Framework - 20,000 hectares

**Achieved:** Zero

There are three key reasons why this target did not record progress:

- a) An unrealistic target due to the factors described in the ‘Analysis of M&E design’ section (pages 27-28).

- b) Due to the evolution of the Project design and resulting uncertainty about the target beneficiaries, Project operations were mainly directed at fishing households. The reference to ‘coastal communities’ as opposed to ‘fishers’ in the final design meant that households’ lands could also potentially be covered by the proposed insurance product in addition to mangrove zones. However, a process for measuring total geographic areas “managed for climate resilience” would not become necessary unless such lands were actively protected by an insurance product or were actively regenerated - which was not an activity of the project.
- c) “Managed for climate resilience” is defined in the Results Framework as “land incentivized for environmental stewardship due to insurance products; area covered by insurance products.” Regardless of the target communities, the Project has not yet been able to establish an insurance product which incentivizes environmental stewardship of the land.

WWF GEF further acknowledged this in its Back to Office report written in November 2022.

*This indicator will be very difficult to achieve and is dependent on the team identifying short-term premium financing to roll out the insurance product on a ‘proof of concept’ basis. The risk of underachieving was identified to the GEF Secretariat during CEO Endorsement but could not be lowered from the PIF commitment.*

#### **Indicator 4: Total number of people trained through the project**

**Target:** 7,500

**Achieved:** At least 170

Both the target and achieved for this indicator are almost the same as for Indicator 1 due to the way Indicator 1 was defined (see page 29.). The achieved figure recorded in the Year 2 Results Framework is slightly lower than for Indicator 1 (25 compared to 33) so the overall maximum figure achieved by the end of Year 2 is also slightly lower: 122. No figures are available for Year 3.

Fishers in Tavua described how the process for inviting people to the training affected attendance. If this situation was replicated in other villages, then it was one of the factors behind the target not being achieved.

*We acknowledge that [the Community Facilitators] did education here after the workshop. Only a few came to those meetings, and it was not clear. But they carried through with it. At times when representatives are picked from the village and taken to different workshops, they often do not bring back and share what they have learned. There can be a break in information from what they learn and what they share here.*

*[The cause of the disconnect] is internal here in the village. The two facilitators carried out what they were meant to. It is the process from them to the headman and the headman is supposed to bring everyone together in the hall. They did their job, but the village people did not come in numbers or maybe the headman was not clear on the message that people needed to come together. (Tavua Fishers)*

### **Component 1: Enabling environment for financial products to improve resilience for small-scale fisher communities in Tavua District and Qoliqoli Cokovata in Fiji and Madang Province in PNG**

#### **Outcome 1.1. Climate risks, coverage priorities, and risk pooling options identified**

##### **Indicator 1: Number of climate risk and vulnerability assessments conducted for target sites**

**Target:** 3

**Achieved:** 3

Climate risk and vulnerability assessment is defined in the Results Framework as “risk analytics / pay-out structure (in insurance terms).”

Three rapid baseline reports were completed prior to the commencement of Project implementation. The unusually brief reports provided basic but useful qualitative assessments of community members’ climate risk and vulnerability.

Additionally, the Year 1 progress report, covering the period from 1 April 2022 to 31 March 2023 contains an Insurance Market Assessment and Climate Risk Review for both Fiji and Papua New Guinea.

## **Outcome 1.2. Improved financial literacy to engage with financial products for climate resilience among coastal community members**

### **Indicator 1: Percentage of people with improved financial literacy to engage with project-supported financial products**

**Target:** 60% of financial literacy training participants

**Achieved:** No data available.

This indicator was intended to be based on scorecards in pre- and post-tests, handed to participants immediately before and after training. No record of such tests is available, and no mention was made of them in any of the available progress reports.

Qualitative consultations with CFs, community leaders and community members revealed that, several circumstances constrained initial progress, and project learning and adaptation enabled strong awareness about parametric insurance was widespread, especially in Fiji, by the end of the project. This knowledge drove community-level demand for it to commence. However, the project was constrained in its intent to mainstream promotion and adoption of practical financial management skills.

Feedback to the in-person financial literacy training was very good and used learning materials from the Red Cross which had proven successful in the region. However, the training was hampered by a combination of internal and external factors. Early in the project, WWF personnel and communities struggled to make sense of the insurance concepts, not having previous experience and knowledge to build upon. In Papua New Guinea roll-out of training experience additional challenges. Staff changes also disrupted plans to roll-out the course and an earthquake in Madang severely impaired connectivity there for some time. WTW plans to travel to PNG, partly to support local staff with training, had to be cancelled due to political instability. WWF Pacific informants described how they listened, learned, and continued to evolve training to improve how the concepts were communicated. The evaluation found that, by the end of the project, community informants in both countries expressed confident knowledge in the parametric insurance concepts, evidencing that the project overcame these initial barriers and was successful in raising community understanding and interest.

A helpful lesson in relation to this intended outcome is that the initial training did not initially build on concepts contained in Melanesian community financial literacy training tools used by WWF Pacific and other agencies active in nearby communities. Adapting existing tools instead of developing a completely new package may have enabled faster comprehension in partnered communities.

## **Outcome 1.3: Markets developed in the target geographies to provide financial products for community level climate resilience and adaptation**

With some guidance from WTW, the WWF Pacific project personnel were active in contacting and raising awareness of the project’s objectives among private national insurance companies. However, at the time of evaluation, this study found no evidence of national insurance companies nor international underwriters willing to pursue a parametric insurance product and no final decisions had been made on the premium contribution per community member in any of the target communities by the time the Project concluded.

## **Indicator 1: Conditions in place for local insurers to underwrite project-developed insurance products**

**Target:** 2 underwriting methodologies. 1 final retrocession readiness

**Achieved:** 2 draft underwriting methodologies (1 for wind 1 for rain). No retrocession readiness.

“Conditions in place” is defined in the Results Framework as local insurers:

1. Knowing the underwriting methodology (how to price)
2. Having attained retrocession readiness. In other words, having a mechanism in place to transfer the risk to international insurers.

The Project contacted several local insurance companies in Fiji to discuss the alternatives for developing parametric insurance in the target communities with the support of international underwriters. The term “local” was removed from the indicator at the end of Year 2 and in the latter stages the Project connected with international organizations involved in developing insurance programs, especially UNCDF.

Insurance Concept Workshops were carried out during Year 2 to discover the contribution to insurance premiums that communities were willing to make per year. The price points for each target area were as follows:

- Nadogo – 61 to 80 Fijian dollars (approximately \$US27.00 to \$US36)
- Tavua – 81+ Fijian dollars (At or above approximately \$US36)
- Madang – 600 PNG Kina (\$US145)

These figures are substantially lower than the FJD 855 (US\$ 381) price per household per year necessary price per household calculated by WTW’s Technical Product Report<sup>63</sup>. This price gap made clear to the project managers that such a product would need, initially at least, an international institution as the policy holder on behalf of the target population. By the end of the project, much progress has been made to identify potential international underwriters. However, it remains one of the final building blocks to be resolved after the end of the project.

## **Indicator 2: Conditions in place for local insurers to distribute and administer project-developed financial products**

**Target:** 18 (one condition in place per community)

**Achieved:** 10 (according to Year 3 draft Results Framework report)

“Conditions in place” for this indicator were originally defined by fulfilling the following four criteria:

1. Enrolment process
2. Loss calculation methodology (how to verify claims)
3. Claims distribution / pay-out management process
4. Regulatory approval
5. Delineated Geographic Zone to identify area of coverage
6. Policyholder identification

The latter two conditions were added in Year 3’s results framework to better reflect the comprehensive process and were confirmed in the Project Close-out Report.

The Year 3 Results Framework Table reports that conditions are in place for 10 of the 18 target communities. Work has been completed and is applicable to Fiji communities for criterion 2: the loss calculation

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<sup>63</sup> Estimated community-level premium in Nadogo and Tavua of FJD 199,000 each, divided by 233 households in the 10 target villages in Nadogo.

methodology, as described in the Technical Product Reports. Progress was made in relation to criteria 1, 3, 4, 5, and 6, but were not finalized prior to the close of project.

### **Indicator 3: Insurance markets ready to distribute the product of proposed insurance program**

**Target:** 1 market ready

**Achieved:** No markets ready. Draft Year 3 Results Framework report states one market is ready. The evaluation recognizes that Fiji was close at time project closure but cannot be considered 'ready'.

Contacts have been made with local insurance companies, but they are yet able to provide an insurance product. This is still in process and there are hopes to launch a product for Fiji by the end of 2025, but the product has not yet been finalized at the time the project closed, and no agency has been found to help pay the premiums.

## **Component 2: Financial products and incentives for small-scale fisher communities**

### **Outcome 2.1: Insurance program(s) underpinning improved financial resilience to climate shock events for three target communities**

#### **Indicator 1: Number of financial instruments to enhance climate resilience developed**

**Target:** 3

**Achieved:** 3 (designed but not launched)

'Financial instruments' is defined in the Results Framework as "insurance products". However, the term "developed" was not defined and the final achievement depends largely on this definition. WTW's Technical Product Reports for Fiji included the parametric index design, and pay-out structure and pricing for two natural hazards: cyclones and heatwaves. Under this minimalist interpretation, the project recorded the achievement of two Technical Product Reports describing potential insurance products and their viability. However, such aspects of the products as the premium payment mechanism, the pay-out distribution mechanism were not finalized in these reports or elsewhere in the Project. The technical product reports link between the proposed products and enhanced climate resilience is not made explicit. They do, however, conclude that any anthropogenic influence on heatwave impacts in the future contribute to the difficulty in pricing.

#### **Indicator 2: Level of progress for insurance program design**

**Target:** 4 components of insurance design completed, including pricing analysis for 3 sites

**Achieved:** 4 components completed for Fiji. 2 components completed for PNG

The four components of insurance program design set out in the Results Framework are:

- Hazard data identification and collection
- Index design
- Pricing and term sheet
- Insurance structuring

All four of these components are included in the Technical Product Report for Fiji. The equivalent report for PNG included information hazard data identification and collection, and the program index design.

The Technical Product Reports were released on the final day of project lifecycle: 30 May 2025. Consequently, they had not been utilized by any stakeholders by the close of project. Nevertheless, the evaluation team's assessment of the reports concluded they are well researched, articulate the concepts well, justify their conclusions soundly, and provide pragmatic guidance for government and private sector stakeholders to pursue a parametric insurance product in the future.

### **Indicator 3: Number of community members benefitting from project-developed insurance products**

**Target:** No target

**Achieved:** No community members benefitting

To date none of the target communities have benefited from project-developed insurance products. Some community facilitators and community members in PNG spoke about benefiting from the development of Villages Savings and Loans Associations (VSLAs) to help increase their climate resilience but these were predominantly developed with the support of other projects and do not include an insurance component.

### **Outcome 2.2: Premium financing identified, and mobilization pursued**

#### **Indicator 1: Level of premium financing identified and mobilized**

**Target:** 4 (maximum of 5 levels)

**Achieved:** 3

The Results Framework set the following 5 levels to measure Project success with acquiring premium financing:

- 1 = not identified or mobilized
- 2 = premium financiers identified
- 3 = premium financiers express support
- 4 = aggregation methods defined for identified financing
- 5 = premium financing mobilized

When the framework report was written at the end of Year 1,<sup>64</sup> the Project acknowledged that “we cannot guarantee premium financing is mobilized” so the target was set at 4: aggregation methods defined for identified financing. The Project has identified some potential premium financiers as well as learning about the amount that community members were prepared to pay. Fijian government informants cited at least two potential financiers have expressed tentative support for the product or a pilot phase of a new project. However, without a clear financier in mind, it has not been possible to decide on the financing aggregation methods. (level 4 rating).

As reported under Outcome 1.3, the Fijian project and PSC had identified the MIA as a potentially willing policy holder and government informants were confident that funding partners would contribute to cover the initial costs.

### **Component 3: Knowledge Management, and Monitoring and Evaluation**

#### **Outcome 3.1: Effective project communications, knowledge management and adaptive management**

##### **Indicator 1: Percentage of Monitoring and Evaluation Plan implemented in a timely manner**

**Target:** 100%

**Achieved:** Less than 100% but no precise percentage available (see below)

The Results Framework defines “M&E plan implemented” as the “delivery of reporting documents on time (Inception report, PPR, QFR, AWP&B, RF tracking, PCR), annual reflection workshop.” “Timely” was not defined

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<sup>64</sup> The document being used for this report includes “achieved” data for Year 1 so is likely to have been written at the end of Year 1. The framework itself was developed before implementation began.

but standard practice is for reports to be completed either one month or 3 months after the report end of the reporting period so these timeframes will be used to assess the timeliness of reports.

Each of the above reporting documents will be taken in turn.

**Inception Report:** No Inception Report was among the documents provided.

**Project Progress Reports (PPR):** Progress report was expected every six months. The recorded Report Completion Date for all PPRs was within one month of the end of the reporting period.

The template for routine reporting was raised by stakeholders as an impediment. WWF Pacific personnel posited that the narrative reports were complex and the indicators difficult to report against, and the finance template was so large and clumsy that it was slow and difficult to use. WTW personnel expressed difficulties they experienced due to late submission of reports from WWF Pacific and that this affected their ability to complete and submit progress reports on time to WWF's GEF Agency team. WWF Pacific informants, in turn described challenges in the reporting templates, especially in relation to the quarterly financial expense reports, that contributed to delayed reporting.

**Quarterly Financial Reports (QFRs):** Twelve Quarterly Financial Reports were submitted each by WTW and WWF Pacific across the three years, as required. Evaluation research only sighted the two most recent financial reports prior to evaluation, presumably to provide examples and evidence of expenditure to date. Analysis of these two reports interpreted that these represent consistency of reporting throughout the project lifecycle.

Internal informants noted that the quarterly financial acquittal template was complex and so large that often glitched or froze. This made financial reporting for WWF Pacific partners difficult and time-consuming, causing reporting delays.

**Annual Work Plan and Budget (AWP&B):** Informants reported that each of the three Annual Work Plans and Budgets were submitted over the course of a three-year project. These were built on the Budget Overview Table that was included as Appendix 7 of the Project Document.

**Results Framework (RF) tracking:** An updated Results Framework was completed each year. This document has been used as the basis for all the logframe statements and indicators described in this section of the report. Tracking results were not provided for years 2 or 3.

**Project Closeout Report (PCR):** A Project Closeout Report was completed. The report doubled as a Year 3 annual report as the recorded reporting period was April 2024 until March 2025. No Report Completion Date was recorded.

**Terminal evaluation:** The project undertook a competitive application process to select a consultancy firm in September 2024. Collection and analysis of primary and secondary data took place between March and July 2025 to coincide with the completion of project implementation. At design phase, 2.5% of the project budget was reserved for funding the terminal evaluation. As a proportion of a small project budget the funding was insufficient for a terminal evaluation spread over two countries, resulting in the project relying on a significant amount of pro-bono work by the evaluation firm.

## **Indicator 2: Percentage of communications and knowledge management plan implemented**

**Target:** 100%

**Achieved:** Less than 100% but no clear percentage (see below)

The Knowledge Management and Communication section of the Project Document (Appendix 6) described the intended knowledge management and communication products. The completed products are compared against the intended products in Table 8.

Overall, the Project's knowledge management approach followed the incremental approach of knowledge generation. That is to say, consultations and research were undertaken, and resultant knowledge products

were used to inform directions for subsequent research steps. For example, early in the project, climate risk and vulnerability assessments were undertaken in each community. WTW used the resultant baseline climate vulnerability reports to guide which weather and climate hazards were of most significance to partnered communities, which informed their subsequent research into insurance product feasibility.

From Year 2 onwards, internal knowledge products were complemented with the generation of external stakeholder communication products. These were especially relevant to institutional stakeholders to better understand potential benefits and mechanisms of a climate-resilience-focused parametric insurance scheme for targeted countries and partnered communities.

As is predictable under such an incremental knowledge generation approach, the most significant communications products generated by the Project were the final Technical Reports and Operationalization Strategy that WTW handed over to WWF and PSC stakeholders at the conclusion of the project. These provide for potential insurance companies, policy holders, premium financiers, and other stakeholders the assessment of viable climatic hazards for coverage, the actuarial calculations for premiums, and a pathway to deployment of such a product.

As noted throughout the report, with the project ending just as these key knowledge documents were produced, the project has no further resources to ensure the technical reports and operationalization strategy make their way into the hands of institutions best positioned to make use of them. Thus, the benefit of these products is heavily reliant on WWF and WTW continuing to promote and share them with non-project means.

A minor gap in the knowledge management approach was raised by CFs in PNG. These CFs cited that the communication media they were provided to train community members were not sufficiently diverse of engaging to sustain the interest of community members.

Table 8 - Knowledge and communication products

Intended Products <sup>65</sup>	Completed Products
<b>Monitoring and evaluation reports</b>	
6-monthly Project Progress Reports	Partial. Two of three six-monthly progress reports were provided. April to October 2023 was missing.
Annual Results Framework	Achieved. Three annual reports filed, plus Project Close-out Report.
Results of Annual Adaptive Management meetings recorded in Years 1 and 2	Indeterminate. No minutes of meetings provided.
Reflection meeting at project close	Achieved. Informants described a final presentation meeting by WTW and WWF Pacific in Fiji.
Terminal Evaluation	This report.
<b>Knowledge and Communication products</b>	
<b>Year 1</b>	
Climate risk and vulnerability assessments per community	Completed for all communities.
Report on survey results per community	Reports on survey results were embedded in the Year 1 progress report.

<sup>65</sup> Extracted from Appendix 6 of the Project Document.

Training manual for community facilitators and community members to engage with project-developed financial products.	No training manual was provided but the Year 1 Project Progress Report (PPR) stated that WTW had created a financial literacy training course which had already been used to teach community members.  The Year 1 report also describes Train the Trainer courses to Community Facilitators to help them explain Index Insurance to community members.
<b>Year 2</b>	
Insurance roll-out plan for local insurers	The Project Closeout Report refers to a roll-out strategy within an Operationalization Report.
Insurance market and analytics packet	According to the Project Closeout Report, the same Operationalization Report also includes a “market-ready documents such as a term sheet or marketing deck.”
Long-term ex ante financing strategy	An ex-ante financing strategy was not provided.
<b>Year 3</b>	
Financial products and program design	Willis Towers Watson produced: <ul style="list-style-type: none"> <li>• Two-page document titled ‘Fiji Fishing Community Tropical Cyclone</li> <li>• Parametric Insurance Programme Overview.</li> <li>• Technical Product Report per country</li> </ul>
<b>Communication product development and sharing</b>	
Formal, publicly available communications products	According to the Year 1 Project Implementation Report (PIR), the Project published the survey results for both countries, the Grievance Redress Mechanism and an educational project brochure. All these documents were publicly available. According to the Year 2 PIR, several other communications documents were available on the Project website, but no titles were provided in the PIR.
A public-facing website, hosted by WTW	Such a website operated during Project implementation.
Climate risk and vulnerability assessments	Desktop Climate Risk Reviews were included as appendices in the Year 1 Project Progress Report.
Training manuals on financial products	The Year 1 report states that a training manual was drafted.
Communications products to Fiji and Papua New Guinea governments	WTW developed a policyholder guidance document outlining the role and responsibilities of the policyholder. This was shared with WWF Pacific.
The PMU will coordinate and share information as relevant to support up-scaling of project-developed financial products	Project staff communicated with the managers of other insurance products, including UNCDF.

### 3.2.3 Sustainability

The Terms of Reference defined sustainability as “the likely ability of an intervention to continue to deliver benefits, progress and impact after external support has ended; plus, resiliency of project benefits.”

The evaluation’s assessment of project sustainability is rated in Table 9. The probability rating for each factor/risk refers to the likelihood of contributing to sustainability. See Annex H for more details.

Table 9 - Summary assessment of the project's sustainability against GEF-defined risk factors.

**Assessment of Risks to Sustainability of Project Outcomes**  
*(taking into account probability and magnitude of their effect/severity)*

**Financial Risks**

Finance is the most severe risk to sustainability. The amount that target communities are prepared to pay for insurance is well below the per-household cost to cover the community-level parametric insurance program proposed by the Project. Therefore, external financial support is needed to pay for premiums but that has not been obtained to date. Potential premium financiers indicated that they may be prepared to pay for one year of insurance to launch a pilot but not commit to ongoing financing. Yet, a successful pilot deployment would improve the likelihood of new finance following. In addition to the uncertainty of the product reaching a pilot deployment, the inability of communities to finance their own premiums and the uncertainty of external coverage or subsidization renders the long-term sustainability of the concept uncertain.

**Probability:** *Moderately unlikely. Magnitude of effect on project outcomes: high*

**Sociopolitical Risks**

Governments and communities in both countries are aware that action is needed to improve their resilience to climate-related disasters and are interested in ideas that will achieve this. However, personnel and policies are subject to frequent changes within stakeholder ministries, and governments have many proposals and programs aimed at increasing resilience, especially in Fiji. Therefore, if these key stakeholders see measurable progress in the activation of this concept in coming months, they are likely to be supportive.

**Probability:** *Likely. Magnitude of effect on project outcomes: high*

**Institutional Framework and Governance Risks**

The key governance risk in Fiji is determining the most appropriate government ministry (or other institution) to act as the policy holder, which would then be responsible for distributing pay-outs to the affected community members and bodies responsible for environmental restoration works. The Ministry of iTaukei Affairs was considered for some time but their involvement could risk excluding non-indigenous Fijian local fishers. The Ministry of Environment and Climate Change was also a relevant stakeholder during implementation but has been undergoing its own changes to policy and governance structure.

If WWF or WTW cannot mobilise post-project follow-up to achieve a pilot deployment, it is likely that other agencies engaged in ex-ante climate risk-finance in the Pacific will make use of the research the project has produced to inform their own insurance concepts. Such actors might include PCRIC, Global Inclusive Insurance and Disaster Risk Financing Community of Practice, Global Shield against Climate Risks, and UNCDF's PICAP.

**Probability:** *moderately likely. Magnitude of effect on project outcomes: high*

**Environmental Risks**

The project presented no risk of causing environmental harm. There is a risk that a natural disaster could occur in the target communities before a project-initiated insurance program is in place. Such an event may sharpen community and institutional interest in the concept. If other methods, potentially including other insurance programs, help other communities or households to recover from a disaster, this may also encourage stakeholders to revisit this project's insurance concept.

Part of the Project's original aim was to design an insurance program which incentivized good environmental stewardship. This aspect seemed to be dependent on target communities receiving a policy pay-out after an insurance-covered hazard. Therefore, no environmental restoration activities were catalyzed by the project.

**Probability:** *Highly likely. Magnitude of effect on project outcomes: Low*

Overall Rating of Sustainability of Project Outcomes	Rating	Justification
Using the above information, please provide an <b>overall rating</b> for the risks to sustainability of project outcomes.	Moderately Likely	There is some reason to hope that a pilot insurance program will commence in Fiji. However, this is far from certain and there is no certainty that the pilot will succeed. If not, it is still likely that the knowledge generated will inform other actors exploring ex-ante climate financial protection in the Pacific. The Project is not attempting to sustain any initiatives in Papua New Guinea.

In summary, the project improved community understanding of the connection between climate hazards and insurance. Potential for any sustained community interest and engagement hinges on whether a parametric insurance product can be piloted or sustained sometime after project end – which has little chance in PNG and some potential in Fiji. Similarly, at institutional level, knowledge and interest in Fiji were generated among relevant government ministries, but ongoing support is fragile and the insurance sector, accustomed only to policies for individuals, lacks readiness for such an innovative product. Finalizing premium funding and payout mechanisms represent the final unresolved steps, and future sustainability of achievements depends on WWF securing resources and partnerships to bring an insurance product into existence after this project. Thus, long-term sustainability is uncertain.

### Community members’ financial literacy

The immediate benefits to the target communities are an increase in knowledge and awareness about climate and insurance and improved financial literacy skills. Community consultations indicate that knowledge of parametric insurance, and insurance generally, is now basic, but widespread among community members in all three locations where it did not exist previously.

Before community members could be trained, the Project recruited and trained Community Facilitators and thus improved the capacity of dozens of knowledge leaders of their community. Since the CFs were selected through a combination of community nomination and WWF screening, the evaluation found that most CFs are motivated to be change agents in their community and already were or subsequently became more involved in other local economic activities such as micro-businesses and/or village savings and loans associations. In Fiji especially, routine meeting and mentoring sessions with the CFs has resulted in reinforcing the knowledge and motivations of a cadre of volunteers engaged in economic advancement of their village.

In PNG, after initial consultations, Community Facilitators were briefly engaged by the project on an annual basis in 2022 and 2023, before the project ceased in PNG in 2024. However, informants noted that the PNG CFs were less motivated to share the training until an insurance product gave it context. Some CFs remained in active engagement with WWF after project activities ceased through their support for VSLAs. A project “community report back” was conducted for these CFs in March 2025 to explain the reasons for not proceeding and inform them of other financial options their communities could pursue.<sup>66</sup> Potential is low for sustainability of community engagement in insurance dialogue or project-related financial literacy until or unless a follow-on project emerges.

In Fiji, the connection between Project and CFs has been more closely maintained. This will make it easier for WWF to strengthen or re-establish those connections if it works in this sector in the future, whether that be continuing to pursue parametric insurance or more broadly supporting these communities’ economic resilience.

<sup>66</sup> Project Close-out Report. 2025

## **Parametric insurance protection for climate-vulnerable communities**

At the end of the implementation period, the project came close to but did not quite reach the point of piloting an insurance product.

Potential still exists for a project-instigated insurance product to be piloted in Fiji. The Closeout Report and insights from WWF and WTW informants referred to the need for further interventions from WWF and WTW to continue efforts beyond this project's lifecycle to finalise remaining steps to launch a pilot insurance product.

No similar insurance products are likely to be piloted in PNG in the foreseeable future.

Inherent in these statements is an acceptance that without any further intervention, a pilot will not take place, and a parametric insurance program will not be developed in the target communities (or in similar communities in Fiji) in the foreseeable future.

## **Tentative enduring institutional knowledge**

Under the project, WWF and WTW were to build connections with the most important stakeholders in government and, to a lesser extent, the insurance industry.

National and sub-national government ministry informants uniformly noted that no institutional knowledge of community-wide, parametric insurance existed prior to this project. The project's visits to ministry representatives and PSC meetings built an enabling environment for these products, effectively laying the national institutional foundation for such a product to come into existence. While none of the government ministries in either country was willing to take a lead to continue the establishment work of WWF and WTW, a willingness to continue to support WWF to pursue the initiative was evident in Fiji among the MECC, FDB, and MIA. This level of supportiveness is fragile. Even during the project's lifecycle, personnel turnover and restructuring in government ministries set-back awareness and engagement. Whether the current institutional knowledge and readiness is sustained fully depends on whether WWF can find other resources in the short term to continue efforts to launch a pilot insurance product and engage a policy holder to finance it.

## **The few remaining steps, post-project**

The key gap in readiness by the end of the project is the insurance sector itself. WWF Pacific personnel in Fiji have undertaken several meetings with national insurance companies over the course of the project. Informants expressed that none seem positioned to adopt parametric insurance because they were only familiar with a scale of insurance suited to policies for individuals or businesses. The scope and scale of district-wide parametric insurance is too large for national providers and would require engagement of an international insurance underwriter to host such a policy. Second, WTW has prepared Technical Product Reports for two hazards in each country, which the target communities chose were the most important.

In Year 3, 2024, WWF Pacific was mobilising stakeholders for the creation of a Pilot insurance program by the end of the Project. However, external stakeholders could not move quickly enough to ensure funding for the policy premium was secured in time. Thus, it became apparent by early 2025 that follow-up interventions would be needed after the project closed and prepared an operationalization plan with details of the next steps.

At the time of evaluation, WWF Pacific was continuing negotiations with the Fijian government on which government agency, if any, should be the policy holder on behalf of the insured communities. As noted earlier, the Ministry of ITaukei Affairs is the lead nominee, and various government and WWF informants expressed confidence that the MIA could be financially supported to cover the cost of the premium for an initial one to two years. Potential climate resilience funding sources suggested included GCF and bilateral partners such as the government of New Zealand.

Documents reviewed and insights from key informants indicate that premium payment and payout distribution mechanisms are also yet to be finalized. It appears likely that WTW and WWF have the technical expertise and the local relationships and experience to be able to negotiate these aspects of an insurance program over time. However, informants also expressed certainty that WTW has made a high-level determination that it is no longer willing to engage in multilateral-funded climate resilience programs. Thus, all future progress is fully dependent on WWF to identify funding and provide the intellectual and person-time effort to maintain momentum after the project.

The MECC's preferred option is for WWF and WTW to contribute its efforts to the existing UNCDF program given that this program is more progressed, having already paid out according to agreed pay out triggers several times. In separate interviews, two officers from MECC's Climate Finance Office agreed on this aim:

*If this [project] can merge into UNCDF ... and WWF to partner with UNCDF, that would enable continuity. That is our plan, and we are in separate discussions with UNCDF about this right now to get an agreement with our CC division and them.*

MECC's view on sustainability was not shared by WWF and WTW. According to the Project Closeout Report, the recently developed operationalization plan is aimed at pushing ahead with a pilot project-initiated parametric insurance product. The report looks to UNCDF to support discussions to obtain premium financing for the Project's own insurance product. In the final year, project management actively engaged with PCRIC<sup>67</sup>, as suggested by MECC<sup>68</sup>, but reported that engaging with UNCDF had been a challenging, but worthwhile pursuit.

*When we get UNCDF on board, we will look at other partners. Then we will look at other insurance companies... [and] the Ministry of ITaukei Affairs to gain insights on solutions from them.*

If WWF or WTW cannot mobilise post-project follow-up to achieve a pilot deployment, it is likely that other agencies engaged in ex-ante climate risk-finance in the Pacific will make use of the research the project has produced to inform their own insurance concepts. Such actors might include PCRIC, Global Inclusive Insurance and Disaster Risk Financing Community of Practice, Global Shield against Climate Risks, and UNCDF's PICAP.

### **3.2.4 M&E implementation: adaptive management and capacity**

While the four core indicators and targets in the M&E system have been found to be ill-suited to representing the project's achievements, the M&E system's reporting around output indicators and consultation elements were an asset that enabled ongoing adaptive management of implementation. These lower-level indicators were tracked well using the "achieved against target" column of the annual work plans and budgets.

Critical moments in the project's lifecycle enabled timely reflection and decision-making. Participatory baseline climate vulnerability assessments, progress reporting, periodic management reflection workshops and the mid-term review were all cited by informants as key moments for learning and revision. Early learning reoriented implementation efforts towards research, learning, and scoping whether, where and how parametric insurance might work for remote Pacific communities. The Results Framework was not revised to reflect this, but this was attributed to GEF Secretariat requirements rather than any unwillingness to adapt on behalf of the project team. In-country visits by WTW and WWF GEF personnel were critical moments of shared learning. Fiji's PSC meetings were described as key opportunities for refining the project's definition of an appropriate insurance product and its pursuit.

Project reports enabled semi-annual reflection on performance and consideration for adapting implementation practices or approaches. Both the progress reports and Project Implementation Reports

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<sup>67</sup> Project Closeout Report. 2025

<sup>68</sup> Interview with Principal Climate Finance Officer, MECC.

include a section titled 'Adaptive Management.' In the PIRs, this section includes a table in which there is space to describe and justify outcome and output-level changes. The annual progress reports also include a section titled 'Action Plan for Suboptimal Development Objective Rating', which provides the opportunity for changes to the Project's less successful aspects to be proposed. The Field trip reports include sections which reflected on current progress. The adaptations described in these reports are summarized for each year of project implementation:

### Year 1

No significant adaptations were described or proposed at the end of Year 1. The Project used this section to notify the donor that some activities on insurance product development and consultations with international insurers would be moved from Year 1 to Year 2 and that there would be slight changes to the Premium Financing Strategy. Concerns were raised that the goal indicator targets were unrealistic, but no conclusion was reached on how to address it: "We will continue to discuss this."

### Year 2

Three significant adaptations were proposed by the Year 2 PPR and PIR:

1. A decision was made to focus only on Fiji because "discussions with PNG communities have made it apparent that the product that would be most suitable there, is not on a community/district scale as it is in Fiji, protecting communal resources (mangroves and reefs) as well as households, but rather more on a microinsurance scale with VSLAs that only include a handful of people."<sup>69</sup>
2. The report authors proposed (without confirming that a decision had been made) removing the word "local" from "local insurers" in two of the indicators for Outcome 1.3 because the intention had changed from developing a widely distributed local insurance product to "a bespoke one possibly underwritten by international markets."
3. Changes were proposed to three of the four criteria for the Outcome 1.3 indicator<sup>70</sup>: "Conditions in place for insurers to distribute and administer project-developed financial products." The rationale for the changes to workplans and the project's reduced efforts in PNG had made the original criteria no longer feasible.

The Project team remained concerned about the targets for core indicators 1 and 4 and showed its willingness to adapt by asking for the targets to be reduced. However, the request was not approved by the GEF review process. The Project committed to exploring additional activities and assessing feasibility to achieve these targets explored, the feasibility is also being assessed on an ongoing basis.

### Close-out report

The Adaptive Management section of the Close-out Report recorded that proposed changes to the criteria for an Outcome 1.3 indicator (point 3 above) had been accepted. There was no confirmation that the proposed changes to the goal indicator targets had been accepted.

Though not required by GEF's terms for medium-sized projects, the project undertook a mid-term review. The review sought reflections and recommendations from its various partners to guide expenditure and implementation in the second half of the project's lifecycle.

The adaptations arose from consultations with stakeholders and reflection on the insurance environment. In particular, the change from local to international insurers was proposed after consultation with several local insurance companies to understand their capacity and willingness to take part in starting new insurance

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<sup>69</sup> Year 2 Project Progress Report.

<sup>70</sup> See description of achievements against each indicator for details about the changed criteria.

products.<sup>71</sup> Smaller scale adaptations included WWF Pacific taking the initiative to produce and distribute a brochure about the proposed insurance product even though this was not part of the original work plan.

However, some of the proposed adaptation was not acted upon. The safeguarding risk category remained at C throughout the project despite the concerns expressed by the WWF GEF Safeguarding Officers. It is not clear why the changes to targets did not occur. Maybe they were conscious decisions, maybe they were not seen as a high priority, or maybe GEF and/or WWF regulations made the changes impossible during project implementation. On the other hand, according to a key WWF GEF informant, leaving the risk category at C was a missed opportunity.

*We had another project in Colombia that was also initially a Category C, and we reconsidered and categorized it as a Category B. It is too late for this project in Fiji, but it shows we could have done that. So, this was a learning experience that sensitized me to when we could recategorize a project during its implementation.*

Finally, the decision to withdraw activities from Papua New Guinea can be viewed from different perspectives. The decision was a sign of strong and objective adaptive capacity in response to emerging lessons about the national and community context. The Project learnt from local communities and national stakeholders and accepted that Papua New Guinea was not ready for a meso/community-level parametric insurance product, but to instead, continue with a more basic suite of financial literacy education. The rationale for withdrawing was thoroughly explained in the Year 2 PIR.

*A product in PNG that only reaches a small amount of people and is on a microinsurance scale may not be able to incorporate the protection of ecosystems as this project aimed to do. It was also identified that the natural capital in Madang, PNG faces threats mainly from industrial fishing (e.g., the new Madang PMIZ which will bring huge change to the Madang communities and their fishing grounds) and mining pollution. It is therefore not appropriate or relevant to push for environmental/sustainability conditions or incorporation into an insurance product for local communities.*

A shortage of WWF employees in PNG also contributed to the decision to withdraw in 2024.<sup>72</sup>

Once the decision was made to withdraw, the Project looked to optimize residual benefits to the communities indirectly by promoting financial literacy training and encouraging the Centre for Excellence in Financial Inclusion (CEFI) to include training on insurance in its curriculum. Though the original parametric insurance concept was grounded in research evidence and initial community buy-in, when it later became clear that the concept was not going to be viable in the PNG context, implementers no longer had scope to explore new alternative options for the PNG. VSLAs were cited by informants as an important aspect of Madang communities' financial resilience and was suggested as an opportunity to better leverage for future insurance initiatives. WTW and WWF implementers recognized this in PNG but did not establish how. As a key executing entity informant shared:

*The idea was to add value to the Village Savings and Loan Associations (VLSA) program. WWF PNG often tries to ensure that one project complements another, so this initiative was seen as an extension that could enhance VLSA... which is why Microfinance Community Facilitators were brought in... However, the challenge was that neither the community nor the facilitators fully understood the concept of insurance. Because of this limited understanding, the facilitators were hesitant to conduct awareness activities in their communities.*

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<sup>71</sup> Year 2 PIR, WWF Pacific Project Manager, WWF Pacific Project Coordinator.

<sup>72</sup> Project Closeout Report.

### 3.2.5 Governance and management arrangements in implementation plus coordination, integration and operational management: WWF GEF implementation, EA and partner execution

In summary, the project benefited from clear role allocation among WWF GEF, WTW, and WWF Pacific. Its effectiveness encountered some constraints due to geographical distance, communication challenges, and insufficient in-country presence and budget. Technical expertise from WTW and field experience from WWF Pacific were valuable, but gaps in insurance knowledge and heavy workloads strained implementation for WWF Pacific personnel.

As described earlier, the project was operationalized by three entities: WWF GEF (based in the United States), WTW (based in the UK) and WWF Pacific (based in Fiji). Each organization had its distinct role. WWF GEF had overall management and funding responsibility, including being responsible for communicating with the donor. WTW was responsible for overall execution, technical support for training on finance and insurance, as well as for designing the insurance program and developing the appropriate products. WWF Pacific was responsible for executing field activities with management support from PSCs and implementation support from village-based voluntary Community Facilitators.

The division of responsibilities generated efficiencies by each agency working within its strengths. However, informants from all three entities also noted that the distance and communication difficulties between those involved created problems with implementation.

**WWF GEF Agency** demonstrated excellent scoping and design capacity to facilitate a well-researched and competitive project proposal with a private sector entity in WTW and a community-focused executing entity in WWF Pacific. The external challenges to completing a high-quality proposal during COVID-19 are documented under Section 3.1, Relevance and Coherence. According to informants from both executing entities, once implementation began, WWF GEF Agency performed well, both as a coordinator of the three-entity partnership and as a mediator and communicator and for reporting between the project and the GEF Secretariat.

As a global insurance company, **WTW** had the technical know-how to both improve the operational environment (through training and awareness raising) and design insurance products which were technically sound. WTW did not establish a permanent presence in the countries in which it was attempting to initiate an entirely new, innovative product. Several informants reflected that having all WTW overseers based far from the Pacific resulted in very incomplete understanding of context and a gap in not being able to meet with national government ministries, banks, and insurance players. Furthermore, managing the project via emails and online meetings -usually at times not suitable to Pasifiki staff - resulted in a clumsy communication and non-attendance – especially from PNG staff for whom late-night meetings pose an unacceptable security risk. Thus, for WTW personnel, their annual in-country visits were described as critical ‘a-ha’ moments of insight for them. WWF Pacific personnel also expressed the importance of these visits to the target areas to lead training and guide local staff.

*For projects like this, we need the person sitting in Fiji for the entire project and be driven from here. Talking to local communities’ fishers, they all come from different backgrounds. So, you need to be engaged in the culture constantly. It’s nice they could come here sometimes. Maybe they should have partnered with a local insurance company to enable that. (WWF Pacific representative)*

As members of an organization with a strong environmental focus,<sup>73</sup> Project management and staff at **WWF Pacific** had an abundance of experience in carrying out community-based activities to help protect the environment. They were therefore very familiar with climate risk assessments, community training and

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<sup>73</sup> See WWF Mission, at [https://wwf.panda.org/discover/about\\_wwf/](https://wwf.panda.org/discover/about_wwf/)

awareness raising on climate change. In contrast, WWF Pacific informants expressed that they had no skills or experience at all with insurance, especially the community-level parametric insurance being proposed. This hindered the multiple negotiations and arrangements with local stakeholders that would be needed to get such an innovative insurance program off the ground. It not only hindered the work they completed; it also potentially hindered their ability to pro-actively make decisions which would have progressed the Project toward achieving its goal. They relied on WTW for the training, products and accompanying expertise.

*We are all greenies; not finance people. We had to self-teach ourselves and the team to learn more about the creation of insurance products and their design. (WWF Pacific representative)*

The project allocated only 30% of its budget to in-country work. This proved extremely under-budgeted for work the project required, even after PNG's activities had ceased. WWF Pacific informants estimated that it covered around a quarter of the actual time and cost expenditure. Consequently, the project manager and other implementing personnel were subsidized by other WWF Pacific projects and effectively had to fulfil a full-time job description on top of other project management responsibilities. This created an unreasonable and excessive workload in addition to a GEF project heavily subsidized by other non-GEF projects.

Within each country, a small number of staff managed operations in over 20 communities per country. Consequently, project interactions with each target community were somewhat limited. The Community Facilitators led the training and consulted directly with community members. From the documents available, there does not appear any formal process for the Community Facilitators to feed their suggestions and insights into the management structure to help Project decisions to be more informed by its beneficiaries.

Implementation on the ground was further hindered by the distance between the two target countries, weak telecommunications, and the logistical requirements relative to the small in-country budgets. The Project Director was based in Fiji but was responsible for operations in both countries. The key person responsible in Papua New Guinea left after the first 18 months, which left a gap in operations there. Joint PSC meetings between PNG and Fiji were held at the start of the Project but were not continued. Fiji national partners and Niuginian fisher men and women share that Pasifiki cultural preference is to meet and discuss face-to-face, rather than via remote meetings. The decision to split these meetings into separate Fiji and PNG meetings helped Fiji by enabling it to focus on its own challenges in face-to-face meetings but it harmed PNG by isolating it from where decisions were made and preventing the opportunity of learning from the location where the Project was proceeding more smoothly.

Project Steering Committees were established as another means of national guidance from government officials. Partner attendance at PSC meetings in PNG tapered off after the first year, once it became clear an insurance product would not be pursued in that country. The PSC was more successful in Fiji but regular meetings in the first year became less frequent as time went by and were hampered by changes in the personnel involved.

### **3.2.6 Transformational change, catalytic effects and additionality**

As cited under 'Sustainability' the project catalyzed interest in parametric insurance for communities, but, unless WWF or another entity can bring such a product to market soon, that interest will be short-lived and fall short of being 'transformational'.

The concept of parametric insurance created a lot of interest, especially in Fiji, and came at a time when the governments and communities concerned were interested in exploring ways to increase community resilience against climate risks. The discussion and training succeeded in Fiji in creating a greater understanding of how

to prepare for natural disasters<sup>74</sup> and a more enabling environment for parametric insurance, in line with Component 1.

Part of that enabling environment is for a willingness to save to become part of local culture. Saving and paying insurance premiums requires a similar mindset: the willingness to set aside some money in the short-term to be used when needed sometime in the future. According to the informants in Tavua, that has not been way that Fijians have traditionally thought:

*For us, something I have learned is that saving is not part of ITaukei life. We just live off the land. We pull food from the garden to catch a fish for today. Tomorrow, we will do it again. So, when we talk about money and savings, we have to go back to learn how savings will help. That is the starting point before we can think about insurance.*

At national level – both in government institutions and societal levels, the project had an amplifying impact. As a key WWF staff member described:

*Parametric insurance became a hot topic in the Pacific in social media and environmental news in Fiji specifically. WWF Pacific did a good job to capitalize on that. They did a couple of Facebook posts to get on that train in the Pacific. I don't think that momentum was generated by the project, but it seemed to further interest [in the project].*

*In Fiji the project raised interest in parametric insurance in the government. UNCDF had created a buzz on the agricultural side, and then we brought government ministries into a steering committee to regularly think and talk about it. So, it added to the momentum through its inclusive approach and partnerships.*

Whether that has a lasting catalytic effect and leads to transformational change will depend on whether the insurance products which it worked hard to develop are piloted and ultimately come to fruition. That is still uncertain at the time of evaluation.

The Project did not instigate any transformational change in PNG because it only operated for a short period and only engaged some of the target communities one time.

### 3.3 Gender Equality and Mainstreaming

#### 3.3.1 Assess design and implementation of the gender analysis and gender mainstreaming strategy, including indicators and intermediate results

The project's design incorporated appropriate measures to ensure its implementation and outcomes benefitted women as well as men and track gender inclusion. These planned measures made positive contributions. What's more, primary data revealed that implementers' responsiveness to emergent gender dynamics was most important in relation to optimizing the project's outcomes.

The gender action plan established the following strategies for ensuring gender responsiveness throughout the project:

1. **Consultative Stakeholder Engagement using Participatory Approaches**: using methods that ensure that women's and men's needs, knowledge, and expertise are heard and that they are provided equal opportunity for participation and decision making in project implementation, progress and monitoring. Interventions to support this included using participatory tools that cut across gender, age, status barriers and enable all participants to be involved at any stage of the project, building on existing networks and establish good practice coalitions, building a diverse group of stakeholders

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<sup>74</sup> WWF Pacific Communications Officer.

including financial institutions, government, NGOs, communities, etc., and allowing opportunity and a platform for the inclusion of unique skills, knowledge, and experiences of women.

2. **Incorporating gender dimensions and women into trainings** the project conducted including: gender awareness raising as part of trainings in communities, ensuring women have proper knowledge to understand processes such as financial transactions, and especially on the proposed insurance cover, premiums and payments.
3. **Addressing gendered impacts of Climate Change**: to address the gaps women face in impacts of climate change. This was to be pursued via: finding ways to recognize and account for women's unpaid work could help determine the value of social contribution which could be taken into account when determining insurance pay-out amounts and distribution methods, and identification of adaptation strategies for women fishers in the face of climate change.
4. **Monitoring and Evaluation**: the project's monitoring and evaluation data were sex disaggregated so impacts could be measured, and strategies adapted accordingly.

In practice, primary data found that, in target communities, most of these strategies were fulfilled and the project succeeded in ensuring both men and women had equal opportunities to participate. For example, in Madang, the CFs explained that "everyone in the community was involved, including students, the Catholic youth group, the youth soccer club, and all members participating in the VSLAs<sup>75</sup>."

How these strategies were fulfilled is elaborated in the following findings.

**Community engagement and consultation.** The design document committed to employing a gender-sensitive approach in all consultations, ensuring balanced participation of women and men. The use of participatory tools such as women-only side groups, gender-inclusive survey questions, and gender-disaggregated data collection were key strategies that delivered on this commitment.

**Training and capacity building content.** These included embedding gender-sensitive and gender-responsive components into training materials, such as financial literacy courses that address women's specific vulnerabilities and perspectives; pursuing gender parity in participation and facilitation roles during training workshops; using participatory engagement tools like women-only side groups; and collecting sex-disaggregated data for monitoring progress.

**Setting clear gender-disaggregated foci in assessments, monitoring, evaluation, targets and promoting inclusive beneficiary engagement.** These steps included employing a gender-sensitive approach in all community consultations, conducting formal gender analyses and developing a Gender Action Plan to guide implementation, and setting equal participation targets for men and women as beneficiaries and training participants. The project also collected sex-disaggregated data. In practice, the limited amount of data on direct beneficiaries was disaggregated by sex as planned. No figures were recorded for the number of people with improved financial literacy or benefiting from project-related insurance products, so disaggregation was not applicable.

**Focusing on women's economic empowerment through financial inclusion initiatives.** These steps include employing gender-sensitive approaches in community consultations to ensure women's voices were heard, ensuring equitable participation in training and community facilitation roles, integrated gender-specific content into capacity building, and designing financial products with gender considerations to meet women's needs. 'Economic empowerment' in the form of income-generation initiatives was not part of the project, so were not explicit outcomes for women. However, women's prominent participation in financial and insurance literacy training ensured they were primary beneficiaries of such activities.

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<sup>75</sup> Village Savings and Loans Associations, i.e. a form of microfinance. These associations were established by another WWF project.

Only the intended research under ‘**Addressing gendered impacts of climate change**’ was not completed as planned.

### 3.3.2 Gender responsive adaptive management

In relation to project implementers’ responsiveness to emerging gender dynamics, in Fiji implementers initially followed their guidance to equally recruit female and male CFs. It quickly became apparent that significantly more women embraced the role than men in carrying out project activities. Thus, project implementation adjusted to a degree of participant self-selection and opting out over time resulted in more female CFs than male CFs. Evaluation data collection experienced a similar dynamic with women engaging more enthusiastically and sharing more stories of economic development. A CF in Nadogo, Fiji observed:

*In most villages, projects handled by women are more successful than those handled by men. Men are laid-back due to their lifestyle. But women want to see change. So, they embrace financial management and literacy. It makes sense because they are always the ones to handle household finances compared to men.*

Similarly, in Madang District, PNG, CFs noticed that “*Both women and men have been involved in these projects. However, in some cases, women tend to participate more actively, especially for mangrove planting.*”

Men, on the other hand, shared that they felt compelled to catch-up on this project’s activities and other projects’ economic development opportunities late in the term. CFs in Sumkar District in PNG observed that, “*Although originally targeted at mothers, the project has seen increased participation from fathers and youths, who now recognize the importance and benefits of the initiative*”. Male participants in Tavua shared that the opportunity the project provided for women to lead in financial awareness is part of a broader social movement in Fiji:

*We men were observing from the outside for a while before we realized we might as well just join in what the women are already doing. That is a big thing for us because we are a very patrilineal society. In the last five years, we are slowly allowing women to come to the table. At village, province, and so on. Now we have more female village heads of village. It was never heard of and never accepted. Now it is common. So, by women being able to take action is moving a lot of things now.*

To qualify this generally positive gender responsiveness, these empowering approaches were not always able to penetrate highly patriarchal village cultures. The women’s focus group in Riwo reported that none of them attended project training because “*we were busy with other activities including house chores. We women assume that we have our roles to play supporting our families and it’s our male counterpart to participate in those meetings and awareness.*”

### 3.3.3 Assessment of gender responsive measures, as per WWF and GEF gender policies

**WWF’s Gender Policy (2011)** commits the organisation “to ensure that WWF’s conservation policies, programmes and activities benefit women and men equally and contribute to gender equity, as part of WWF’s broader commitment to strengthen the social dimensions of its projects, programmes and policy work... [and to] integrate a gender perspective in our programmatic and operational structures and procedures.” As evidenced above, the evaluation finds that the project has complied with WWF’s gender policy such as by incorporating consultation approaches that ensured women’s perspectives were sought, women were provided and actively took-up opportunities to participate in, and shaped implementation of the project.

**GEF's Policy on Gender Equality (2017)**<sup>76</sup> contains five guiding principles and three Policy Requirement areas. These are:

#### Guiding Principles:

1. Efforts to Mainstream Gender and promote Gender Equality and the Empowerment of Women are pursued in accordance with the decisions on gender under the MEAs that the GEF serves, and in recognition of related international and national commitments to gender equality and human rights.
2. GEF-Financed Activities address and do not exacerbate existing gender-based inequalities.
3. Stakeholder Engagement and analysis are conducted in an inclusive and gender responsive manner, so that the rights of women and men and the different knowledge, needs, roles and interests of women and men are recognized and addressed.
4. GEF-Financed Activities are conducted, designed and implemented in an inclusive manner so that women's participation and voice are, regardless of their background, age, race, ethnicity or religion, reflected in decision-making, and that consultations with women's organizations, including Indigenous women and local women's groups, are supported at all scales.
5. A Gender-Responsive Approach is applied throughout the identification, design, implementation, monitoring and evaluation of GEF-Financed Activities.
6. Opportunities to address Gender Gaps and support the Empowerment of Women are seized in order to help achieve global environmental benefits.

#### Policy Requirements:

1. Project and program cycle (In summary, agencies must provide information on gender differences and gaps, and design and oversee measures to address them, including via data collection.)
2. Monitoring, learning and capacity development (this section's details related only to the GEF secretariat)
3. Agency policies, procedures and capabilities. (In summary, agencies demonstrate they have gender policy and implementation guidance in place to guide project design and implementation to ensure gender equality is considered and addressed.

As evidenced in the preceding section, the evaluation finds that WWF and the project itself are compliant with GEF gender equality requirements.

## 3.4 Stakeholder Engagement

### 3.4.1 Stakeholder engagement and assess the implementation of the Stakeholder Engagement Plan

Overall, Stakeholder engagement was diverse and well-targeted, guided by its Stakeholder Engagement Plan. The Stakeholder Engagement Plan was a seven-page document containing descriptions of the main types of Project stakeholders, regulations and requirements for engaging with stakeholders, and a summary of previous stakeholder engagement. These sections served as background information for the Stakeholder Engagement Plan, which consisted of a table outlining the various ways that the Project intended to engage with each category of stakeholders. This section evaluates the projects' performance against the Plan's stated engagement objective with each stakeholder category.

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<sup>76</sup> GEF Gender Equality Policy 2017. See

[https://www.thegef.org/sites/default/files/documents/Gender\\_Equality\\_Policy.pdf](https://www.thegef.org/sites/default/files/documents/Gender_Equality_Policy.pdf)

In summary, project implementation carried out the stakeholder plan's guidance. WWF and WTW personnel in Fiji were active in consulting with private sector insurance providers, UNCDF, PCRIC, and the Fiji Development Bank in their pursuit of an appropriate product design, and policy provider. Community stakeholder engagement was consistent, especially via WWF Pacific cascade training of CFs, and WWF Pacific facilitation of government relations via the PSC in Fiji. The project had some limited communication with NGO World Vision in relation to its financial literacy work in Madang.

**Local insurance companies and international market actors – “will be engaged early in project development to support the design of financial products, roll-out options and to determine the market's competitive pricing.”**

A WWF Pacific informant explained that they consulted several times with **Fiji-based private-sector insurance companies**, Tower Insurance, and Sun Insurance. Though, ultimately, neither expressed interest in moving forward. The gap in inclusion of national insurance companies may have constrained progress by project managers and PSC not benefiting from crucial industry expertise in the national context.

They also consulted **UNCDF** on several occasions throughout the project lifetime. As a multilateral entity that was ahead of this project in its operationalization of a parametric insurance company, the WTW informant described UNCDF personnel as *“good in that sense of sharing lessons and their products. What we are doing is quite different from what they are doing in their design. It was still useful to see how things were being rolled out.”*

In the final year, the project team of WTW and WWF Fiji met several times with **Global Shield** (an initiative for G7 countries to assist vulnerable country governments to establish “Greater financial protection and faster and more reliable disaster preparedness and response”<sup>77</sup>) and also **the Pacific Catastrophe Risk Insurance Company (PCRIC)**, a regional entity that underwrites both sovereign and non-sovereign policies across the Pacific which support innovation in disaster risk finance. The engagement centred around gauging PCRIC's willingness to support a pilot insurance program should one be rolled out in the future.

The **Fijian Development Bank** was a significant local market actor who engaged with the Project through its attendance in PSC meetings. The FDB representative recalled them being consulted and asked to contribute their expertise during these meetings but that the process did not have as much active engagement as he would have liked, stating that *“[WWF] was informing us and allowing us to make comments to shape how things work from our different expertise. Suggest alternatives. I don't think it was happening quite as we would like it. Many of us members would quietly sit there and listen. But we had to contribute to what was presented, critique it and make suggestions.”*

The representative suggested part of the problem was the long gaps between meetings:

*The meetings seemed too far apart because you lost momentum and memory of what was being dealt with. If they were closer together, there would be more momentum, and we would feel more involved than we would if met more often. That was the biggest challenge. You missed one meeting and it is six months until the next one. Then you forget what it is doing and then feel less motivated to attend the next.*

Private sector involvement was also intended to occur through the PSC in Papua New Guinea. The PNG **Fishing Industry Association (FIA)** was listed as a PSC member in the Project Closeout Report. However, like most other stakeholders in PNG, it only had minimal involvement in Project activities and had a different perspective on its participation in the PSC.

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<sup>77</sup> See Global Shield website at <https://www.globalshield.org/>

*We were not fully involved as part of the PSC. There have been no meetings or project progress updates shared with us, so I am unable to comment on the functioning of the PSC.*

The FIA contributed to the Project during the first (and possibly only) PSC meeting towards the beginning of the project. At that meeting, it reviewed and commented on the project Work Plan. Overall, the association was less engaged than it expected because it thought it was supposed to sign a memorandum of understanding with WWF which did not eventuate. A FIA representative reflected that, “*While FIA’s engagement with WWF has been positive with good communication, a formal MoA should be established. This would help clearly define our roles and responsibilities and strengthen collaboration between FIA and WWF.*”

**Local communities in Fiji and PNG – “will be invited to participate in surveys and consultations to identify climate hazards and discuss solutions. Second, they will be invited to workshops and trainings that promote financial literacy.”**

Community engagement via surveys, consultations and training has been documented in previous sections. CFs have been the primary conduit. There is no doubt that all the target communities were engaged but both the extent of engagement and the number of community members involved was less than intended when the Project was designed.

Nurturing Community Facilitators as knowledge liaison agents between WWF and partnered communities is a model that WWF has established and proven in PNG and other countries such as Solomon Islands. Thus, it again proved to be appropriate and culturally sensitive in this project. Community members and leaders shared that the CF model promoted community decision-making, culturally relevant communications, women’s empowerment (as noted under Section 3.3 above), and enabled an optimal team to form by enabling the most motivated to continue, and low performers to self-select out.

**PNG and Fijian governments – “will be heavily involved in the design of the financial products and roll-out plans. The project will conduct interviews with members of the government to discuss risk financing options, as well as discuss different mechanisms to aggregate premiums and distribute the product.”**

Various PNG and Fijian government ministries linked to climate change, environment, fisheries, and economic development were engaged through both the PSC and individual consultations. However, like the private sector and communities, from their perspective their engagement was not as comprehensive as they expected.

Officers from the Commerce and Tourism Division of the Madang Provincial government spoke about an array of activities taking place in the province relating to financial literacy, microfinance and SME empowerment. However, none of these activities linked with the Project and a PNG staff member recalled that the provincial government had very little engagement in the Project, either through the PSC or elsewhere. They believed this was partly caused by a lack of clarity about the PSC’s role.

*From my experience, clearer roles and responsibilities would help. PSC members should have well-defined Terms of Reference to ensure accountability and clarity in their involvement. (WWF informant, Papua New Guinea)*

Changes within the Fijian government hindered engagement but regardless of those changes, MECC representatives would have preferred more contact with the project.

*There was some level of engagement with WTW. But only when there was a need. It was rare. I did not meet them last year. I do not know if they were here. It would have been helpful to have more engagement with them. ... When this project started it was such a good sure thing. Then people changed and the project got stalled. Partners changed. At the PSC meeting, some people came for the first year. Then in the second year, there are*

*new faces. So, we have all these ideas about increasing revenues. But next year, there might be different priorities. Next election, the whole government might change. (Climate Finance Office, Ministry of Environment)*

The Project sought to engage with the Ministry of iTaukei Affairs as the policy holder for the insurance program, although there was some discussion and concern about the potential for this to exclude non-indigenous Fijians from any future program. While several WWF and other ministry stakeholder continue to hold some optimism that the MIA will come on board as a policyholder, by the end of the project, the connection had not developed as Fijian Project staff had hoped. As one stated,

*I went to his office unannounced (to follow-up a query). The secretary said, 'why are you here? WWF deals with fisheries, not iTaukei [Affairs]. And that is why we did not respond.' It was a slap in the face for us.*

### **NGOs and GEF multilaterals – “will be interviewed and consulted on the possibility of incorporating environmental management into the application of the insurance pay-outs.**

As cited above, the Project was in frequent contact with multilaterals, UNCDF, PCRIC, and Global Shield. UNCDF was consulted in both countries, as it was already operating a land-based insurance program that community members could sign up for individually. In PNG, the NGO World Vision was also consulted and insights traded, given their significant support for VSLAs and climate resilience in Madang, which the Project viewed as a prerequisite to entry in an insurance program. The project also collaborated with economic empowerment NGO, CEFI to discuss incorporating topics on insurance into CEFI’s training modules and share the project’s research outcomes with them. However, there is no evidence of discussions with NGOs specifically about mobilizing other NGOs’ support for community insurance or incorporating environmental management into insurance pay-outs.

## **3.5 Safeguards Review**

### **3.5.1 Were environmental and social safeguards adequately considered in design, and were measures to address the identified safeguards needs effectively implemented?**

#### **Design stage documents**

The following safeguarding documents were available to review. They are likely to have been incorporated during the design phase.

- WWF Environment and Social Safeguards Screening Tool for Landscapes and Seascapes/ Safeguards Compliance Memorandum
- Grievance Redress Form (GRM)

The Climate Risk Screening was a relatively straightforward exercise, completed design phase to guide implementation. The environmental and social safeguards screening rated environmental and social risks as low, which resulted in potentially insufficient consideration of the level of regular engagement with marginalized communities, and potential longer-term gaps in the outcome of future outcomes. The GRM was appropriately promoted during the start-up of implementation among communities and other stakeholders, and over time developed into a more community-responsive hybrid mode.

#### **WWF Environment and Social Safeguards Screening Tool for Landscapes and Seascapes**

This was a simple screening tool divided into two parts. The Project outcomes and outputs were described in the first part. The second part was a checklist of potentially risky activities but all of them were marked “no” as not being applicable. Thus, the project was categorized as level ‘C’, meaning ‘low environmental and social risk’. An informant questions the wisdom of this categorization in hindsight.

The decision for a C categorization was explained by a WWF informant as follows:

*The project has been categorized as category "C" since it is all technical assistance activities, and there are no environmental or social impacts envisaged under the project. The rating has risk management implications.*

The categorization level had implications for the level of risk management undertaken. The full list of Safeguard Standards was considered to not be applicable due to the explanation above. They included safeguards relating to Natural Habitats, Indigenous People, Restriction of Access and Resettlement, Community Health, Safety and Security, Pest Management, and Cultural Resources.

Reflecting on the project experience, some WWF informants posited that the safeguards mechanism should have been set at B (medium risk) due to frequent staff engagement with communities. A higher risk rating would have triggered the need for an Environmental and Social Management Plan, including an Indigenous People's Plan. Such a plan would have meant that discussions on engagement with the indigenous and non-indigenous populations in Fiji would have been resolved during the design phase and the Project could have proceeded with a clear direction. Thus, an informant raised that, without this in place, the project's community activities and engagement with the Ministry of iTaukei Affairs as a potential policyholder has excluded the opportunity for local-level non-indigenous Fijians to potentially benefit from district-level parametric insurance. Small scale Indo-Fijian fishers were described as already facing a level of disadvantage by having to pay for fishing ground licenses that iTaukei (indigenous) Fijians are not required to pay due to customary clan ownership of the fishing grounds.

For implementing staff in Fiji, 'safeguarding' was understood to mean ensuring that community and government protocols were adhered to, including for the mechanism for resolving any complaints from community members.

### **Grievance Redress Mechanism**

A Grievance Redress poster was prepared and distributed during project implementation. Generally, informants expressed satisfaction that the Project communicated the mechanism effectively and adapted the mechanism to community needs, even though it was under no obligation to do that given its Category C risk profile. The Project Manager described how information about the mechanism was distributed widely in the first year and that the information distributed largely aligned with the mechanism described in the Stakeholder Engagement Plan.

*In the first year, we were advised by our regional M&E coordinator to print out in A0 formatting laminated posters that we circulated to CFs and provincial office and Ministry of Fisheries office. Our grievance mechanisms for projects. It highlights if anyone has a grievance, who to contact. The email and mail references include WWF international. It was in Pijin and iTaukei. Plus, WWF international asking us to include be inclusive – gender, LGBTQI, people with disability, and so on, all we can do for that is ask the headmen to bring those people.*

Data collection inspections of community sites in Fiji validated these informants' statements by sighting a WWF Grievance Mechanism explanation mounted in publicly accessible community halls in a partnered village.

Consultations with Fijian fisher women and men, CFs and community leaders revealed that WWF's standard international GRM - providing contact details of WWF's international complaints officers - would not accord well with partnered community culture or preferred avenues for redress. WWF Pacific addressed this by developing a revised version of the GRM that is culturally adapted to Pasifiki communities. The contents of this regional adaptation aligned with the preferred process that consulted women and men said they were

comfortable with. In Fiji's relational and hierarchical culture, women and men expressed that the redress avenue they would follow was to first approach local representatives. Women and men expressed that their preference is to approach their own community headman (turaga ni koro) for the headman to approach their primary WWF contact person or to raise the grievance with the provincial government office who would approach WWF. PNG informants similarly stated that community members would raise a grievance at community meetings for leaders to approach or write to WWF. One Fijian participant suggested that, only if all these direct approaches did not result in a satisfactory response of settlement, they would use the email address to approach WWF US directly. All of these graduating steps are provided in the GRM process poster sighted by the evaluation in a partnered Fijian community's hall<sup>78</sup>.

Responses from community members, CFs and staff were hypothetical as none was aware of any instances where a grievance needed to be raised with WWF. There is no record of the GRM being used or of this concern being raised with project staff during implementation.

In PNG, women and men in all focus groups reported that they were unaware of a grievance redress mechanism but also expressed that it was a low priority. Women in Bogia District expressed that, because the WWF personnel engaged with their CF, and the CF is the one who engages with the community members. Men in the same district said that a GRM would be part of WWF's agreement with the community, so is something their leaders are probably aware of, if needed.

### Implementation stage documents

Several assessments were produced during the Project's first year of implementation and attached as appendices to the Year 1 Progress Report. These were:

- The PNG Insurance Market Assessment
- The Fiji Insurance Market Assessment
- The PNG Desktop Climate Risk Review
- The Fiji Desktop Climate Risk Review.

These reports assessed potential risks in each country, with a view to ensuring project outcomes optimize resilience and minimize the risk of inadvertent harm. Thus, they may also be considered implementation steps that enhanced the project's safeguards. Key findings of these two types of documents are identified below.

#### Insurance Market Assessments

Both market assessments provided an overview of the insurance market in the respective countries, including the type of insurance available, market outlook, regulatory framework, and licensing structure. Additional analysis was given to parametric insurance.

The PNG market assessment concluded:

*The insurance market in PNG faces numerous challenges, including underdevelopment, limited capital, and limited expertise. Additionally, having a significant proportion of people excluded from basic financial services reinforces the lack of insurance coverage and leads to very low penetration rates. Insurers are becoming more selective about the risks they insure due to the pandemic and high reinsurance costs.*

The Fiji market assessment concluded:

*Fiji's insurance market has exhibited stability and resilience, with sufficient solvency and liquidity positions, and positive profitability. However, the market is slow to develop non-life products and climate risk protection is limited. Fiji having one of the most developed financial systems in the Pacific Island Countries suggests there exists a positive enabling environment for development of novel insurance products. However, insurance*

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<sup>78</sup> See Figure 11 in Annex D for a photograph of the relevant sections of WWF Pacific's GRM poster sighted by the evaluation in Tavua, Fiji..

penetration in Fiji remains low at 3%, highlighting the scale of the challenge to reduce the protection gap and increase awareness and uptake of insurance.

### Desktop Climate Risk Reviews

The reviews were in two parts. The first part contained descriptions of the climate hazards, the impact of past events and the country's overall vulnerability profile. Current government and community responses to the hazards and vulnerabilities were described in part two.

The review for Fiji concluded:

*Although disaster risk management and response are relatively well institutionalized in Fiji, there is a clear lack of appropriate and readily available government-level financing to support these communities, and a lack of financial resilience within communities themselves. Building this financial resilience is critical, and this project aims to respond to that need.*

The review for PNG concluded:

*Disaster risk management and response are poorly coordinated and there is a clear lack of appropriate and readily available government-level financing to support these communities, and a lack of financial resilience within communities themselves. Building this financial resilience is critical, and this project aims to respond to that need.*

See earlier report sections for review of the Project Progress Reports and Project Implementation Reports.

Other reports produced include Back to Office Reports and Project Implementation Support Mission reports.

### 3.5.2 Implementation of beneficiary criteria developed during project preparation

Beneficiary criteria were not set out in the Project Document and does not appear to have been recorded in any other documents relating to the Project design. Nevertheless, some criteria were evident during implementation which may have been decided upon during Project preparation.

In PNG, VSLA membership may have been a prerequisite to benefitting from any project-related insurance products as membership ensured some level of savings and basic knowledge of financial management. But it is unclear whether this was ever an agreed prerequisite or only WTW's preference from a technical standpoint. For these Community Facilitators, the emphasis on who to include differed between WTW and WWF:

*WTW wanted the VSLA to be the entry point for accessing insurance. They are not including other community members outside of the VSLA, because they believe that VSLA members better understand the concept and can adopt it more easily. WWF, on the other hand, has asked us to focus on raising awareness only. It seems that we are still in the awareness stage of the project.*

Some of the VSLAs in PNG were not active. This effectively excluded whole villages from participation if they did not have any active VSLAs.<sup>79</sup>

In Fiji, the limited evidence from Community Facilitators suggests that participation could have been limited to indigenous Fijians. The quote below is only from Community Facilitators in Nadogo and does not necessarily apply to Tavua. However, at minimum it suggests that field staff did not receive clear instructions that non-indigenous Fijians should be included. In the absence of any instructions, they came to their own decisions on who should be excluded and included, based partly on who they found to be most receptive to the concept of insurance.

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<sup>79</sup> Community Facilitators, Madang, PNG.

*At village, all are indigenous. We do not include the Indo-Fijian brothers and sisters. The disabled, oldies. Sometimes the youth... The oldies are difficult to reach. They have a traditional mindset. They do not understand and say 'our time is finished. We do not need that.' Those more exclusive faiths [are not receptive] who say they just have to rely on God for everything, so they do not believe in insurance or anything. Sometimes when I face these questions, for them I ask them, what was God's first commandment to Adam? Look after the garden!*

### **3.5.3 Assessment of adverse or unforeseen environmental or social impacts and include potential measures to address these**

No adverse or unforeseen **environmental impacts** were recorded. This is unsurprising given that the Project did not undertake any tangible physical activities at community level.

**Potential for inadvertent ethnic discrimination in Fiji.** As cited above, the assumption of low social risk at design stage raised potential for the project to favour politically dominant iTaukei fishers to the exclusion of local Indo-Fijian fishers. It was assumed at the beginning that all beneficiaries in the target villages could potentially benefit from the Project but as discussions proceeded about potentially policy holders for insurance products, the Ministry of iTaukei (Indigenous) Affairs was raised as a lead option. This generated discussion about potentially excluding non-indigenous Fijians, possibly resulting in a rise in social tensions. Ultimately, this issue did not need to be faced as no insurance products were launched.

**Potential for heightened community distrust of WWF in PNG.** At the time evaluation, in Papua New Guinea the raising of interest and expectations and ultimately not being able to pursue an insurance product had the unintended effect of undermining WWF's reputation and trust with some members of target communities.

According to community participants, the Project initially invested significant time in community surveys and risk assessments via baseline workshops, which raised expectations of an impending insurance product. Training and awareness sessions followed, ostensibly aimed at preparing community members to understand and be ready for an insurance product to protect their livelihoods and natural environment. Community members in PNG expressed that, after this build-up of expectations, nothing further happened from their perspective beyond 2022. WWF informants explained that the organisation continued to have annual follow-up sessions with CFs in 2023 and 2024, but that CFs were unwilling to cascade the training if no insurance product existed to make it worthwhile. At the time of evaluation, community members and CFs expressed that they were not told if or why it would not proceed. This deep expression of disappointment was apparently partly amplified because of regular cases of aid organisations consulting and not following through. As a group of men in Madang expressed:

*Many organizations visit communities to collect data and make promises but ultimately do not deliver any tangible support. As a result, there is widespread mistrust of NGOs and similar agencies. This mistrust has led to low attendance and engagement when new organizations come to conduct activities.*

However, according to the Project Closeout Report submitted two months after evaluation consultations, the project addressed the apparent gap, stating that:

*"... in March (2025), WWF conducted a report back session for 12 Community Facilitators (CFs) in Madang. The purpose of this activity was to share with the CFs the decision not to proceed with launching a product and the reasons for this decision. It was also an opportunity to provide information on other financial options such as Mibank."*

Over time, if WWF Pacific continues to attract new projects that operate in the same communities, restoration of reputation and trust in WWF's willingness to put words into action are likely. Thus, this is a low medium-term risk.

## 3.6 Finance and Co-finance review

### 3.6.1 Assessment of financial management of the project, with specific reference to the cost-effectiveness of interventions / efficiency

Despite some shortcomings against its core indicator targets, the project has accomplished significant results relative to its budget of little over US\$ 1 million over two countries, over three years. The innovative research and preparation of an enabling environment for climate-resilience parametric insurance represents very high value for money against this budget.

WWF GEF Agency distributed funds directly to WTW and WWF Pacific. WWF Pacific submitted narrative progress reports to WTW and submitted its financial reporting to WWF GEF Agency. Thus, WTW and WWF Pacific finances were managed and reported separately from each other, but execution progress reporting was synthesized by WTW in their reporting to WWF GEF Agency.

A review of project progress against annual workplans and expenditure against annual budgets identified that both remained relatively on track throughout the project. These findings indicate project management kept progress on track throughout the three-year implementation period. Year by year, implementation achieved between 67% and 100% of planned activities per project component, with overall achievement at 83 to 84% per year. Commensurately, annual expenditure came in at between 73% and 120% per component.

WWF GEF, WTW and WWF Pacific all reported good communication, coordination and cross-agency support and collaboration, which helped implementation to be cost efficient. Several of the project's organizational structures were also found to be purposely designed to reduce costs and increase cost efficiency – especially in relation to containing management costs to respect GEF Project Management Cost guidelines to within 10% of total project budget. Rather than having an insurance specialist permanently posted in the Pacific, the decision was made for WTW specialists to visit the target areas annually. Recruiting or transferring an insurance specialist to the Pacific would have incurred substantial relocation costs and be less able to take advantage of in-kind staffing contributions of diverse WTW specialists. Thus, funds were saved by choosing a remote management structure. Similarly, the tight management budget for in-country implementation compelled a decision to fund a part-time management role in WWF Pacific and project staff were shared across multiple projects. The manager and staff worked across several districts and multiple communities with the support of Community Facilitators. This decision minimized costs while maintaining a presence in both countries.

Although these resource-allocation decisions minimized costs, they also had operational consequences. From several WWF Pacific informants' perspectives, the budget allocation swung too far in favour of the external technical and management support and did not leave enough for implementation to be properly funded. As one representative described:

*There was not enough for project teams to carry out implementation as well as they could have. So, we had to piggyback funding from other projects working in the district to finish carrying out this one. Only about twenty-five per cent of staff time, resources, and travel - including stakeholders who travel a long way to meet with us from [many distant] villages... were covered by this project's budget. The other seventy-five per cent was subsidized by other WWF projects or people's unpaid time.*

Consequently, subsidization by other projects was needed because of the design's insufficient budget for in-country management and activity execution in Fiji and PNG. WWF informants explained that project designers underestimated the cost multiplier effect of executing the project across two countries. Furthermore, splitting execution costs across two executing entities is likely to have created an additional cost multiplication effect.

### 3.6.2 Extent of co-finance realized to date

## Co-financing committed at CEO endorsement

Co-financing forecast at CEO endorsement by April 2021 is listed in Table 10, alongside all co-financing received that the evaluation could verify.

Table 10 - Co-financing committed at CEO endorsement (all values in US\$)

Name of partner	Type of co-financing	Type of investment	Amount forecast	Received- documents verified
WWF Pacific	In-kind	Staff salaries, Operational Costs and related Field Activities	150,000	Not reported
WWF US	In-kind	Recurrent expenditure	126,605	80,609
Willis Towers Watson	In-kind	Recurrent expenditure	3,816,320	3,816,320 Yr 1: 1,667,618 Yr 2: not sighted Yr 3: 1,300,373
Government of Canada via Ocean Risk and Resilience Action Alliance (ORRAA)	Grant	Investment mobilized	2,128,589	2,003,000
Other funding via ORRAA	In-kind support from members	Investment mobilized	1,109,064	2,070,945
<b>Total</b>			<b>7,330,578</b>	<b>7,122,545 verified</b>

## Amount of co-financing materialized at Terminal Evaluation

The Project Close-out Report recorded that \$US7,330,578 of co-financing had materialized by the end of the reporting period in March 2025.

### 3.6.3 Degree to which co-financing was taken into account by project

Table 10 shows that the co-financing planned by WWF US/GEF Agency, WWF Pacific, and WTW are for organizational costs and recurrent expenditure such as personnel costs and management overheads. They were not used to finance Project activities and therefore freed up GEF funds to focus on the Project's operational budget according to the WWF Pacific Finance Team.

### 3.6.4 Utilization of grant funds distributed to project partners

The project did not provide grants to any implementing partners.

In relation to non-GEF grants to the project, Table 10 shows that the Canadian Government (under ORRAA) was expected to commit over \$US3.2 million in grant and in-kind support to the project. No project financial reporting was found to evidence whether these funds were received and, if so, how they were spent.

### 3.6.5 If any shortfalls in co-financing or materialization influenced project results

Of the \$7.33 million in forecast in-kind and grant co-financing the project's close-out report declares that all co-financing committed at the beginning of the project had materialized. The evaluation's literature review was able to sight and verify documentation for US\$ 7,122,545 of this total. The evaluation concluded that the remainder likely to be undocumented in-kind contributions from implementing and executing entities. Thus, in context, the evaluation found no reason to believe that unverified amounts did not materialize.

## 4 Conclusions, Recommendations & Lessons

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### 3.7 Summary of findings: progress towards outcomes and outputs

#### Component 1: Enabling environment for financial products to improve resilience for small-scale fisher communities

WTW and WWF engaged partner communities to complete climate risk assessments which informed development of targeted coverage priorities, and risk pooling options. Results of the research that followed were well documented through Technical Product Reports for each country.

Financial literacy training was provided but only for a small percentage of the planned number of people and its effect on the participants' financial literacy skills was not measured. Initial targets for beneficiaries were unrealistic and further reduced by not launching a product with which to engage a wider population.

Insurance markets were nurtured in the Fijian target communities to some extent because workshops and awareness-raising activities promoted increased interest in and knowledge about insurance products, and their engagement within the Fijian economy is better positioned than the more subsistence context of their PNG peers. In Fiji, awareness raising among partnered communities was matched with awareness-raising and decision-making engagement of government ministries relevant to climate change adaptation and community "derisking". The project also established foundational awareness and interest in the Fijian insurance sector. Thus, in Fiji, the project prepared an enabling environment at national institutional level and readiness at community level. Component 1's main drawback was that insurance premium financing was not secured. As a result, the project's second component could not advance to handing over the community-level parametric insurance scheme to an insurance company, and pay-out and disbursement mechanisms for households and ecosystem protection could not be negotiated by the end of the project.

#### Component 2: Financial products and incentives

Core aspects of an innovative community and environmental parametric insurance program were designed, including a premium financing engagement strategy, hazard identification, information on potential pay-out mechanisms, guidance to policy holders, and an operationalization strategy. WTW's analytical work was supported by WWF Pacific-led consultations with relevant government, private sector, and multilateral stakeholders.

While a willing potential institutional policy holder was identified, some Fijian insurance companies expressed interest in deploying the policy, and institutional stakeholders expressed optimism that premium financing options may be available for a pilot phase, ultimately, premium financing was not secured by the end of the project.

#### Component 3: Knowledge management, monitoring and evaluation

Project implementers apparently delivered all required monitoring, evaluation, and financial reporting. Project staff report effective collaboration between its three key organizations: WWF GEF, WTW and WWF Pacific. A small number of indicators were adjusted based on experience implementing the project during the first two years.

Executing agency WTW achieved most of the planned communication tools for engaging communities and institutional stakeholders. Knowledge products by WTW were informative and have the potential to provide authoritative guidance for future efforts by WWF, WTW, or other agencies engaged in parametric insurance in the Pacific, to develop insurance programs in the target countries.

Routine semi-annual reporting as well as periodic and ad hoc partner meetings were found to be important and practical opportunities for the three agencies to identify adaptive management opportunities to keep implementation progressing well. However, the project's evaluation function was under-resourced.

### 3.8 Extent, magnitude and sustainability of project impacts

#### Extent

The extent of project impact was smaller than planned because the number of direct beneficiaries was in the hundreds compared to a target of 7,500. Ultimately, within the limited three-year project lifecycle, the project was principally focused on assessing, researching, developing, and documenting guidance for launching a community-cover parametric insurance product. Consequently, in this same short window of time, targets for community engagement should have focused on assessment consultations rather than broad-scale awareness-raising and promotion.

#### Magnitude

The magnitude of impact is difficult to measure. The impact of financial literacy training on participants' literacy skills was not measured. Community consultations established that residents of partnered communities have increased awareness about climate risks and potential insurance options, as do stakeholder government ministries in Fiji. Given the short project timeframe and remaining steps to be addressed before an insurance project can be launched, the magnitude of change at the end of the project is limited to some lift in knowledge or attitudes toward the potential for improved disaster and climate resilience via parametric insurance. If WWF or other stakeholders are able to resolve the few remaining steps to catalyze the launch of such a product after project closure, the magnitude of impact will increase, perhaps exponentially. Conceivably, a pilot launch in Fiji would benefit all residents in partnered communities. If a pilot is successful, it may prove a catalyst for expanding premium financing interest to other communities and establish a proven model that could be adapted to other economically marginal communities across Pacific Island countries. Overall, relative to its budget of little over US\$ 1 million over two countries, the innovative research and preparation of an enabling environment for climate-resilience parametric insurance represents very high value for money against this budget.

#### Sustainability

The overall rating of sustainability of the project's intended outcomes is 'moderately likely'. The project improved community and government understanding of the connection between climate hazards and insurance as a source of impact mitigation. Sustained community interest and engagement hinges on whether a meso/community-level parametric insurance product can be piloted or sustained after the project has ended. Such an outcome has potential in Fiji, but little likelihood in PNG. Similarly, at institutional level, knowledge and interest in Fiji were generated among relevant government ministries, but ongoing support is fragile unless deployment of an insurance solution in the near-term can provide a platform to sustain government and private sector engagement. Such a deployment could come about via sustained post-project activity of WWF or adoption of project findings by other regional initiatives by UNCDF, Pacific Resilience Partnership – Risk Financing Group, and so on. Given the foundational knowledge and guidance documented by the project, to sustain project results, the final sequential step necessary to reach deployment of a climate-resilience related insurance product is:

1. Finalizing a premium funding financier
2. Finalizing an institutional policy holder
3. Finalizing an insurance company to adopt and deploy the policy (including an insurance underwriter)
4. Negotiating registration and pay-out mechanisms for households in covered communities

5. Negotiating registration and pay-out mechanisms for district-level institutions to receive and administer funds for community-based ecosystem restoration activities.
6. Conducting ongoing consultations and negotiations to enable pilot funding to evolve into a sustained premium financing model.

### 3.9 Key lessons: concerns and best practices

#### Best practices

**Parametric insurance for climate vulnerable communities.** As a company with experience and expertise in parametric insurance, the Technical Product Reports and associated documents published by WTW appear to be in line with best practice. The attempt to establish a completely new type of insurance product was highly innovative, high risk, and had the potential to be extremely high reward if it could have been successfully piloted within the short timeline for research, development and implementation. The Project may still enable the launch of a new insurance product to enhance the resilience of vulnerable coastal communities and their managed ecosystems if additional resources are garnered to capitalize on progress to date. The innovation is commendable and could be considered best practice because identifying solutions to intractable problems requires a degree of risk-taking, informed by excellent research. The project has achieved this and produced knowledge products that may inform the development of insurance-based financial security for vulnerable communities by the project's partners, or other potential market players in the future.

**Tripartite organizational collaboration.** The organizational structure and reporting lines between WWF GEF, WTW and WWF Pacific were an innovative and effective way of managing and implementing a project. The approach ensured clear reporting lines and responsibilities to avoid duplication of effort or uncertainties about decision-making authority while optimizing the application of each partner organization's unique expertise to the task. The approach, level of collaboration, and outcome present a model for multi-year private-sector and not-for-profit partnerships.

**Community Facilitator model.** The project incorporated the introduction of Community Facilitators as knowledge liaison agents between WWF and partnered communities. The model has been established and proven in other countries such as Solomon Islands and PNG, so built on established evidence. The evaluation found the CF model promoted community decision-making, culturally relevant communications, women's empowerment, and enabled an optimal cohort of CFs to form by enabling the most motivated to continue, and low performers to self-select out.

#### Key Challenges

The following is a summary of key challenges presented in the above findings section. They are not listed in any order of priority.

**Conflicted objectives between research and development versus broad community development outcomes.** The project's human and financial resource structure did not permit the pursuit of alternative financial resilience models when it became apparent that the preferred insurance product would not be suitable for the Madang/PNG context. Additionally, in Fiji, where the insurance model has potential for piloting, the project could not capitalize on its community mobilization by delivering the anticipated financial solution. If the project had been principally a product research and development project, ceasing engagement with consulted communities would be appropriate. However, the project's core indicators and half its outcome indicators were focused on community-development outcomes. Consequently, the lack of contingency for half the project's intended beneficiaries became a significant shortcoming in its results and relationship with those communities.

**Grassroots feedback missing from the reporting system.** The monitoring system focused primarily on measuring quantitative results and explanations for them. Its design did not have a system and reporting templates in place to facilitate structured feedback from community and local staff to be fed into the decision-

making structure. Similarly, the monitoring system did not measure the effectiveness of community-level training and workshops. Consequently, any improvements were the result of ad hoc perceptions and actions of the trainers themselves.

**Remote expertise constrained efficiency of alliance-building – especially in the Melanesian context.** The project's ability to efficiently and effectively engage private and government institutional stakeholders on a regular basis was compromised by insurance experts, WTW, not being able to conduct planned and ad hoc meetings in person to build the necessary alliances. While WWF Pacific personnel performed admirably in learning insurance concepts and attempting to network and negotiate with insurance and government institutions on the topic, delegating such responsibilities to personnel whose expertise is very different to the insurance sector constrained their ability to form deep working relations with the right people in the right institutions. To enable in-country implementation to achieve necessary progress within a three-year timeframe in a niche sector – such as insurance – projects would benefit from having a national or international staff member specialized in that sector to spearhead progress. This is especially so in Melanesian countries, where face-to-face contact and relationship-building are essential for business and online meetings (especially in foreign time zones) discourage engagement.

**Missing key stakeholders in the governance model.** In Fiji, where the project progressed, key insurance sector participants were not invited to act as PSC members or advisors. The insurance regular in the Reserve Bank of Fiji and nationally-based private sector insurance companies would become more important to the launch and sustainability of a parametric insurance product than even government ministries. Yet, the regulator was not engaged at all, and insurance companies were only tentatively consulted. If not able to be full members of the PSC, these institutions could have acted as advisors to the committee.

**Inadequate in-country execution budget.** To balance the limited project management budget across all three implementing and executing entities, the project funded only a minor proportion of the in-country full-time project manager's role. The multi-country execution resulted in in-country staff responsibilities and costs being higher than forecast during the design stages. This misalignment required the manager to work on other projects to justify cross-subsidization of the role by other WWF Pacific projects. To enable in-country execution, partners need to identify a budget structure that enables the senior executing staff to be funded under a budget line other than project management.

**Misalignment of indicator targets with pilot innovation aspirations.** The competitive nature of the Challenge Program selection criteria encourages ambitious project coverage of populations and geographic areas - despite the modality's primary focus on projects nurturing innovative pilot concepts. Achieving high coverage is especially difficult in small island developing states where population sizes are small and operating costs are much higher than other geo-regions. Such criteria contributed to inclusion of core indicator targets that were unattainable, in combination with proposal-stage limitations on community consultations during COVID travel restrictions and the difficulty the implementing agency would have had in trying to gain approval to revise the targets downwards.

### **3.10 Recommendations to build sustainability or reinforce project benefits and impacts**

The following recommendations directly respond to the key challenges listed above, in order to provide guidance on mitigating such constraints to improve project impact and sustainability for related projects in the future. These challenges are supplemented with two additional minor opportunities for process refinement identified in the findings for gender inclusion and safeguards.

**Challenge 1: Conflicted objectives between research and development versus broad community development outcomes.**

**Recommendation 1: For projects with a principle focus on researching, developing, and piloting a significant innovation, objectives, indicators and targets related to community engagement should be limited to consultations for learning and not mainstreaming development outcomes.** Given the sensitivities expressed by PNG community stakeholders, that consultations that do not result in development action cause

dissatisfaction with the implementing agency, such consultations ideally would take place in communities being supported via other, existing initiatives. Furthermore, expectations must be managed from the outset regarding the timeline and likelihood of tangible follow-on outcomes.

#### **Challenge 2: Grassroots feedback missing from the reporting system.**

**Recommendation 2: To ensure management-level decision-making is informed by robust stakeholder data, project monitoring and reporting systems should incorporate processes that routinely capture beneficiary and community-engagement staff perspectives.** Future projects would benefit from an agreed, documented feedback and response loop so that there is genuine adaptation and continual improvement during implementation. That should be agreed beforehand, documented in the Project Design Document, and incorporate feedback which field workers receive from local stakeholders, such as (in this case) PSC members, Community Facilitators and community members. The M&E discipline has a growing body of knowledge and practice related to real-time or near-real-time evaluation from which M&E system designers could source cost-effective ideas<sup>80</sup>.

#### **Challenge 3: Remote expertise constrained efficiency of alliance-building – especially in the Melanesian context.**

**Recommendation 3: To optimize in-country implementation in a niche sector – such as insurance – design and budget for a national or international staff member specialized in that sector to spearhead progress.** This is especially necessary in Melanesian countries, where face-to-face contact and relationship-building are essential for business and online meetings (especially in foreign time zones) discourage engagement. Identifying a qualified national team member would mitigate the high relocation costs of transferring a foreign specialist. Depending on the skills available in the national labour market, such a role could either be positioned at in-country project management level or project officer level.

#### **Challenge 4: Missing key stakeholders in the governance model.**

**Recommendation 4: For insurance-sector initiatives, key national insurance actors must be incorporated into the project's governance processes.** In the case of Fiji, missing core actors included the national insurance regular and national private-sector insurance firms. Engagement in governance processes might include direct participation in a project steering committee. If interest in full participation is low or creates a potential commercial conflict of interest, such actors may be engaged in transparent, periodic advisory roles – either to the PSC or directly to project managers.

#### **Challenge 5: Inadequate in-country execution budget.**

**Recommendation 5: For multi-country and multi-executing agency projects, design an in-country management and activity execution budget that is greater than for single-country projects.** Dividing execution costs between two entities and further dividing in-country management and execution costs between two countries will require future projects to design the budget with three to four times the budget for in-country staffing.

#### **Challenge 6: Misalignment of indicator targets with pilot innovation aspirations.**

**Recommendation 6: Projects with a heavy research and innovation focus should choose and justify conservative population and geographic coverage targets at concept and design stages.** Short implementation windows such as three years, is barely sufficient to undertake in-depth assessments, research, consultations and alliance-building, concept development, and achieve pilot phase. Whilst competitive processes encourage inflating coverage numbers, it is important for concept and proposal designers to ensure

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<sup>80</sup> For a starting point for exploring near-real-time evaluation, among the climate change adaptation fraternity, the Adaptation Fund has been a thought leader, as has evaluation consultant, Scott Chaplowe. See <https://www.adaptation-fund.org/wp-content/uploads/2024/02/AFBEFC.318Add.10-Real-Time-03.05.24.pdf> and <https://www.scottchaplowe.com/resources>

their bid is realistic. This places a responsibility on design teams to justify the scale of their targets. It also places responsibility on assessment/selection panels to have sufficient sectoral and country experience to discern what is realistic and what is not for innovation projects compared to ‘conventional’ development projects.

**Challenge 7: Adapting WWF International’s Grievance Redress Mechanism to location-specific contexts.**

**Recommendation 7: When commencing projects in newly partnered communities, conduct a participatory review of WWF’s GRM to test its suitability for women’s and men’s cultural preferences - especially to include input from marginal sub-groups of the society.** In the case of this project, this issue should not be defined as a ‘challenge’, as WWF Pacific and community members adapted WWF’s international GRM to local, culturally relevant reporting preferences. Nevertheless, this good practice highlights an opportunity for WWF to officially endorse such adaptations to ensure its utility and accessibility to all intended beneficiaries in all countries and locations.

**Challenge 8: Environmental and Social Safeguards screening protocols do not provide sufficient guidance when extensive community consultations are included in project designs.**

**Recommendation 8: Ensure that safeguards screening tools rate projects with regular community engagement as an elevated social risk to compel further assessment.** In this project, widespread and frequent community engagements were not considered a social risk factor. While generally other organizational safeguard policies and protocols still mitigate risks of inappropriate behaviour by WWF and partner staff, the lack of prompting for deeper reflection during project design phase may have contributed to a narrowing of community-level stakeholder inclusion – especially around ethnicity.

**3.10.1 Evaluation rating tables**

The outcome assessment ratings are summarized as follows:

Evaluation criterion	Design rating	Implementation rating
Relevance	Satisfactory	Moderately satisfactory
Coherence	Satisfactory	Satisfactory
Effectiveness	Moderately satisfactory	Moderately satisfactory
Cost-efficiency	Highly satisfactory	Highly satisfactory
Sustainability	Moderately likely	Moderately likely
Monitoring and Evaluation	Moderately satisfactory	Satisfactory
WWF GEF Agency implementation	NA	Satisfactory
Executing Agency execution	NA	Satisfactory
<b>Overall evaluation rating</b>	<b>Satisfactory</b>	<b>Satisfactory</b>

Detailed explanations of ratings are provided in tables in Annex H.

End of report. See next page for annexes.

# 1 Annexes

This section contains the following annexes:

- Annex A: Terms of Reference
- Annex B: Composition and expertise of the evaluation team
- Annex C: Itinerary of Terminal Evaluation (field visits)
- Annex D: Photos of project sites
- Annex E: List of persons interviewed
- Annex F: List of documents reviewed
- Annex G: Evaluation Questions/ Matrix
- Annex H: Evaluation Rating Summary Table

## Annex A: Terms of Reference

### REQUEST FOR PROPOSALS AND TERMS OF REFERENCE FOR TERMINAL EVALUATION OF WWF-US GEF PROJECT



POSITION DETAILS	
Location of Consultant(s)	Flexible
Reporting To	Amelia Kissick
Preferred Timeframe of Consultancy	March - June 2025
Period To Be Evaluated	May 28, 2021 – time of evaluation
Potential Sites to Visit	Tavua District and Macuata Qoliqoli Cokovata in Fiji, and Madang province in PNG
Maximum Budget Available	\$25,000
PROJECT DATA	
Project/Program Title	Financial tools for small scale fishers in Melanesia
GEF Project ID	10437
WWF (Agency) Project ID	G0028
Implementing Agency(s)	WWF GEF Project Agency
Executing Agency	Willis Towers Watson
Executing Partner(s)	WWF Pacific
Countries	Fiji, PNG
Focal Area(s)	CCA
GEF Operational Program	GEF-7

Total GEF Approved Budget	\$ 1,005,046
Total Co-financing Committed	\$7,330,578
<b>RELEVANT DATES</b>	
CEO Endorsement/Approval	May 28, 2021
Agency Approval Date	February 22, 2022
Implementation Start	March 1, 2022
Midterm Evaluation Completion Date	n/a
Project Completion Date (proposed or actual)	March 31, 2025

## INTRODUCTION

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World Wildlife Fund, Inc. (WWF) and the Global Environment Facility (GEF) require a terminal evaluation (TE) for all full and medium-sized projects. The following terms of reference (TOR) set out the expectations for the TE for the project “Financial tools for small scale fishers in Melanesia,” hereafter referred to as the “Project”. The technical consultant(s) selected to conduct this evaluation will be referred to as “evaluator” throughout this TOR.

The Project seeks to improve the resilience of vulnerable coastal communities to the adverse impacts of climate change, including major shock events, in Fiji and PNG. The project works in three communities: Tavua District and Macuata Qoliqoli Cokovata in Fiji, and Madang province in PNG.

The Project was organized into the following components and outcomes:

- Component 1: Enabling environment for ex ante risk financing to improve resilience for coastal communities in Tavua District and Qoliqoli Cokovata in Fiji and Madang Province in PNG.
  - 1.1. Climate risks, coverage priorities, and risk pooling options identified
  - 1.2. Improved financial literacy to engage with risk financing and financial products for climate resilience amongst coastal community members
  - 1.3 Markets developed in the target geographies to provide insurance products for community level climate resilience and adaptation
- Component 2: Financial products and incentives for coastal communities
  - 2.1 Insurance program(s) designed to underpin improved financial resilience to climate shock events for three target communities, including developing options for incentivizing sustainable ecosystem management practices and other climate adaptation measures in risk-responsive pricing
  - 2.2. Premium financing identified and mobilization pursued
- Component 3: Knowledge Management and Monitoring & Evaluation
  - 3.1 Effective project communications, knowledge management and adaptive management

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See the WWF GEF project website <https://www.worldwildlife.org/projects/financial-tools-for-small-scale-fishers-in-melanesia> for additional details and project documents.

## SCOPE AND OBJECTIVES OF EVALUATION

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WWF is seeking an independent consultant to undertake a Terminal Evaluation of the GEF-financed Project—not the co-financing activities or associated results.

The objectives of this evaluation are to examine the extent, magnitude and sustainability of any project impacts to date; identify concerns as well as best practices; assess progress towards project outcomes and outputs; and draw lessons learned that can both improve the sustainability of benefits from this project and aid in the enhancement of future related projects. The evaluator is expected to frame the evaluation effort using the seven (7) core criteria of relevance, coherence, effectiveness, efficiency, results/impact, sustainability and adaptive capacity. Particular emphasis will be placed on effectiveness, efficiency, results/impact and sustainability. See Annexes A – D for definitions of these criteria, additional assessment areas and ratings, and a sample report outline.

## **EVALUATION APPROACH AND METHODOLOGY**

The evaluation will adhere to the guidance, rules and procedures established by WWF<sup>81</sup> and the GEF Terminal Evaluation<sup>82</sup> and Ethical Guidelines.<sup>83</sup> The evaluation must provide evidence-based information that is independent, participatory, transparent, and ethical. The evaluator must be unbiased and free of any conflicts of interest with the project. The evaluator is expected to reflect all stakeholder views and follow a participatory and consultative approach. There should be close engagement with WWF GEF Implementing Agency (IA), the Executing Agency/ project management unit (PMU), / government counterparts, the GEF operational focal point, partners and key stakeholders. Contact information will be provided.

The Evaluation process will include the following, with deliverables marked by “\*”<sup>84</sup>:

A. Desk review including, but not limited to:

- Project Document and CEO Endorsement Request;
- Project governance documents;
- Annual Work Plan and Budget (AWP&B) documents;
- Project Progress Reports (PPR) including Results Framework and AWP Tracking tool;
- Project Closure Report (PCR) (if available);
- GEF Agency reports, including Project Implementation Reports (PIRs), Back to the Office Reports (BTORs) and Support Mission Reports;
- GEF Tracking Tools (if applicable);
- Relevant financial documents, including financial progress reports; co-financing monitoring tables and letters, and audits;
- Relevant safeguards documents, including WWF GEF Agency Categorization and Compliance memo, Stakeholder Engagement Plan, and Grievance Redress Mechanism;
- Gender Action Plan and/or other gender-related documents;
- Meeting minutes from Project Steering Committee (PSC), WWF- GEF AMU and support team; and others;
- Documents and reports produced through the project (communication products, technical reports, etc);
- Other relevant documents provided by the Executing Agency and partners.

B. Kickoff and Inception meetings to gather input from select project stakeholders on evaluation approach, priorities, to agree on methodology, and to inform the inception report;

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<sup>81</sup> For additional information on evaluation methods adopted by WWF, see the [WWF Evaluation Guidelines](#) , published on our [WWF Program Standards](#) public website.

<sup>82</sup> For additional information on the GEF Terminal Evaluation Guidelines, see the [GEF Terminal Evaluation Guidelines](#), published on the [GEF Evaluation Office](#) website.

<sup>83</sup> Please see the GEF [Ethical Guidelines](#) as published on GEF website.

<sup>84</sup> All deliverables should be sent directly to the Technical Director of the agreement who will determine whether the deliverable is satisfactory and ready for circulation.

- C. Inception report (Draft and Final) \* that outlines evaluation methodology, including how ratings/findings will be assessed (indicators to be used, key questions), sample questionnaires, stakeholders, workplan, etc.;
- D. Site visits with PMU and project partners to field sites, as necessary and feasible;
- E. Interviews, discussions and consultations with executing partners, the GEF Operational Focal Point (OFP), Project Steering Committee (PSC) members, beneficiaries, WWF-GEF Agency and extended team; Project Management Unit, and others;
- F. Debrief and presentation\* of initial findings to Executing partners and WWF-GEF Agency and extended team for feedback and final data collection. Feedback log requested to record responses to comments received;
- G. Draft Terminal Evaluation report\* (70-page suggested limit excluding annexes) shared with WWF-GEF, PMU, PSC and others indicated for review and approval. Draft report shall be submitted in English. A sample outline will be provided; and
- H. Final TE report\* (70-page suggested limit excluding annexes) that has addressed any inaccuracies, responded to requests for additional means of verification and taken into consideration any feedback. Report should be in English. The final deliverable package shall include a tracked changes and clean version of the report, a feedback log showing actions taken/responses to all reviewer comments, and include all data collected from the evaluation.

## **EXPECTED CONTENT OF REPORT**

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The Terminal Evaluation report should include:

- Information on the evaluation process, including when the evaluation took place, sites visited, participants, key questions, summary of methodology and rating rubric, and feedback log showing how comments on draft were incorporated;
- Assessment of Relevance (project design/ theory of change) and Coherence;
- Assessment of Effectiveness, including review of project Results Framework and rating of project objective and outcomes (individual and overall);
- Validation of Core indicator/CCA Indicator measurements at project end;
- Assessment and ratings for Implementation and Execution, including assessment of governance structure and coordination;
- Assessment and rating of Risks to the Sustainability of project results;
- Assessment and ratings for Monitoring and Evaluation Design and Implementation;
- Assessment of knowledge management approach, activities and products, including list of key products;
- Assessment of replication, additionality and catalytic effects of the project;
- Assessment of stakeholder engagement;
- Assessment of gender-responsive measures;
- Assessment of any environmental and social impacts generated by the project's activities as well as its safeguards stipulations, which includes (a) a review of the assigned environmental and social risk category classification; and (b) a review of the progress made in the implementation of the mitigation measures outlined in the project's relevant documents or otherwise utilized to manage risks.
- Assessment of Efficiency, financial management and summary of co-financing materialized;
- Summary table of key findings by core criteria and GEF ratings, including justification and/or indicators for their determination;
- Key lessons tied to identified findings or best practices;
- Recommendations useful for project close and sustainability, and for other similar projects in order to improve on identified issues, replicate best practices or achieve stronger results.

## **QUALIFICATIONS**

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## Required Qualifications and Experience

- Minimum 10 years of relevant professional experience (e.g. M&E)
- Demonstrated experience in conducting evaluations; experience with quantitative and qualitative evaluation methods;
- Excellent written and oral communication in English

## Preferred Qualifications and Experience

- Experience with GEF financed projects and knowledge of GEF Monitoring and Evaluation Policies;
- Experience with participatory evaluation, social assessments, and gender mainstreaming;
- Experience in Fiji and Papua New Guinea, or familiarity with local context;
- Technical knowledge related to the project, including basic insurance concepts (such as parametric insurance) and financial inclusion for coastal communities, and climate adaptation/resilience.
- Familiarity with Conservation Standards or WWF Project and Programme Management Standards, including emphasis on theory of change;
- Knowledge and experience implementing or reviewing application of social and environmental safeguards policies in GEF (or similar) projects; and

## PAYMENT MODALITIES

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Payment, expense reimbursement, and other contractual terms and conditions will be outlined in the consultant agreement made between WWF and the evaluator. Contracts may be made with an individual or organization. Payments will be made following submitted and approved deliverables and once invoices are sent. Twenty-five percent of the fee will be paid after submission and approval of the Inception Report. Fifty percent of the fee will be paid following submission and approval of the debrief presentation, Draft Report and related documents. The final twenty-five percent will be paid following the submission and approval of the Final Report and related documents. Reimbursement for expenses, if separated from fee, will be paid separately following submission of receipts. Be advised that translation services, transportation, and taxes should all be included in the proposed budget.

## PROPOSAL PROCESS

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Interested consultants are invited to submit a technical and financial proposal with their *curriculum vitae*, a relevant writing sample and three professional references that are approved to contact. Only complete proposals will be accepted. The financial proposal should include fee and reimbursable expenses, if applicable. The total budget shall not exceed USD 25,000. Individual, team or consulting firm proposals are welcome. Women and members of social minorities are encouraged to apply.

Interested consultants are requested to send their proposals to [EvaluationsWWFGEF@wwfus.org](mailto:EvaluationsWWFGEF@wwfus.org) by September 27. All questions about the requirements or process should be submitted to this e-mail address by September 20. Responses to frequent and submitted questions will be available to all interested consultants at [https://docs.google.com/document/d/16DoBRrb5dHmHx4Vt9\\_\\_rprAOxhChytF/edit?usp=sharing&ouid=101431196757707270045&rtfpof=true&sd=true](https://docs.google.com/document/d/16DoBRrb5dHmHx4Vt9__rprAOxhChytF/edit?usp=sharing&ouid=101431196757707270045&rtfpof=true&sd=true) until the application deadline.

The technical proposal and qualifications/experience of the individual or team will account for 90% of the weighted score of the proposal. The technical score will be based on how the proposal reflects an understanding of the work and adherence to the TOR and quality of the proposal (readability, depth/breadth and suitability of the methodology), as well as the degree to which the candidate meets desired and required qualifications/experience mentioned in the terms of reference above. Proposals that include site visits will receive a higher technical score. The financial elements of the proposal will account for 10% of the weighted score of the application.

Once all proposals have been scored by the review committee, a shortlist of proposals will be determined, and the candidates notified. Shortlisted candidates will have their references contacted, proposal reviewed by project stakeholders and will participate in an interview. Shortlisted candidates who are not selected will be

provided with information on relative strengths and weaknesses of their proposal, but specific scores and the identity of other candidates will not be shared.

The selection process will be in compliance with WWF and GEF requirements. Any questions or concerns about non-compliance or irregularities in the process can be raised through WWF's mechanism for reporting concerns available here: <https://wwfus.ethicspoint.com>

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## **Annex B: Composition and expertise of the evaluation team**

**Peter Weston** is the lead evaluator for this assignment. He has facilitated the evaluation design process and document review, led all data collection in Fiji, led data analysis and report-writing, and coordination of other K4Dev team members. Peter has over 25 years of experience in design, monitoring, and evaluation in international development. His experience includes extensive evaluation experience of climate resilience projects across Melanesia and around the world, including evaluations of the GCF, Adaptation Fund, GFDRR, and diverse climate resilience and livelihoods projects funded by government aid programs.

**Stephen Collins** provided analysis support to the lead evaluator, post-data collection. Duties include support for coding and synthesis of qualitative data, structuring and presentation of quantitative, qualitative, and narrative data, drafting of overview sections and annexes of the report. Stephen is a highly skilled international development practitioner and evaluator in his own right. He has over 20 years' experience in all aspects of monitoring and evaluation, data analysis, report-writing, grants management, editing and review across a range of roles, countries, and continents.

**Noah Mawe** coordinated and conducted interviews for the evaluation in Papua New Guinea – both in Port Moresby and in Madang. Noah is a Niuginian consultant who is highly experienced in project management, monitoring & evaluation, and community development facilitation. For over 10 years, Noah has worked in M&E roles for various international non-government organizations and development consultancies.

## Annex C: Itinerary of Terminal Evaluation (field visits)

### Fiji data collection itinerary:

Dates	Activities	Location	Team	Transport
Sun 30/3	Peter transit from Brisbane to Suva.	Suva	Peter	Flights: FJ 920 FJ 021 from Nadi. Arr. Suva 19:00. Peter to arrange airport pickup.
Mon 31/3	<b>Morning.</b> Greetings, introductions. Orientation. <b>WWF Pacific group KIs</b> 9.00am-10.00am. Vilisite: 10.30am – 11.30am Francis & Una. 12.00 - 1.00 pm. Team Finance (Rahul, Bimlesh, Feranah) 2.30 -3.00pm. Tui	Suva	Peter	Peter to walk to office (weather permitting)
Tue 1/4	<b>Morning (9-11am?):</b> PSC members’ workshop. WWF Office. Incl. Min. of iTaukei Affairs (potential policyholder) <b>Midday.</b> Airport transit. Flight to Labasa <b>Afternoon.</b> check into accommodation	Transit: Suva to Labasa	Margie Peter  CFs	Peter to walk to office (weather permitting)  Peter has organised taxi to airport Flight: Suva – Labasa: FJ 038. Dep. 14:10. Arr. 14:50.
Wed 2/4	<b>Morning:</b> Workshop consultation with <b>Nadogo CFs</b> <b>Afternoon:</b> FGDs with <b>Macuata/Nadogo village representatives</b> for male/female intended beneficiaries.	Labasa town	Peter Margie CFs	No vehicle required. Peter to cover cost.
Thu 3/4	<b>Morning</b> flight: Fly to Nadi (via Suva)( <i>Direct flight only in afternoon – too late</i> ) <b>Late Morning</b> DRIVE to Tavua <b>Afternoon</b> workshop consultation with <b>Tavua CFs.</b> <b>Evening</b> – accommodation check-in. Tavua guesthouse.	Transit Labasa to Tavua  Tavua town	Peter Margie CFs	Flight: Labasa-Suva, Suva- Nadi FJ031. Dep. 08:55 – 09:35 FJ010 10:05-10:35.  Peter to arrange vehicle from Nadi to Tavua
Fri 4/4	<b>Full day:</b> FGDs in <b>Tavua village(s)</b> for male/female intended beneficiaries.	Tavua villages	Margie Peter CFs	Peter to arrange vehicle. Margie to return to Nadi in afternoon/evening flight.
Sat. 5/4	<b>Morning:</b> Road travel to Nadi <b>Afternoon/evening:</b> Peter returns to Australia: Nadi – BNE		Margie Peter	Peter to arrange vehicle to Nadi. Flight Nadi-BNE. FJ923. Dep. 20:30. Arr. 22:50

## Papua New Guinea data collection itinerary:

Day	Activity	Location	Team members	Transportation
Prior	Review of project documents and data collection tools			
Mon. 9 April	Briefing and planning meeting with WWF PNG	WWF office, PoM	Noah	
Tue. 22 April	Flight from PoM to Madang. 5am to 6am Conduct meetings with WWF Madang staff. 9am to 10am Partners interview in Madang Town 10:30am to 12:30pm KII with Community facilitators in Madang Town. 1:pm to 4pm from all WWF project sites. (x12 CFs)	PoM – Madang (Accom in town)		Air Port Transfer by Madang Lodge  Transport Hire within Madang Town
Wed. 23 April	Travel to village sites. Nearest to Madang Town. <b>Morning,</b> KII with Community Facilitators & Community Leaders. <b>Afternoon,</b> FGD with Beneficiary: Fisher men / Women & site inspections	Madang town (Accom in town)	Noah WWF's James or Jack	Transport Hire to nearest Madang village
Thu. 24 April	Travel to Bogia District (3 Hrs drive) <b>Morning,</b> KII with Community Facilitators & Community Leaders. <b>Afternoon,</b> FGDs with Beneficiary: Fisher men / Women & site inspections	Bogia District (Accom in town) depending on weather and time.	Noah WWF's James or Jack	Transport Hire for Bogia District.
Fri. 25 April.	Return flight to Lae	Madang airport	Noah	Airport Transfer by Madang Lodge
Mon, 28 April	Interviews with national stakeholders in PoM. Fishing Industry Association	PoM	Noah	
Tue, 29 April	Interviews with national stakeholders in PoM. Conservation Environment Protection Authority	PoM	Noah	Taxi to the office
Wed. 30 April	Interview with WWF staff	PoM	Noah	

## Annex D: Photos of project sites (evaluation consultations)

### Suva, Fiji



Figure 5 - WWF Pacific office (Where national interviews took place)

### 3.10.2 Macuata, Vanua Levu, Fiji



Figure 6 - Nadogo District and Village Leaders' consultation workshop



Figure 7 – Nadogo District Community Facilitators' focus group

### 3.10.3 Tavua, Viti Levu, Fiji



Figure 8 - Tavua fishing boats moored among protective mangroves



Figure 9 - Male and female focus group participants - Korovou village, Tavua



Figure 10 - Village homes of participants in Korovou, Tavua

<b>HOW TO LODGE A COMPLAINT:</b>	
1.	At the community/stakeholder level, to a WWF Field Staff or Project Manager in the field, through one of the community facilitators or village heads (verbal face-to-face meeting).
2.	<p><i>[In the 1st case, the WWF Field Staff/Project Manager will try to help resolve the complainant as well as to the WWF team for documentation]</i></p> <ul style="list-style-type: none"> <li>• <b>Through the telephone number: 3315 533 or 9924 416</b> The key point of contact will be the M&amp;E Coordinator, Ms Vilisite Tamani, who will immediately acknowledge &amp; confirm the complaint being received and provide a brief of the next steps to be taken.</li> <li>• <b>Through letter or email:</b> For letters, these should be delivered via post to: <b>WWF-Fiji Project Complaints, C/- The M&amp;E Coordinator, WWF Pacific, 4 Ma'afu Street, Suva, Fiji</b> <u>Or</u> Complaints can also be sent through WWF-Fiji's Project Complaints Email Address: <b>ProjectComplaint@wwfpacific.org</b></li> </ul> <p>Complaints can be submitted in English, iTaukei, Hindi, or Rotuman, Pidjin for Solomon Islands and Tok Pisin for Papua New Guinea. The complaint should include the following information:</p>

Figure 11 – Photograph of culturally adapted pathways listed in the WWF Pacific Grievance Redress Mechanism posters in Fijian communities.

See next page for Madang PNG photos

### 3.10.4 Madang, PNG



Figure 12 - Top Left: Bogia fishermen's FGD. Top right: Bogia fisher women's FGD

Middle left: Community Facility from Sumkar District. Middle right: Riwo fishermen's FGD

Bottom left: Provincial Government Partners-Commerce Industry & Tourism Branch

Bottom right: Madang Community Facilitators



Figure 13 - Riwo fisher women's FGD

### 3.11 Annex E: List of persons interviewed

#### Key informants

Name	Organization	Role	Number & Gender	
<b>WTW personnel</b>				
1	Maya Dhanjal	WTW, Toronto	Project support / Fiji focus (Year 3). Since April 2024. May really started	Female
2	Sarah Conway	WTW, France	Project lead / Fiji focus (Year 3)	Female
3	Chris Au	WTW, Singapore	PNG support (Years 1+2) and lead (Year 3)	Male
4	Stuart Calam	WTW, UK	Project coordination/reporting and PNG lead (Years 1 and 2)	Male
<b>WWF GEF Agency</b>				
1	Rachel Kaplan,	WWF GEF	Lead Specialist (Project Manager), and GEF Focal point	Female
2	Jacquelyn Beattie	WWF GEF	Program Officer	Female
3	Adrienne McKeehan	WWF GEF	Lead Safeguards Specialist	Female
<b>WWF Pacific – Fiji</b>				
1	Semi Sauliga	WWF Pacific – Fiji	Project field officer - Macuata	Male
2	Margaret Tabunakawai-Vakalalabure	WWF Pacific – Fiji	Project Manager	Female
3	Unaisi Malani - Tagicakibau	WWF Pacific	Great Sea Reef Program Manger	Female
4	Rahul Prasad	WWF Pacific	Fiji Finance Manager	Male
5	Feranah Nisha	WWF Pacific	Finance Officer	Female

6	Hanna Helsingen	WWF Pacific	Interim Director	Female
7	Tui	WWF Pacific	Communications officer	Female

### National government partners - Fiji

1	Ravneeth Dewan	Min of Env & Climate Change	Principal Climate Finance Officer- MECC	Male
2	Jenny Chand	Ministry of Environment and Climate Change	Climate Finance Officer II (new recruit to MoE. Not familiar with the PSC)	Female
3	Setaita Tamanikaiyaroi	Fiji Development Bank	Manager Climate & Eco Finance	Female

### Community leaders - Fiji

1	Ilibani Rova	Nadogo district representative	Mata ni Tikina for Nadogo /District rep. (+ Rep from Wainidrua Village)	Male
2	Amina Rokokicakau	Sogobiau village, Nadogo	Turaga ni koro (village headman)	Male
3	Apolosa Tuilau	Mouta village, Nadogo	Turaga ni koro (village headman)	Male
4	Jone Kawelesa	Nasasa village, Nadogo	Turaga ni koro (village headman)	Male
5	Rupeni Baiya	Naqili village, Nadogo.	Turaga ni koro (village headman)	Male
6	Varanise N	Macuata Province Youth rep	Elected youth representative.	Female
7	Jolame T (M)	Vunivutu village, Nadogo	Turaga ni Koro	Female
8	Vilikesa Batilaga	Daku Village	Turaga ni Koro	Male
9	Vasiti N	Min. of ITaukei Affairs, Macuata Prov. Office	Provincial Conservation Officer (PCO)	Female
10	Pauliasi T	Macuata Provincial Office	Assistant Roko Tui	Male
11	Rajelei Loloma	Korovou	Head of the village women's committee, Member of village committee/council, and Representative of the Turaga-ni-koro (village chief)	Female

### WWF Pacific – Papua New Guinea

1	Jack Saguma	WWF PNG	Senior Marine Protected Areas Officer	Male
2	Jackie Thomas	WWF	Interim Program Manger Solomon and PNG	Male

### National government partners – Papua New Guinea

1	Vagi Rei	Conservation Environment Protection Authority (CEPA)	Manager Marine Ecosystem Branch Sustainable Marine Environment Division	Male
2	Ruben Dumm	Commerce & Tourism Division	Program Manger Commerce, Madang District	Male
3	Imason Bekue	Commerce & Tourism Division	Director, Commerce & Tourism Madang Administration, Economic Sector	Male
4	Clare Tutuana	Fishing Industry Association	Social Accountability/CSR & FISH Coordinator	Female
5	Marcelo Hidalgo	Fishing Industry Association	Chief Operating Officer - COO	Male

### Community leaders - Papua New Guinea

1	Paul Kaul	Sarar Village	Village Chief (Kukurai)	Male
2	Joseph Momoa	Sarar Village	Community Leader	Male
3	Zebedee Dalpadado	Catholic Church	Catechis	Male
4	Philip Kud	Riwo Community	Community Leader / Clean Chief	Male

Total key informants:29 . 22 males, 7 females.

## Community discussion groups

Location	Role/Status	Number and gender of participants
<b>WWF Community Facilitators</b>		
<b>Fiji</b>		
Nadogo District, Macuata Province, Vanua Levu Island	Community Facilitators	4 Female 1 Male
Tavua district, Ba Province, Viti Levu Island	Community Facilitators	2 Females 1 Male
<b>Papua New Guinea</b>		
Bogia	Community Facilitators	4 Female 2 Male
Madang	Community Facilitators	1 Female 4 Male
Sumkar	Community Facilitators	1 Male
<b>Fisher community members</b>		
<b>Fiji</b>		
Tavua district	Female fisher community members	13 Females
Tavua district	Male fisher community members	4 Males
<b>Papua New Guinea</b>		
Sarar Village, Bogia District	Male fisher community members	10 Males
Sarar Village, Bogia District	Female fisher community members	5 Females
Riwo Village, Madang District	Male fisher community members	14 Males
Riwo Village, Madang District	Female fisher community members	12 Females
<b>Total: 11 Groups: 37 Males, 41 Females</b>		

## 3.12 Annex F: List of documents reviewed

Title	Author	Date published
<b>Design related documents</b>		
1 GEF Challenge Program - Concept Note	WWF and Willis Towers Watson	Unknown
2 WWF GEF Melanesia Response Matrix	WWF GEF	11//25/2019
3 Project Identification Form	WWF US and Willis Towers Watson	11//25/2019
4 Project Document	WWF Incorporated	Unknown
<b>Surveys and assessments</b>		
1 Community Consultation Report: Qoliqoli Cokovata (Macuata, Dreketi, Sasa and Mali Districts) and Nadogo	WWF Pacific	March 2021

2	Meeting Report with Communities from the District of Tavua in the Province of Ba.	WWF Pacific	October, 2020
3	GEF Melanesia Baseline Assessment - Madang	WWF Pacific	December 2019
4	Community Survey – Fiji (Tavua District)	WWF & WTW	2022
5	Climate Risk Review - PNG	Willis Towers Watson	2022
6	Climate Risk Review - Fiji	Willis Towers Watson	2022
7	Insurance market assessment - PNG	Willis Towers Watson	2022
8	Insurance market assessment - Fiji	Willis Towers Watson	2022

### Stakeholder engagement

1	Stakeholder Engagement Plan	Unknown	Unknown
2	Gender Analysis and Action Plan	Unknown	Unknown
3	Short-term premium financing strategy	Willis Towers Watson	Unknown
4	Policy holder guidance document	Willis Towers Watson	January 2025

### Gender and Safeguarding documents

1	WWF Environment and Social Safeguards Screening Tool for Landscapes and Seascapes	WWF US, WWF Pacific, WTW	Before Oct 2021
2	WWF Climate Risk Screening Tool	Jacquelyn Trudeau, WWF US	Unknown
3	Safeguards Compliance Memorandum	WWF GEG	Unknown
4	WWF Gender Policy	WWF Social Development for Conservation Global Team (SD4C)	May 2011
5	GEF Policy on Gender Equality		November 2017

### Periodic reports

1	Six-month Project Progress Report	WWF GEF, WWF Pacific & WTW	9/30/2022
2	Annual Project Progress Report – Year 1	WWF GEF, WWF Pacific & WTW	4/30/2023
3	Annual Project Progress Report – Year 2	WWF GEF, WWF Pacific & WTW	April 2024
4	Six-month Project Progress Report	WWF GEF, WWF Pacific & WTW	10/31/2024
5	Project Implementation Report – Year 1	WWF GEF	Unknown (mid 2023?)
6	Project Implementation Report – Year 2	WWF GEF	9/11/2024
7	Project Closeout Report	WWF GEF	6/4/2025

### Monitoring documents

1	Results Framework (Year 1 indicators reporting)	WWF GEF	April 2023?
2	Project Implementation Support Mission Report	Jacquelyn Beattie and Rachel Kaplan – WWF GEF	3/12/2023
3	Project check-in for Year 3 implementation	Jacquelyn Beattie and Rachel Kaplan - WWF GEF	3/12/23
4	Year 1 Project Supervision Mission Report (Fiji)	Jacquelyn Beattie and Rachel Kaplan - WWF GEF	October 2022

## Financial documents

1	Letter – Co-financing Support for WWF GEF Project	Director, WWF Pacific	4/6/2021
2	Letter – Co-financing Support for WWF GEF Project	Vice President, Program Operations - World Wildlife Fund US	2/22/2021
3	Letter – Co-financing Support for WWF GEF Project	Willis Towers Watson	4/1/2021
4	Letter – Co-financing Support for WWF GEF Project	Ocean Risk and Resilience Action Alliance	4/1/2021

## Annex G: Evaluation Questions/ Matrix

<b>Evaluation objectives</b> Sources: ToR section: 'Expected Report Contents', p.5 + Results Framework.	<b>Project Objective Indicators (DAC indicators are from ToR Annex B)</b>	<b>Indicator definition (DAC indicators and others are from ToR p.8)</b>	<b>Target (From results framework)</b>	<b>Self-reported Yr 1 + 2 Progress</b>	<b>Detailed Evaluation Questions</b>	<b>Data collection Method</b> <i>Red is Results framework method.</i> Black is evaluation approach	<b>Data Sources/Informants</b>
<b>Effectiveness- (Validation of...) Results Framework, GEF ratings of objectives and outcomes; validation of core indicators &amp; CCA indicator measurements</b>	<b>What is the Effectiveness</b> of project outcomes (e.g. were ex-ante targets met)? Did the project make the expected contributions to global environmental benefits? Were there unintended consequences of the project that added to or negated project benefits?	The extent to which the outputs, outcomes and project objective have been or are likely to be achieved, taking into account their relative importance. Identify the major factors which have facilitated or impeded this achievement. Review the management structure of the project and determine whether the organizational structure of the project, the resources, the distribution of responsibilities and coordination mechanisms are appropriate for achieving progress towards project outcomes. Determine the potential for achieving transformational changes at scale;					
<b>Project Objective: to improve resilience to the adverse impacts of climate change, including major shock events, in vulnerable coastal small-scale fisher communities in Fiji and PNG</b>					what are the big achievements and impacts of this project that you think justify its implementation?		WWF Pac WWF CFs WTW
	GEF CCA Core Indicator 1: Total number of direct beneficiaries	Direct beneficiaries are all individuals receiving targeted support from a given project. Targeted support is the intentional and direct assistance of a project to individuals or	PRODOC: 7500 (50% fem) Revised to 2500 (50% fem)	97 total (MOSTLY IN YEAR 1) 33 male. 64 female (66%)	Who were the 97 people engaged in the project? Why did the number of people engaged taper off after year 1 from 97 to 33?	<i>Count number of people who access insurance risk products, or participate in project-funded trainings</i> Interviews Project Reports	WWF Pac WWF CFs WTW Report reviews

		groups of individuals who are aware that they are receiving that support and/or who use the specific resources.  Not Cumulative					
	GEF CCA Core Indicator 2: Area of land managed for climate resilience (ha)	Area of land = seascape and landscape (rural)  Managed for climate resilience = ha of land incentivized for environmental stewardship due to insurance products; area covered by insurance products	20000 ha.	Zero.	Why did land protection not become a part of this project?	<i>Assess # ha linked to insurance product</i> Interviews Project Reports	WWF Pac WWF GEF WTW Report reviews
	GEF CCA Core Indicator 4: Total number of people trained through the project	Trained = on climate risks and how insurance products can be a tool for resilience  Not Cumulative	PRODOC: 7500 (50% fem) Revised to 2500 (50% fem)	97 total (MOSTLY IN YEAR 1) 33 male. 64 female (66%)	How did the project intend to educate many community members across the locations? Did the education extension approach happen?  What have community leaders in each location learned about climate risks their community faces over coming years? What have community leaders in each location learned about how insurance works? Do they understand the probable cost of insurance and do they consider it will be <b>realistic</b> for their community to pay into it? If an insurance company was to introduce such a scheme, what could be done to	<i>Meeting and participant notes</i> Interviews Project Reports	Location leaders Location women & men (disagg) WWF CFs

					<p>ensure most people adopt it? What benefit to households, and what benefit to their lands and fishing grounds do they think would come out of such a scheme?</p> <p>What have ordinary women and men in each location learned about climate risks their community faces over coming years? What have ordinary women and men in each location learned about how insurance works? Do women and men understand the probable cost of insurance and do they consider it will be realistic for their community to pay into it?</p>		
<b>Component 1: Enabling environment for financial products to improve resilience for small-scale fisher communities in in Tavua and Nadogo Districts in Fiji and Madang Province in PNG</b>							
1.1. Climate risks, coverage priorities, and risk pooling options identified	GEF CCA Core Indicator 2. Also Output 2.1.4: No. climate risk and vulnerability assessments conducted for target sites	Climate risk and vulnerability assessment = risk analytics / pay-out structure (in insurance terms)  Not cumulative	3 reports	3 reports (FINALISED IN YEAR 2)	Were reports' methodology appropriate? Were reports timely? Were reports useful and applied to key outcomes?	<i>Count number of assessments completed through the project</i>	Doc review of reports  WTW informants WWF Pac
1.2. Improved financial literacy to engage with financial products for climate resilience among coastal community members	% of people with improved financial literacy to engage with project-supported financial products	Improved financial literacy = increased awareness of project financial products and how they can mitigate climate risks  Cumulative	60%	<b>Not tracked in monitoring</b>	See core indicator 4 + To what extent did financial literacy and climate resilience awareness reach the community, and what evidence have you seen as to whether they have been taken up by community members?	<i>Surveys before/after workshops, will utilize scorecard to determine 'improvement' in financial literacy</i>	Location leaders Location women & men (disagg) WWF CFs WWF Pac

<p>1.3 Markets developed in the target geographies to provide financial products for community level climate resilience and adaptation</p>	<p>Conditions in place for local insurers to underwrite project-developed financial products</p>	<p>Conditions in place =  1. underwriting methodology (how to price)  2. reinsurance / retrocession readiness (can transfer the risk)</p> <p>Not cumulative</p>	<p>2 final underwriting methodology  1 final retrocession readiness</p>	<p>2 (one per country) technical/pricing reports produced</p>	<p>What insurers have been informed of the proposed scheme?  What is the likelihood that any will adopt it in the near future?  What would still need to be done to enable or encourage such insurers to adopt the coverage?  Are any international underwriters ready to support such a scheme?  What are the reasons for delays in adoption?  Who or what are the most likely POLICY HOLDERS? Are they individuals or CSOs, or other institutions?</p>	<p><i>Assess conditions met / integrated into local insurance processes, documentation for underwriting methodology and retrocession readiness</i></p>	<p>WTW informants  WWF PAC</p> <p>Local insurers?</p> <p>Fiji Dev Bank  National Partners</p>
	<p>Conditions in place for local insurers to distribute and administer project-developed financial products</p>	<p>Conditions in place =  1. enrollment process  2. loss calculation methodology (how to verify claims)  3. claims distribution / pay-out management process  4. regulatory approval</p> <p>Administer and distribute = able to provide insurance policies to customers</p> <p>Not cumulative</p>	<p>12 final conditions in place (1 per condition per community)</p>	<p>9</p>	<p>(If any local insurers are recruited)  What stages of preparation to launch are product have been completed?  What steps remain before it is launched to people in villages?</p>	<p><i>Assess conditions met, documentation for loss calculation methodology and enrolment and claims distribution / pay-out management processes (roll-out strategy)</i></p>	<p>See above</p>

	# insurance markets ready to distribute the product of proposed insurance program	Insurance market = local insurer (locally regulated insurance company)  Ready to distribute = able to provide insurance policies to customers	2 supportive markets  1 market ready	2 supportive markets in Fiji  Zero ready	See above questions	<i>Insurance markets readiness assessed by: (1) engagement (introductory meeting) (2) confirmed support expressed (letters of support) (3) ready to distribute (regulatory approval secured)</i>	
<b>Component 2: Financial products and incentives for small-scale fisher communities</b>							
2.1 Insurance program(s) underpinning improved financial resilience to climate shock events for three target communities	No. financial instruments to enhance climate resilience developed [GEF CCA Indicator 1.2.2]	Financial instruments = insurance product  Not cumulative	3 final	6	See Qs for 1.3	<i>Count no. risk insurance products developed</i>	Technical product reports  Interviews under Qs 1.3
	Level of progress for insurance program design	Insurance program design, consisting of the following components: - Hazard data identification and collection - Index design - Insurance structuring - Pricing and term sheet  Cumulative	4 final Revised to 3	3 . - Index design for 3 sites - Index validation for 3 sites - Insurance product structured for 3 sites	Qs for 1.3 Plus... What hazard identification mechanisms are proposed or agreed upon by insurers to guide payouts? Who or what institution would govern the use of such mechanisms? What role if any would government agencies play in governance of payout triggers and decisions?	<i>Score for steps along insurance design</i>	WTW informants  Local insurers?  Fiji Dev Bank Nat Partners
	No. community members benefitting from project-developed insurance products	Benefitting from = people who have accessed project-developed financial products # of insurance	Not defined	Zero.	Confirm that no coverage are yet available to communities in target districts. Why did the project not reach the point of releasing products to community members and groups? Were the reasons different in Fiji and PNG?	<i>Calculated by # of insurance policies X average household size</i>	Nat Partners

		policies x ave. HH size					
2.2. Premium financing identified and mobilization pursued	Level of premium financing identified and mobilized	<p>Premium financing = financing mobilized to subsidize insurance premium</p> <p>Identified = parties expressing interest in funding risk financing products</p> <p>Mobilized = financing committed and secured for risk financing products</p> <p>Cumulative</p>	4 Revised to 3	3	See Qns under 1.3	<p><i>1 = not identified or mobilized</i></p> <p><i>2= premium financiers identified</i></p> <p><i>3 = premium financiers express support</i></p> <p><i>4 = aggregation methods defined for identified financing</i></p> <p><i>5 = premium financing mobilized</i></p>	
<b>Component 3: Knowledge Management and M&amp;E</b>		<p>ToR, p.5</p> <ul style="list-style-type: none"> <li>● Assessment and ratings for Monitoring and Evaluation Design and Implementation;</li> <li>● Assessment of knowledge management approach, activities and products, including list of key products;</li> </ul>					

3.1 Effective project communications, knowledge management and adaptive management	% M&E plan implemented in a timely manner	M&E plan implemented = delivery of reporting documents on time (Inception report, PPR, QFR, AWP&B, RF tracking, PCR), annual reflection workshop	100%	100%	Site the following: Inception report, All PPRs, QFRs, AWP&B, RF tracking, PCR. Annual reflection workshop outcomes/report	<i>Compare reporting documents submitted against grant agreement requirements</i>	WWF GEF team WTW WWF Pac
	% communications and KM plan implemented	Communications plan = see ProDoc Appendix 6: Knowledge Management and Communications, to be defined in annual work plan and budget	100%	100%	Are all stakeholders satisfied with level and frequency they receive and accessibility of project implementers (WWF and WTW)?	<i>Knowledge and communications products developed and shared against KM &amp; communications plan</i>	Government stakeholders Fiji Dev Bank Community Leaders Community members Local insurers
	WWF GEF's and WTW's ability to monitor progress and project management issues				How have you been able to track and monitor implementation progress and maybe the influence of implementation over time? What processes were in place to act on the findings of progress reporting?	<i>Interviews</i>	WWF GEF WTW WWF Pac (for community level monitoring)
<b>Adaptive capacity (ToR, p.8, linked to 3.1) "–the extent to which the use of M&amp;E, lessons learned and adaptive management are used to meet indicator targets and mitigate project issues (such as design flaws or any adverse impacts of the project)."</b>	<b>Assessment of the M&amp;E design and implementation</b>	The extent of intended or unforeseen effects that project interventions or strategies will have on the project objective, conservation targets and GEF global environmental benefits, whether positive or negative."					

	Internal challenges and opportunities				What INTERNAL challenges did the project encounter - i.e. in the project's own design, finances or staffing? What was done to adapt to those challenges? What was the impact on project outcomes?	Doc review Interviews	Project reports Government stakeholders WWF CFs WTW WWF Pac WWF GEF
	External challenges and opportunities				What EXTERNAL challenges (and/or unanticipated opportunities) did the project encounter - i.e. in the national or community contexts? What was done to adapt to those challenges? What was the impact on project outcomes?	Doc review Interviews	Project reports Government stakeholders WWF CFs WTW WWF Pac WWF GEF
<b>Assessment of any environmental and social impacts generated</b>							
		a) a review of the assigned environmental ... risk category classification; and			Were the risks and mitigations in the PRODOC justified?	Doc review Interviews	Project reports WWF WTW WWF CFs Community leaders
		(b) a review of the progress made in the implementation of the mitigation measures outlined in the project's relevant documents			Were any environmental risks or impacts not identified? Did the project have a protective environmental impact in any way?	Doc review Interviews	Project reports WWF Pac <del>WTW</del> WWF CFs Community leaders
<b>Assessment of social safeguards stipulations</b>							
		(a) a review of the assigned ... social risk category classification; and			What social and environmental risks were identified in the Project Design? Were these justified in light of implementation? Is there evidence that mitigations took place to avoid or minimize environmental and social risks?	Doc review.	PRODOCs Reports

					What safeguard measures were put in place? Were communities made aware of WWF's Grievance redress mechanism? Was the GRM ever used by any stakeholders?	Doc review  Interviews maybe	PRODOCs Reports  WWF Pac WWF CFs Community members
<b>Assessment of stakeholder engagement;</b>		To what extent were each stakeholder group included in project decision-making?			To what extent does each stakeholder group feel they contributed to shaping the project's objectives? How frequently does each stakeholder group say they were consulted? Was this level of consultation too much, not enough, or just the right balance? To what extent were consultations perceived as meaningful to shape decisions vs. just informative? To what extent does each stakeholder feel they could reach out to the project team on an ad hoc basis? Did any stakeholders choose to do so?	Interviews Document reviews	Community leaders Nat Partners WTW Insurance co.s Project reports
<b>Assessment of gender-responsive measures;</b>							
					Did the project achieve gender balance in training and education pursuits?		WWF CFs
					Did the project employ gender balance in its staffing?		WWF CFs
					Do the proposed products adequately promote accessibility for women as well as men? Other marginalized groups including people with disability?		WWF CFs
					Which types of residents would definitely not be able to afford or participate in the proposed insurance products? (e.g. due to level of income, social exclusion or other?)		Community members

<b>Relevance</b> (Project design/theory of change)	<b>Were project outcomes Relevant when compared to focal area/operational program strategies, country priorities, beneficiary needs, mandates of WWF GEF and partners, and WWF priorities?</b>	– the extent to which the project design, outcomes, indicators and targets remain valid and consistent with local and national development priorities and organizational policies, including the context of the changing circumstances of the country (e.g. political context); Also, the extent to which the project objectives and design are responsive to the needs and priorities of the intended beneficiaries, and the extent that the project responds to the mandates of the GEF Agency and GEF partners. Finally, the extent that project objectives and results remain relevant at project completion.					
					Do the project outcomes/insurance products address a perceived priority for community members?	Doc review Interviews	Community leaders Community men and women Progress Reports Technical Reports
					How was the project objective, countries, and locations first identified for pursuit?	Doc review Interviews	PRODOC WTW WWF Pac WWF GEF
<b>Coherence</b>	<b>Is the project Coherent or compatible with / supported by other relevant projects and programs in the recipient country or countries? Does the project have alignment among the theory of change, governance structure, activities and M&amp;E system? Is there alignment with GEF policies, guidelines and is</b>	<p>The compatibility of a project intervention with other interventions (particularly policies) in a country, sector or institution. This can include internal coherence and external coherence.</p> <p><b>Internal coherence</b> examines the extent to which the theory of change, project components, activities, and M&amp;E system are aligned with the project objectives and considers good practices and previous GEF/Non-GEF interventions.</p> <p><b>External coherence</b> measures consistency and compatibility of the project interventions among other activities and strategies implemented in the project country, plus compatibility with targeted sectors, institutions and other organizations to review the synergies and trade-offs involved in the project.</p>					

	there integration of lessons from similar projects?						
	External coherence				Do the project outcomes/insurance products address national policy or planning priorities?  Do any of the project outcomes/insurance products address any existing research knowledge priorities or interests of insurance company?	Doc review Interviews	PRODOC and reports National Partners Insurance companies
					To what extent did the project implementation collaborate with and leverage related programs of other agencies in the countries or beyond?	Doc review Interviews	PRODOC and reports Government stakeholders WTW WWF Pac WWF GEF
	Internal coherence				Do the outputs and outcomes support accomplishment of the project objective (in both theory and practice?)	Doc review Evaluator reflection on outcomes	
					How do this project's objectives fit into WWF's wider programming in the Pacific?	Interview	WWF Pacific
<b>Sustainability</b>	("ratings of risks to the sustainability")	The likely ability of an intervention to continue to deliver benefits, progress and impact after external support has ended; plus, resiliency of project benefits. Risks will be weighed by their probability and magnitude for influencing continuation of the net benefits of the project. Determine the degree of institutional capacity, support and buy-in given to the project at the national and local level;					
	To what extent is adoption of the policy likely be taken up by insurers in PNG and Fiji once the project ends?				To what extent is adoption of the policy likely be taken up by insurers in PNG and Fiji once the project ends?	Doc reviews Interviews	National Partners WTW Insurers WWF Pac
	"Assessment of replication, additionality and catalytic effects"				To what extent are the findings of the technical reports likely to be adopted by other projects or countries? In what ways are the current findings likely	Doc reviews Interviews	National Partners WTW Insurers WWF Pac

					to be utilized by WTW, WWF, or other stakeholders?		
					Does WTW or WWF have a strategy for how to continue to move progress forward after project closure? IS this a documented plan, or a general commitment by some who were involved?	Interview	WWF Pacific WTW
<b>Efficiency, financial management and summary of co-financing materialized</b>	<b>How does the project cost/time versus output/outcomes equation compared to that of a similar project?</b>	The extent to which inputs are converted into results in an economic and timely way. This includes efficiency of: funding availability, project management and human resources, coordination and information flow among the project partners;			How does the project cost/time actuals compare to budget and plans?	Doc reviews	project progress reports
		<i>Review of progress and financial reports</i>					progress and financial reports

## Annex H: Evaluation Rating Summary Tables

Ratings of the following project outcomes are based on the following Outcomes Rating Scale:<sup>85</sup>

<sup>85</sup> **GEF guidelines on Outcome rating:** The project outcome rating will be based on the extent to which the expected outcomes were achieved (effectiveness), and the extent to which the project was relevant, coherent, and efficient. Although the evaluators will consider performance on these four criteria, the overall rating need not be a simple average of the criteria because a criterion may be more or less important depending on the type of project and its operational context. A six-point rating scale is used to assess outcome. For more details see GEF IEO TE Guidelines.

- **Highly satisfactory (HS)** – The outcomes exceed targets and are highly relevant, coherent, and cost-effective.
- **Satisfactory (S)** – The level of outcomes achieved meets targets. The outcomes are relevant, coherent, and cost-effective.
- **Moderately satisfactory (MS)** – The level of outcomes achieved was generally close to the targets. The majority of the targets were met or almost met, but some were not. The outcomes are generally relevant, coherent, and cost-effective.
- **Moderately unsatisfactory (MU)** – Overall, the level of outcomes achieved is lower than the targets, although some outcomes were substantially achieved. The outcomes are generally relevant but not sufficient given the costs or, alternatively, are generally cost-effective but not adequately relevant and coherent.
- **Unsatisfactory (U)** – The expected outcomes were not achieved, or achievement was substantially lower than expected, and/or the achieved outcomes are not relevant or coherent. Alternatively, the outcome was cost-ineffective compared to alternatives..
- **Highly unsatisfactory (HU)** – A negligible level of outcomes was achieved and/or the project had substantial negative consequences that outweigh its benefits.
- **Unable to assess (UA)** – The available information does not allow an assessment of the level of outcome achievement.

1. Progress Towards Results <sup>86</sup> and Individual Outcome Ratings								
Project Strategy	Indicator (if applicable)	Baseline level	Midterm Target	End of Project Target	Current level of achievement	Outcome Rating	Justification	Other Notes
Objective	Total number of direct beneficiaries	0		7,500	At least 182	U	Rating is against target, which was widely acknowledged as being unrealistic. Only 170 beneficiaries were recorded in project documents. Qualitative data indicates that the actual figure is likely to be higher than 170 but still far lower than the target.	
	Area of land managed for climate resilience (ha)	0		20,000	0	UA	A process for measuring total geographic areas “managed for climate resilience” would not become necessary unless such lands were actively protected by an insurance product - which was not attained, or were actively regenerated - which was not an activity of the project.	
	Total number of people trained through the project	0		7,500	At least 182	U	The Results Framework defined direct beneficiaries as people taking part in training and/or benefiting from insurance products. Since none benefited from insurance products, the figure for direct beneficiaries and training participants is the same. Therefore, the same rating is given as for the indicator on direct beneficiaries.	
Outcome 1.1	Number of climate risk and vulnerability	0		3	3	HS	Three assessments were recorded but could have been recorded as 2, 4 or 6, depending on how the indicator is defined. WTW produced two insurance documents which included a hazard	

<sup>86</sup> If any changes were made to these results, please indicate when they were made and whether those changes were approved.

	assessments conducted for target sites.						assessment and information on pay-out structure, in line with the indicator definition. The Project also produced two Desktop Climate Risk reviews and two Insurance Market reviews, which both included some risk analytics but not an analysis of pay-out structure.	
Outcome 1.2	% of people with improved financial literacy to engage with project-supported financial products	0		60%	No data available	MU	According to the Results Framework, a scorecard was intended to be used measure improvements in financial literacy after attending training. It is probable that at least 60% of training participants improved their financial literacy but the indicator is recorded as Moderately Unsatisfactory because no record of scorecard results was available. It therefore reflects that the M&E system had a gap for this indicator.	
Outcome 1.3	Conditions in place for local insurers to underwrite project-developed financial products	0		2 final underwriting methodology 1 final retrocession readiness	2 draft underwriting methodologies No retrocession readiness.	MS	Two underwriting methodologies were achieved because methodologies were partly defined as working out how to price insurance products. Insurance Concept Workshops were carried out during Year 2 to discover the contribution to insurance premiums that communities were willing to make per year, which fulfills the indicator definition. Zero was recorded for retrocession readiness because this was defined as having a mechanism in place to transfer the risk to international insurers. No such mechanism was in place by project close.	
	Conditions in place for local insurers to distribute and administer project-developed financial products	0		Conditions in place in 18 communities	10	MU	“Conditions in place” for this indicator was defined by fulfilling the following four criteria: 1. enrollment process 2. loss calculation methodology (how to verify claims) 3. claims distribution / pay-out management process 4. regulatory approval The target of 18 relates to the number of communities in which conditions were to be in place. Conditions were nurtured in Fiji communities.	
	# insurance markets ready to distribute the product of proposed insurance program	0		1 market ready	0 market ready	U	Although the Project made progress with this indicator, the insurance markets in Fiji and PNG were not ready to distribute an insurance product by project close.	
Outcome 2.1	Number of financial instruments to enhance climate resilience developed	0		3	3	S	Financial instruments were defined in the Results Framework as “insurance products”. However, the term “developed” was not defined. A value judgement was made that the two Technical Product Reports by WTW could be considered to have “developed” the financial instruments. The Report for Fiji	

							considered two climate hazards (though only one was deemed viable).
	Level of progress for insurance program design	0		4	4	HS	4 components completed: Yr 1. Hazard identification per site. Y2. Index design and validation per site. Insurance product structures per site. Yr 3. Pricing analysis per site. Term sheet drawn-up.
	Number of community members benefitting from project-developed insurance products	0		No target	0	UA	No community members had benefitted from project-developed insurance products by project close. However, no target was set so it cannot be given a rating.
Outcome 2.2	Level of premium financing identified and mobilized	1		4	2 <sup>87</sup>	S	Out of the project's rating scale with a maximum of 5. Rated as level 4 = premium financiers express support
Outcome 3.1	% M&E plan implemented in a timely manner	0		100%	Less than 100% but no clear percentage	MS	The great majority of progress reports and PIRs were completed and it could be assumed that workplans and budget were produced, even if they were not available for the evaluation. However, the absence of a completed Results Framework at the end of years 2 and 3 are notable gaps.
	% communications and KM plan implemented	0		100%	Over 80%	S	Most communications products were produced, as listed in Table 7

2. Overall Assessment of Project Outcomes	Design Rating	Implementation rating	Justification
Were project outcomes <b>Relevant</b> when compared to focal area/operational program strategies, country priorities, beneficiary needs, mandates of WWF GEF and partners, and WWF priorities?	S	MS	The need to support the target communities to improve their resilience to climate-related disasters was highly relevant and supported by both governments and the communities themselves. Early in the project, the type of insurance program being developed was found to be less suitable to villages in Madang, PNG. No alternative climate risk management alternatives were developed in its place. The proposed insurance program was more relevant in Fiji but the time frame of the project undermined potential to procure the support needed for it to be piloted by project close.
Is the project <b>Coherent</b> or compatible with / supported by other relevant projects and programs in the recipient country or countries? Does the project have alignment among the theory of change, governance structure, activities and M&E system? Is	S	S	The Theory of Change aligns with the project objective, governance structure, and M&E system, as well as WWF's WTW's and GEF's respective mandates. The design and execution ensured coherence with government ministry objectives, especially in Fiji, and some dialogue with other multilateral actors engaged in similar pursuits - such as UNCDF and Global Shield. Dialogue with government, multilateral, and insurance sector actors were compromised by insufficient presence of in-country insurance sector expertise.

<sup>87</sup> A result of 2 here recognizes that the project explored potential premium financiers and ended with some leads.

there alignment with GEF policies, guidelines and is there integration of lessons from similar projects?			
What is the <b>Effectiveness</b> of project outcomes (e.g. were ex-ante targets met)? Did the project make the expected contributions to global environmental benefits? Were there unintended consequences of the project that added to or negated project benefits?	MS	MS	The Project created research and guidance documentation to inform the creation and deployment of a community-and-ecosystem-focused parametric insurance product, and helped to raise community, government, and stakeholder awareness and skills on climate change, financial literacy and insurance in Fiji. The intent of piloting an ex-ante parametric insurance program in both countries was not met. Nevertheless, the Project succeeded in laying some of the groundwork for such a program to be piloted in Fiji in the future and helped partnered communities to be more aware about insurance, financial literacy and climate-related disaster resilience. It did not achieve a similar result in Papua New Guinea where the non-viability of the identified insurance model discouraged ongoing engagement among communities and government stakeholders.
What is the <b>Cost-efficiency</b> of project outcomes? How does the project cost/time versus output/outcomes equation compare to that of a similar project?	HS	HS	Despite some shortcomings against its core indicator targets, the project has accomplished significant results relative to its budget of little over US\$ 1 million over two countries, over three years. The innovative research and preparation of an enabling environment for climate-resilience parametric insurance represents very high value for money against this budget. The project design forecast over US\$ 7 million in co-financing, which was realized over the course of implementation. Project management kept progress against workplans and expenditure against budget on track throughout the three-year implementation period. A shortcoming in the budget design was to allocate insufficient funding to management and execution of activities in partnered countries, requiring the majority of project management and implementation in Fiji to be uncostered to the project. Furthermore, the nature of combining a research project with a community implementation project to research and assess feasibility of a new concept is not comparable to a 'conventional' climate resilience or livelihoods project value-for-money proposition. The evaluation found no evidence to suggest that funding for any component was used inefficiently.
<b>Overall Rating of Project Outcomes</b>	<b>Rating</b>		<b>Justification</b>
Using above criteria, please provide an <b>overall rating</b> for the achievement of the Project outcomes. This assessment should analyze both the achievement and shortcomings of these results as stated in the project document.	MS	MS	Considering Pacific Island communities' vulnerability to climate-related hazards, the project design's relevance is evident. Yet, its identified solution is applicable to just one of the two targeted countries. The design and execution ensured sufficient coherence with government ministry objectives, especially in Fiji, and knowledge-exchange with other multilateral actors engaged in similar pursuits. The project's research, plus consultations with government, multilateral, and insurance sector actors laid groundwork to potentially inform a pilot deployment of an insurance product in Fiji by WWF, WTW, or another entity adopting the project's research. Ultimately, the project did not secure premium financing or a policy holder and did not finalize mechanisms for premium payments or post-hazards pay-outs for households or ecosystem protection. Little progress was made in Papua New Guinea due to community residents and government stakeholders not being ready for the preferred model. These results in PNG brought down the overall rating.

The following assessment of Sustainability applies the following GEF rating scale:

- **Highly Likely (HL)** – There is negligible risk to continuation of benefits and based on the progress made so far it is expected that the long-term objectives of the project will be achieved.
- **Likely (L)** - Either there is negligible risk to continuation of benefits or there are some risks, but the magnitude of their effect is too small and/or the probability that they will materialize is too small. Overall, it is likely that the net benefits of the project will continue.
- **Moderately likely (ML)** - There are some risks to sustainability, and they may have some effect on continuation of benefits if they materialize. However, probability of materialization of these risks is low. Net benefits are more likely to continue than abate.
- **Moderately unlikely (MU)** - There are significant risks to sustainability. The effect on continuation of benefits would be substantial if these risks materialize and the probability of materialization of these risks is significant. Overall, net benefits of the project are likely to abate.
- **Unlikely (U)** – Because of the high risks it is unlikely that net benefits of the project will continue to accrue, and the progress made so far is likely to be lost. It is unlikely that the project will achieve its long-term objectives.
- **Highly Unlikely (HU)** – It is expected that the project will not achieve its long-term objectives. Major risks have either already materialized and halted accrual of net benefits or have high probability of materializing soon and will halt accrual of net benefits when they materialize.
- **Unable to assess (UA)** – Unable to assess the expected incidence and magnitude of risks to sustainability.

In summary, the probability rating refers to the likelihood of sustainability for each factor/risk.

3. Assessment of Risks <sup>88</sup> to Sustainability <sup>89</sup> of Project Outcomes
<i>Please describe these risks below, taking into account probability and magnitude of their effect/severity:</i>
<b>Financial Risks</b>
Finance is the most severe risk to sustainability. The amount that target communities are prepared to pay for insurance is well below the per-household cost to cover the community-level parametric insurance program proposed by the Project. Therefore, external financial support is needed to pay for premiums but that has not been obtained to date. Potential premium financiers indicated that they may be prepared to pay for one year of insurance to launch a pilot, but not commit to ongoing financing. Yet, a successful pilot deployment would improve the likelihood of new finance following. In addition to the uncertainty of the product reaching a pilot deployment, the inability of communities to finance their own premiums and the uncertainty of external coverage or subsidization renders the long-term sustainability of the concept uncertain. <b>Probability:</b> Moderately unlikely. <b>Magnitude of effect on project outcomes:</b> high
<b>Sociopolitical Risks</b>
Governments and communities in both countries are aware that action is needed to improve their resilience to climate-related disasters and are interested in ideas that will achieve this. However, personnel and policies are subject to frequent changes within stakeholder ministries, and governments have many proposals and programs aimed at increasing resilience, especially in Fiji. Therefore, if these key stakeholders see measurable progress in the activation of this concept in coming months, they are likely to be supportive. . <b>Probability:</b> Likely. <b>Magnitude of effect on project outcomes:</b> high

<sup>88</sup> Risks are internal or external factors that are likely to affect the achievement of project outcomes. In this context, please consider how these risks could affect the sustainability or *persistence* of project outcomes. Please feel free to list individual risks for each category (financial, sociopolitical, etc) and provide a corresponding assessment on likelihood and magnitude for each of these. This will help you in forming your overall rating of sustainability of project outcomes.

<sup>89</sup> Sustainability refers to the likelihood of continuation of project benefits after project completion according to the [2019 Monitoring Policy](#).

Institutional Framework and Governance Risks		
<p>The key governance risk in Fiji is determining the most appropriate government ministry (or other institution) to act as the policy holder, which would then be responsible for distributing pay-outs to the affected community members and bodies responsible for environmental restoration works. The Ministry of iTaukei Affairs was considered for some time but their involvement could risk excluding non-indigenous Fijian local fishers. The Ministry of Environment and Climate Change was also a relevant stakeholder during implementation but has been undergoing its own changes to policy and governance structure.</p> <p>In the event that WWF or WTW is not able to mobilise post-project follow-up to achieve a pilot deployment, it is likely that other agencies engaged in ex-ante climate risk-finance in the Pacific will make use of the research the project has produced to inform their own insurance concepts. Such actors might include PCRIC, Global Inclusive Insurance and Disaster Risk Financing Community of Practice, Global Shield against Climate Risks, and UNCDF's PICAP.</p> <p><b>Probability:</b> moderately likely. <b>Magnitude of effect on project outcomes:</b> high</p>		
Environmental Risks		
<p>The project presented no risk of causing environmental harm. There is a risk that a natural disaster could occur in the target communities before a project-initiated insurance program is in place. Such an event may sharpen community and institutional interest in the concept. If other methods, potentially including other insurance programs, help other communities or households to recover from a disaster, this may also encourage stakeholders to revisit this project's insurance concept.</p> <p>Part of the Project's original aim was to design an insurance program which incentivized good environmental stewardship. This aspect seemed to be dependent on target communities receiving a policy pay-out after an insurance-covered hazard. Therefore, no environmental restoration activities were catalyzed by the project.</p> <p><b>Probability:</b> Highly likely. <b>Magnitude of effect on project outcomes:</b> Low</p>		
Other risks		
Overall Rating of Sustainability of Project Outcomes	Rating	Justification
Using above information, please provide an <b>overall rating</b> for the risks to sustainability of project outcomes.	Moderately Likely	There is some reason to hope that a pilot insurance program will commence in Fiji. However, this is far from certain and there is no certainty that the pilot will succeed. If not, it is still likely that the knowledge generated will inform other actors exploring ex-ante climate financial protection in the Pacific. The Project is not attempting to sustain any initiatives in Papua New Guinea.

4. Assessment of M&E Systems	Rating	Remarks
<p><b>M&amp;E Design</b> – Was the M&amp;E plan at the CEO endorsement practical and thoughtful? Does the plan align with the project theory of change and GEF M&amp;E requirements? Did the M&amp;E plan include baseline data?<sup>90</sup> Did it: specify clear targets and appropriate SMART indicators to track environmental, gender, and socioeconomic results; a proper methodological approach; specify practical organization and logistics of M&amp;E activities including schedule and responsibilities for data collection; and budget adequate funds for M&amp;E activities?</p>	MS	<p>The M&amp;E Plan aligned with the Project Theory of Change and GEF requirements. It included baseline data, although most baseline values were zero. The goal targets were widely acknowledged as unrealistic but the outcome indicators and targets were realistic and meaningful.</p> <p>Results were disaggregated by gender for the relevant goal indicators but not for the indicator for Outcome 1.2. Gender disaggregation was not relevant for the other indicators.</p> <p>A schedule and responsibilities for data collection cannot be seen in any of the available documents.</p> <p>A total of \$US50,000 was allocated for M&amp;E in the Overview Budget Table (Appendix 7 of the Project Document).</p>

<sup>90</sup> If there is not a project baseline, the evaluator should seek to estimate the baseline conditions so achievements and results can be properly determined.

<p><b>M&amp;E implementation</b> – Did the M&amp;E system operate as per the M&amp;E plan? Where necessary, was the M&amp;E plan revised in a timely manner? Was information on specified indicators gathered systematically and as scheduled? Were relevant GEF core indicators/corporate results indicators and/or tracking tools analyzed and reported as expected? Were appropriate methodological approaches used to analyze data? Were resources for M&amp;E sufficient? How was the information from the M&amp;E system used during project implementation? Did it facilitate transparency, sharing and adaptive management?</p>	S	<p>A revision of the goal indicator targets was discussed on several occasions during the first year but there are no documents available showing that changes were made. Most indicators could be measured simply by referring to the number of documents produced or progress in developing an insurance program. However, data collection was lacking for the goal indicators on beneficiary numbers and for Outcome 1.2 on improvements to financial literacy. Progress reports and PIRs were completed and included sections on adaptive management but there is little evidence of project staff and key stakeholders frequently discussing Project success and challenges then adjusting its activities or approach accordingly. This may have occurred but was not documented.</p>
<p><b>Overall Rating of M&amp;E</b></p>	<p><i>Rating</i></p>	<p><i>Justification</i></p>
<p>Using above information as guidance, please provide an overall rating for M&amp;E during project design /implementation.</p>	MS	<p>The M&amp;E Plan served its purpose sufficiently as a tool for reporting progress to the donor. Given that the development of an insurance program was a core focus, especially in Year 3, it could have devised some indicators to measure more progress in more details, such as number of local insurers contacted, number of potential premium financiers contacted and so on. The plan's implementation was deficient as a framework for enabling reflection and adaptation among project staff and stakeholders. However, the periodic consultation cycles between the three implementing partners (WWF GEF, WTW, and WWF Pacific) enabled adaptive management to take place effectively.</p>

<p>5. Implementation and Execution Rating Against Responsibilities</p>	<p><i>Rating</i></p>	<p><i>Justification</i></p>
<p><b>WWF GEF Agency implementation</b> (e.g. project identification, concept and detailed proposal preparation, approval and start-up, oversight and supervision, completion and evaluation, etc.).</p>	S	<p>The agency successfully identified the project and fulfilled all the requirements to receive funding. It communicated frequently with the PMU and WWF Pacific and generally ensured that progress reports were completed, despite difficulties with communication. However, its approach to both design and implementation did not show sufficient signs of listening to field perspectives or taking them into account. This resulted in challenges with the relevance of its final design and budget.</p>
<p><b>Executing Agency execution</b> (e.g. Management and administration of project's daily activities, including appropriate use of funds, procurement and contracting of goods and services in line with GEF Agency rules regulations)</p>	S	<p>The executing agency, WTW, did not have a permanent presence in operational countries which hindered its capacity to manage implementation efficiently and effectively in all aspects other than research. Executing partner, WWF Pacific, developed an appropriate community engagement approach and personnel extended themselves to reach-out to and manage relations with government and private sector stakeholders. However, their effectiveness was partly constrained by insufficient budget and their heavy reliance on remote technical support from WTW not having prior experience of insurance products. In-country implementation was managed by WWF Pacific's office in Fiji and there were difficulties with communication and on-the-ground presence in PNG.</p>