MID-TERM REVIEW

Project ID:	10431
Project Name:	Partnerships for Coral Reef Finance and Insurance in Asia and the Pacific
Countr(ies):	Regional, Fiji, Indonesia, Philippines, Solomon Islands
Implementing Agency:	ADB

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I. Overview

A. Description

Project name
Partnerships for Coral Reef Finance and Insurance in Asia and the Pacific

Country
Regional, Fiji, Indonesia, Philippines, Solomon Islands

GEF ID	Implementing Agency
10431	ADB

Executing Entity
Ministry of Maritime Affairs and Fisheries / Ministry of Environment and Forests (Indonesia); Ministry of Environment, Climate Change and Disaster Management (Solomon Islands); Palawan Council for Sustainable Development (Philippines)

Trust Fund	Project Type
MTF	MSP

Objective
To enable large-scale finance to increase the climate resilience of coastal businesses, communities and livelihoods in selected countries of Asia and the Pacific, through an innovative coral reef financing and insurance model

B. Key Dates

CEO Endorsement/Approval	Agency Approval
10/28/2021	6/20/2021
Implementation Start	First Disbursement
9/27/2022	12/18/2023
Expected MTR	MTR Submission
10/31/2024	5/7/2026
Actual MTR	Expected Completion
3/31/2025	5/31/2025

II. PROGRESS STATUS AND ISSUES

A. Main MTR Findings

This section presents a summary of the key findings from the Midterm Review (MTR), based on inputs from stakeholders across the four countries. It reflects overall progress, highlights what is working well, and identifies key challenges and areas that may need further attention moving forward.

1.1 Progress Toward Development Objectives and Global Environmental Benefits (GEBs)

Based on the midterm review, the project is **generally on track in delivering its planned outputs and intermediate results,** contributing to the enabling conditions needed to achieve its Development Objectives and GEBs.

- At the **outcome level**, there is a clear improvement in stakeholder awareness and understanding of nature-based insurance and risk transfer mechanisms across all four countries.
- At the **output level**, the project has delivered key components, including climate risk assessments, stakeholder consultations, and initial structuring of risk transfer concepts.

However, the review also highlights that **achievement of the full Development Objectives and GEBs will depend on progress beyond the current phase**, particularly in:

- Establishing regulatory and institutional frameworks
- Operationalizing financing and insurance mechanisms
- Securing long-term financing and implementation arrangements

1.2 Implementation Areas Performing Well (Outputs / Intermediate Results)

Several implementation areas are performing well:

- **Stakeholder Engagement and Capacity Building**
  The project has successfully engaged a broad range of stakeholders, leading to improved understanding and support for the project approach.

- **Climate Risk and Feasibility Assessments**
  Key technical assessments have been completed, providing a stronger evidence base for reef valuation, risk analysis, and insurance design.

- **Knowledge Generation and Regional Learning**
  The project has facilitated cross-country learning, helping to identify common challenges and opportunities across participating countries.

1.3 Key Findings

The following key observations emerged from the review:

1. **Strong progress on outputs, with outcomes still at an early stage**
   The project has generated substantial knowledge and awareness. However, translating these into implementation remains dependent on external factors, including acceptance by key partners and uptake by government agencies.
2. **Coordination and timeline constraints**
   Coordination across multiple stakeholders and agencies remains a challenge, and the remaining timeframe is considered tight for fully establishing enabling conditions.
3. **High variability across country contexts**
   Differences in regulatory, institutional, and environmental conditions across countries limit the feasibility of a standardized model and require more context-specific approaches.

1.4 Challenges Identified

The review identified several key risks and bottlenecks:

- **Policy and institutional challenges**
  - Delays in regulatory and policy alignment
  - Unclear institutional roles and governance arrangements in some countries
- **Financial and technical challenges**
  - Uncertainty around financial sustainability and capitalization
  - Data limitations affecting risk modeling and feasibility analysis
- **External pressures**
  - Ongoing environmental and economic pressures, including climate impacts and coastal development

1.5 Recommendations

Based on the findings, the following actions are recommended:

1. **Strengthen enabling conditions**
   Prioritize the regulatory, legal, and institutional frameworks.
2. **Advance financial and insurance structuring**
   Further develop practical financing mechanisms, including premium and payout structures.
3. **Enhance targeted stakeholder engagement**
   Focus engagement on key decision-makers, technical agencies, and financial regulators.
4. **Align expectations with project scope and timeline**
   Reinforce the feasibility nature of the project and ensure realistic sequencing toward implementation.

1.6 Follow-up Actions

In response to the MTR findings, the following actions are ongoing or planned:

- **Strengthening outputs**
  - Continued stakeholder consultations, with more targeted institutional engagement
- **Preparing for implementation**
  - Further development of financial and governance arrangements
- **Adaptive management**
  - Clearer communication of the project's feasibility scope
  - Documentation of lessons learned and potential replication pathways
- **Forward planning**
  - Identification of next-phase support needed to transition from feasibility to implementation

Midterm Project Ratings:

Midterm/ Terminal Evaluation Progress (IP) Rating	Satisfactory (S)
Midterm/ Terminal Evaluation Development Objective (DO) Rating	Satisfactory (S)
Midterm/ Terminal Evaluation Environmental and Social Safeguard (ESS) Risks	Low Risk (L)
Midterm/ Terminal Evaluation Risk Rating (H • S • M • L)	Low Risk (L)

B. Stakeholder Engagement

Stakeholder engagement during the midterm review was **generally comprehensive and aligned with the Stakeholder Engagement Plan**, with active participation across all four countries (Philippines, Indonesia, Fiji, and Solomon Islands). Engagement contributed to **improved understanding of the project,** particularly on risk transfer mechanisms, parametric insurance, and nature-based insurance.

The midterm review itself was conducted through **online Focus Group Discussions (FGDs), complemented by prior workshops, consultations, and project-level discussions.** These engagements enabled stakeholders to provide structured feedback on project approach, participation, and implementation challenges (See Midterm Review FGD Reports) .

2.2 Key Stakeholder Groups Engaged

The project engaged a broad range of stakeholders which reflects the project's multi-stakeholder design, which emphasizes **partnership, participation, and consultation across sectors, including:**

- **National and sub-national government agencies** (e.g., ministries of environment, fisheries, finance, and planning)
- **Local Government Units (LGUs)** and site-level authorities
- **Communities and coastal stakeholders,** including reef-dependent groups
- **Civil Society Organizations (CSOs) and NGOs**
- **Private sector actors**, particularly tourism-related stakeholders
- **Research institutions and technical experts**
- **Development partners and project implementers** (ADB, GEF, Landell Mills, Swiss Re)

2.3 Modes of Engagement

Engagement was carried out through a combination of:

- **Workshops and stakeholder consultations**
- **Focus Group Discussions (FGDs)** (including the midterm review via Zoom)
- **Technical discussions and bilateral meetings**
- **Knowledge-sharing sessions and project briefings**
- **Pre-distributed questionnaires and guided thematic discussions**

The FGD process followed structured thematic areas (project approach, stakeholder participation, and challenges), allowing for **systematic collection of stakeholder inputs and validation of findings .**

2.4 Influence of Stakeholder Feedback on Project Decisions

Overall, stakeholder inputs were directly reflected in the **key issues and regional recommendations,** demonstrating adaptive project management. Stakeholder feedback significantly influenced project direction and refinement:

- **Recognition of feasibility scope** led to clearer communication that the project is exploratory rather than implementation-focused
- **Identification of regulatory and institutional gaps** prompted stronger emphasis on enabling conditions (policy, governance, legal frameworks)
- **Feedback on stakeholder participation** led to recommendations for more **targeted engagement of key ministries, financial regulators, and technical agencies**
- **Inputs on financial sustainability and risk structuring** informed further work on premium, payout, and capitalization mechanisms
- **Concerns on timelines and complexity** contributed to recommendations to **manage expectations and prioritize quality over speed**

2.5 Quantitative Engagement Data

- At least 200 key individuals across the project countries, with near gender balance (approx. 48% women), are now aware of the project and coral reef insurance. While the number may seem modest, these are key stakeholders who can influence decisions, help build consensus, and cascade information within their institutions.
- Participation included both **government** and **community-level stakeholders**
- These figures indicate **broad outreach and inclusion**, consistent with project targets on awareness and capacity building.

2.6 Challenges to Meaningful Engagement

Several barriers to effective stakeholder engagement were identified:

- **Limited time and tight project timelines**, constraining depth of engagement
- **Coordination complexity** across multiple agencies and countries
- **Regulatory and institutional uncertainty**, affecting clarity of stakeholder roles
- **Data gaps,** limiting informed participation in technical discussions
- **Variable engagement across sectors**, with some key actors (e.g., financial regulators, technical units) not sufficiently involved
- **External pressures** (e.g., climate impacts, mining, tourism, development activities) influencing stakeholder priorities

2.7 Measures Taken to Address Barriers

The project has taken steps to address these challenges:

- Continued **capacity building and awareness-raising activities** to improve stakeholder understanding
- Shift toward **more targeted and strategic stakeholder engagement**, particularly with key decision-makers and technical agencies
- Use of **structured consultations and FGDs** to ensure inclusive and systematic feedback collection
- Strengthening **coordination mechanisms and cross-agency dialogue**
- Emphasizing **clear communication of project scope (feasibility focus)** to manage expectations
- Ongoing efforts to **improve data sharing and technical inputs to** support informed engagement

2.8 Overall Outcome of Stakeholder Engagement

Stakeholders emphasized that **sustained and more targeted engagement is required** to move from feasibility toward implementation and long-term impact. Stakeholder engagement resulted in:

- **Strong overall support for the project approach across** all countries
- **Improved awareness and technical understanding** of coral reef insurance and financing mechanisms
- **Identification of critical enabling conditions and risks**
- **Actionable recommendations** to strengthen implementation and future scaling
- **Demonstrated influence on project direction (adaptive management)**
  Stakeholder inputs directly informed:
    - Identification of **key issues (e.g., regulatory gaps, financial sustainability, coordination challenges)**
    - Refinement of **project scope (feasibility focus)**
    - Development of **regional recommendations and next steps**
- **Improved awareness and stakeholder buy-in** showed **increased understanding of complex concepts** (e.g., parametric insurance, nature-based insurance), and **strong support for the project approach,** indicating effective engagement outcomes.

C. Gender Equality

The project will align at the latter end with the broader **women's leadership and peer-learning approaches** (e.g., women-led community initiatives), reinforcing women's participation in reef restoration, disaster response and natural resource governance.

3.1 Progress on Gender Actions and Measures

The project has made moderate progress in integrating gender-responsive approaches, consistent with the Gender Action Plan (GAP) and CEO Endorsement commitments. Gender considerations have been

incorporated primarily through stakeholder engagement, capacity building, and awareness-raising activities, recognizing that impacts of climate change and disasters are not gender-neutral and disproportionately affect women and vulnerable groups .

3.2 Gender-Focused Consultations, and Activities

- **Stakeholder consultations and workshops** included participation of women and community-level actors, particularly in coastal communities
- **Capacity-building activities and knowledge-sharing sessions** contributed to improving awareness of climate risks and nature-based solutions among both women and men

3.3 Overall Assessment

The project is **progressing satisfactorily in mainstreaming gender at the output and participation level**, particularly in terms of inclusion in consultations. However, **gender outcomes remain largely at the awareness and participation stage**, with limited evidence yet at this point.

D. Knowledge Management

4.1 Progress Overview

The project has made substantial progress in implementing its Knowledge Management (KM) strategy, particularly in generating technical knowledge, facilitating learning, and improving stakeholder awareness on coral reef finance and insurance.

KM activities have focused on:

- Knowledge generation (e.g., climate risk assessments, feasibility analyses)
- Knowledge sharing and learning (e.g., workshops, consultations, FGDs)
- Awareness building on nature-based solutions and risk transfer mechanisms

These are aligned with the project's KM objective to improve awareness of the benefits provided by coral reef ecosystems and their protective services to coastal stakeholders .

4.2 KM Activities Conducted

Key KM actions undertaken during the reporting period include:

- **Multi-country stakeholder workshops and consultations**
  Facilitated knowledge exchange across the Philippines, Indonesia, Fiji, and Solomon Islands.
- **Midterm Review Focus Group Discussions (FGDs)**
  Structured learning events using thematic discussions and pre-distributed questionnaires to validate findings and capture stakeholder insights .
- **Technical knowledge-sharing sessions**
  Including presentations of progress, methodologies, and assessment results.

4.3 Knowledge Products Developed

The project has produced several key knowledge products, including:

- **Climate Risk Assessment Reports (per country)**
  - Type: Technical reports
  - Content: Risk modeling outputs, reef valuation considerations, hazard assessments
- **Midterm Review Reports (Regional and Country-level)**
  - Type: Evaluation and learning documents
  - Content: Progress assessment, stakeholder feedback, key issues, recommendations
- **Technical Slide Decks and Presentations**
  - Type: Knowledge dissemination materials
  - Content: Project approach, deliverables, and methodology

4.4 **Audience Reached**

Engagement has contributed to increased awareness and understanding across stakeholder groups, particularly on innovative financing mechanisms and the value of coral reef ecosystems. KM products and activities have reached a wide range of stakeholders:

- National and local government agencies (policy-makers, technical units)
- Local Government Units (LGUs) and site-level managers
- Communities and coastal stakeholders dependent on reef ecosystems
- CSOs and NGOs involved in conservation and climate adaptation
- Private sector stakeholders, particularly tourism and insurance-related actors
- Development partners and technical experts (ADB, GEF, consultants)

4.5 **Outcomes of KM Implementation**

- Improved stakeholder understanding of complex concepts such as parametric insurance and nature-based solutions
- Strengthened evidence base for decision-making through technical assessments and reports
- Increased recognition of the need for innovative financing for coral reef protection

4.6 Challenges in KM Implementation

- Complexity of technical concepts, requiring continuous capacity building
- Limited timeframe, constraining dissemination and uptake of KM outputs
- Need for more targeted communication products tailored to specific audiences (e.g., policy-makers, financial regulators)

III. Core Indicators

LDCF INDICATOR

Please provide the culminative total achieved from the inception,if available in the implementation document.

Core Indicator
CORE INDICATOR 1

Total number of direct beneficiaries	Total	Male	Female	% for Women
	10,000	5,000	5,000	50.00%
CORE INDICATOR 2				
Area of land managed for climate resilience(ha)	0.00			
CORE INDICATOR 3				
Total No. of policies/plans that will mainstream climate resilience	2			
CORE INDICATOR 4				
Total number of people trained	0	0	0	0.00%

SUB INDICATOR

OBJECTIVE 1

Reduce the Vulnerability and Increase resilience through innovation and technology transfer for climate change adaption

OUTCOME 1.1

Technologies and Innovative solution piloted or deployed to reduce climate-related risks and / or enhance resilience

OUTPUT 1.1.1

Physical and natural assets made more resilient to climate variability and change

Total number of direct beneficiaries from more resilient physical assets	Total	Male	Female
	10,000	5,000.00	5,000.00

Ha of agriculture land	Ha of urban landscape	Ha of rural landscape	No of residential houses
			0.00

No of public buildings	No of irrigation or water structures	No of fishery or aquaculture ponds	No. of ports or landing sites
0.00	0.00	0.00	0.00

Km of road	Km of riverbank	Km of coast	Km of storm water drainage
			0.00

Others (Specify below)	Other(unit)	Comments
0		

OUTPUT 1.1.2

Livelihoods and sources of income of vulnerable populations diversified and strengthened

Total Number of direct beneficiaries with diversified and	Total	Male	Female
	0	0	0

strengthened livelihoods and sources of income			
Livelihoods and sources of incomes strengthened/introduced			
Agriculture false	Agro-processing false	Pastoralism/dairy false	Enhanced access to markets false
Fisheries/aquaculture false	Tourism/ecotourism false	Cottage industry false	Reduced vulnerability of supply chain false
Beekeeping false	Enhanced opportunity for employment false		
Others (Specify below) false	Comment		

OUTPUT 1.1.3

New/improved climate information systems deployed to reduce vulnerability to climatic hazards/variability

Total number of direct beneficiaries from the new/improved climatic information systems	Total 0	Male 0	Female 0
Climate hazards addressed			
Flood false	Storm false	Heatwave false	Drought false
Others (Specify below) false	Comment		
Climate information system developed/strengthened			
Downscaled Climate model false	Weather/Hydromet station false	Early warning system false	
Others (Specify below) false	Comment		
Climate related information collected			
Temperature false	Rainfall false	Crop pest or disease false	Human disease vectors false

Others (Specify below)	Comment
false	

Mode of climate information disemination

Mobile phone apps	Community radio	Extension services	Television
false	false	false	false

Leaflets	Others (Specify below)	Comment
false	false	

OUTPUT 1.1.4

Vulnerable natural ecosystems strengthened in response to climate change impacts

Types of natural ecosystem

Desert	Coastal	Mountainous	Grassland
false	false	false	false

Forest	Inland water	
false	false	

Others (Specify below)	Comment
false	

OBJECTIVE 2

Mainstream climate change adaption and resilience for systemic impact

OUTCOME 2.1

Strengthened cross-sectoral mechanisms to mainstream climate adaptation and resilience

OUTPUT 2.1.1

Cross-sectorial policies and plans incorporate adaptation

Will mainstream climate resilience	Of Which no of regional policies/plans	Of Which no of national policies/plans	Of Which no of reginal sub-national policies/plans
2	1	1	0

Sectors

Agriculture	Fishery	Industry	Urban
false	false	false	false

Rural	Health	Water	
false	false	false	

Others (Specify below)	Comments
true	Coastal

OUTPUT 2.1.2

Cross-sectoral institutional partnerships established or expanded

No of institutional partnerships established or strengthened	Comment
0	

OUTPUT 2.1.3	
Systems and frameworks established for continuous monitoring, reporting and review of adaptation	
No. of systems and frameworks	Comment
0	

OUTPUT 2.1.4	
Vulnerability assessments conducted	
No. of assessments conducted	Comment
0	

SCCF INDICATOR

Please provide the culminative total achieved from the inception,if available in the implementation document.

Core Indicator				
CORE INDICATOR 1				
Total number of direct beneficiaries	Total	Male	Female	% for Women
	10,000	5,000	5,000	50.00%
CORE INDICATOR 2				
Area of land managed for climate resilience(ha)	0.00			
CORE INDICATOR 3				
Total No. of policies/plans that will mainstream climate resilience	2			
CORE INDICATOR 4				
Total number of people trained	0	0	0	0.00%

SUB INDICATOR

OBJECTIVE 1
Reduce the Vulnerability and Increase resilience through innovation and technology transfer for climate change adaption
OUTCOME 1.1
Technologies and Innovative solution piloted or deployed to reduce climate-related risks and / or enhance resilience
OUTPUT 1.1.1
Physical and natural assets made more resilient to climate variability and change

Total number of direct beneficiaries from more resilient physical assets	Total 10,000	Male 5,000.00	Female 5,000.00
Ha of agriculture land	Ha of urban landscape	Ha of rural landscape	No of residential houses 0.00
No of public buildings 0.00	No of irrigation or water structures 0.00	No of fishery or aquaculture ponds 0.00	No. of ports or landing sites 0.00
Km of road	Km of riverbank	Km of coast	Km of storm water drainage 0.00
Others (Specify below) 0	Other(unit)	Comments	

OUTPUT 1.1.2

Livelihoods and sources of income of vulnerable populations diversified and strengthened

Total Number of direct beneficiaries with diversified and strengthened livelihoods and sources of income	Total 0	Male 0	Female 0
Livelihoods and sources of incomes strengthened/introduced			
Agriculture false	Agro-processing false	Pastoralism/dairy false	Enhanced access to markets false
Fisheries/aquaculture false	Tourism/ecotourism false	Cottage industry false	Reduced vulnerability of supply chain false
Beekeeping false	Enhanced opportunity for employment false		
Others (Specify below) false	Comment		

OUTPUT 1.1.3

New/improved climate information systems deployed to reduce vulnerability to climatic hazards/variability

Total number of direct beneficiaries from the new/improved climatic information systems	Total 0	Male 0	Female 0

Climate hazards addressed			
Flood false	Storm false	Heatwave false	Drought false
Others (Specify below) false	Comment		

Climate information system developed/strengthened		
Downscaled Climate model false	Weather/Hydromet station false	Early warning system false
Others (Specify below) false	Comment	

Climate related information collected			
Temperature false	Rainfall false	Crop pest or disease false	Human disease vectors false
Others (Specify below) false	Comment		

Mode of climate information disemination			
Mobile phone apps false	Community radio false	Extension services false	Television false
Leaflets false	Others (Specify below) false	Comment	

OUTPUT 1.1.4

Vulnerable natural ecosystems strengthened in response to climate change impacts

Types of natural ecosystem			
Desert false	Coastal false	Mountainous false	Grassland false
Forest false	Inland water false		

Others (Specify below)	Comment
false	

OBJECTIVE 2

Mainstream climate change adaption and resilience for systemic impact

OUTCOME 2.1

Strengthened cross-sectoral mechanisms to mainstream climate adaptation and resilience

OUTPUT 2.1.1

Cross-sectorial policies and plans incorporate adaptation

Will mainstream climate resilience	Of Which no of regional policies/plans	Of Which no of national policies/plans	Of Which no of reginal sub-national policies/plans
2	1	1	0

Sectors

Agriculture	Fishery	Industry	Urban
false	false	false	false
Rural	Health	Water	
false	false	false	
Others (Specify below)	Comments		
true	Coastal		

OUTPUT 2.1.2

Cross-sectoral institutional partnerships established or expanded

No of institutional partnerships established or strengthened	Comment
0	

OUTPUT 2.1.3

Systems and frameworks established for continuous monitoring, reporting and review of adaptation

No. of systems and frameworks	Comment
0	

OUTPUT 2.1.4

vulnerability assessments conducted

No. of assessments conducted	Comment
0	

IV: Co Financing

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Anticipated at CEO($)	Materialized at MTR($)
GEF Agency	Asian Development Bank	Loans	Investment mobilized	5,000,000.00	
GEF Agency	Asian Development Bank	Grant	Investment mobilized	101,712.00	101,712.00
GEF Agency	Asian Development Bank	Grant	Investment mobilized	50,000.00	50,000.00
Civil Society Organization	The Nature Conservancy (TNC)	Grant	Investment mobilized	100,000.00	
Total Co-financing				**5,251,712.00**	**151,712.00**

Comments

Cofinancing for TNC to be confirmed during Terminal Evaluation.

V: ENVIRONMENTAL AND SOCIAL SAFEGUARDS

Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE
Low	Low	Low	

Measures to address identified risks and impacts

The Midterm Review assessed the overall project and Environmental and Social Safeguards (ESS) risk ratings as **Low Risk (L)**. While the review identified several risks related to climate impacts, regulatory and institutional uncertainties, financial sustainability, stakeholder coordination, and data limitations, these are considered manageable within the project's current feasibility-stage scope. The project remains focused on technical assessments, stakeholder engagement, climate risk analysis, and development of financing and insurance mechanisms rather than physical interventions. Mitigation measures include climate risk and reef vulnerability assessments, safeguards integration, stakeholder consultations, capacity building, policy alignment efforts, and development of financing and governance arrangements. No safeguard violations or significant adverse environmental or social impacts were reported during implementation.

VI. ANNEX

Uploaded Document

Document Category	Prefix	Title
M and E Document	Mid-term Review (MTR)	GEFID10431_2026_MTR_ADB_Regional Coral Reef Insurance