Part I: Project Information

GEF ID
10783

Project Type
FSP

Type of Trust Fund
GET

CBIT/NGI
CBIT **No**
NGI **No**

Project Title
Pacific I2I Regional Project: Ocean Health for Ocean Wealth - The Voyage to a Blue Economy for the Blue Pacific Continent

Countries
Regional, Cook Islands, Fiji, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu

Agency(ies)
UNEP, ADB

Other Executing Partner(s)
SPREP

Executing Partner Type
Others

GEF Focal Area
International Waters

Sector
Mixed & Others

Taxonomy

International Waters, Focal Areas, Learning, Coastal, Marine Protected Area, Fisheries, Large Marine Ecosystems, SIDS : Small Island Dev States, Biomes, Mangrove, Coral Reefs, Climate Change, Climate Change Adaptation, Ecosystem-based Adaptation, Small Island Developing States, Private sector, Climate information, Community-based adaptation, Climate finance, Climate Change Mitigation, Biodiversity, Financial and Accounting, Conservation Finance, Payment for Ecosystem Services, Protected Areas and Landscapes, Community Based Natural Resource Mngt, Coastal and Marine Protected Areas, Mainstreaming, Tourism, Land Degradation, Food Security, Sustainable Land Management, Ecosystem Approach, Sustainable Livelihoods, Community-Based Natural Resource Management, Influencing models, Stakeholders, Local Communities, Communications, Education, Awareness Raising, Civil Society, Non-Governmental Organization, Academia, Private Sector, Gender Equality, Gender results areas, Participation and leadership, Capacity Development, Gender Mainstreaming, Sex-disaggregated indicators, Beneficiaries, Capacity, Knowledge and Research, Knowledge Generation, Knowledge Exchange, Innovation, Climate resilience, Strategic Action Plan Implementation, Seagrasses, Productive Seascapes, Conservation Trust Funds, Income Generating Activities, Integrated and Cross-sectoral approach, Demonstrate innovative approache, Convene multi-stakeholder alliances, Strengthen institutional capacity and decision-making, Deploy innovative financial instruments, Type of Engagement, Consultation, Information Dissemination, Partnership, Participation, Public Campaigns, Behavior change, Community Based Organization, Project Reflow, Financial intermediaries and market facilitators, Large corporations, SMEs, Individuals/Entrepreneurs, Knowledge Generation and Exchange, Enabling Activities, Indicators to measure change

Rio Markers

Climate Change Mitigation

Significant Objective 1

Climate Change Adaptation

Significant Objective 1

Biodiversity

Significant Objective 1

Land Degradation

Significant Objective 1

Submission Date

9/30/2022

Expected Implementation Start

6/30/2024

Expected Completion Date

5/31/2029

Duration

60In Months

Agency Fee($)

1,350,000.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Focal Area Outcomes	Trust Fund	GEF Amount($)	Co-Fin Amount($)
IW-1-1	Strengthen blue economy opportunities through sustainable healthy coastal and marine ecosystems.	GET	15,000,000.00	67,820,804.00
		Total Project Cost($)	**15,000,000.00**	**67,820,804.00**

B. Project description summary

Project Objective

To strengthen the capacity to preserve and safeguard the health of ocean ecosystems in Pacific Island countries by catalysing the development and growth of sustainable blue economies (SBE).

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
Component 1: Enabling Environment for Sustainable Blue Economy (UNEP)	Technical Assistance	**Outcome 1:** National and regional priorities, strategies, and financing mechanisms for SBE transformation incorporated into government planning and financing processes.	**Output 1.1**: Baseline assessment and capacity needs assessment of blue economy priorities, opportunities, and challenges in 14 PICs. **Output 1.2:** SBE transformation strategies, business models, and financing mechanisms supported by PICs, regional organizations, NGOs/CSOs, women?s organizations, and other relevant stakeholders. **Output 1.3:** SBE action plans and financing mechanisms incorporated into the planning and financing processes/	GET	1,877,768.00	5,256,319.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
			cycles of sectoral agencies and programs in 14 PICs.			

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
Component 2: Sustainable Blue Economy Investments (UNEP, ADB)	Technical Assistance	**Outcome 2:** Four sustainable blue economy pilot projects developed and implemented, providing success templates and on-the-ground learning centres for bolstering the protection of healthy ocean ecosystems, strengthening the resiliency of Pacific communities, and improving local / national economies.	**Output 2.1:** Comprehensive feasibility studies prepared covering technical, management, operating, and financing options for SBE pilot projects in Cook Islands, Marshall Islands, Tonga, and Tuvalu, targeting GHG emission mitigation (445,00 metric tons of CO_2e), and improved management of marine habitats (200 million ha). **Output 2.2:** Four SBE pilot projects set up and implemented in partnership with government and non-government stakeholders.	GET	5,680,023.00	55,059,740.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
			Cook Islands: Development of a Conservation Fund and Sustainable Financing Mechanisms for MSP/SBE Upscaling in Marae Moana Marine Park.			
			Marshall Islands: Demonstrating Energy Transition and the Sustainable Blue Economy on Majuro and Outer Islands.			
			Tonga: Demonstrating how innovative business models and energy technologies can accelerate the sustainable blue economy.			

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
			Tuvalu: Utilization of renewable energy to reduce greenhouse gas emissions and promote SBE development.			
			Output 2.3: SBE pilot projects? success templates and on-the-ground learning experiences packaged and shared with public and private sector stakeholders (through Components 1 and 3).			

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
Component 3: Upscaling SBE Development and Growth through Implementation of a Regional Knowledge Platform and Decision Support System (UNEP)	Technical Assistance	**Outcome 3:** Sustainable blue economy capacities enabled for SBE upscaling among governments, communities, women?s organizations, and the private sector.	**Output 3.1:** Knowledge Management and Communication Strategy developed and executed, raising awareness, and transferring core skills and enabling conditions to Pacific I2I project stakeholders.	GET	6,519,473.00	5,676,285.00
			Output 3.2: On-line Regional Knowledge Platform and Decision Support System (DSS) providing users with capabilities and services for development, financing, and implementation of a second round of SBE pilot projects.			

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
			Output 3.3: Knowledge sharing with regional and international organizations and their relevant programs and projects, including IWLEARN.			

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
Component 4: Monitoring and Evaluation (M&E)	Technical Assistance	**Outcome 4:** Overall project implementation progress and results monitored, supporting adaptive project management and cost efficient/cost effective execution.	**Output 4.1:** Inception workshop and workshop report. **Output 4.2:** Annual GEF Project Implementation Review (PIR), and M&E of GEF core Indicators, Stakeholder Engagement Plan, Gender Action Plan, and Safeguards Frameworks and Action Plans. **Output 4.3:** Project mid-term review (MTR) and report. **Output 4.4:** Terminal evaluation (TE) and report.	GET	208,450.00	

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
			Output 4.5: Final project report			
			Sub Total ($)		**14,285,714.00**	**65,992,344.00**
Project Management Cost (PMC)						
			GET		714,286.00	1,828,460.00
			Sub Total($)		**714,286.00**	**1,828,460.00**
			Total Project Cost($)		**15,000,000.00**	**67,820,804.00**

Please provide justification

C. Sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount($)
Recipient Country Government	Cook Islands	In-kind	Recurrent expenditures	23,362,054.00
Recipient Country Government	Cook Islands	Grant	Investment mobilized	9,897,650.00
GEF Agency	UNEP	In-kind	Investment mobilized	3,625,000.00
GEF Agency	ADB	Grant	Investment mobilized	28,500,000.00
Donor Agency	SPREP	In-kind	Investment mobilized	261,100.00
Recipient Country Government	Palau	In-kind	Recurrent expenditures	300,000.00
GEF Agency	UNEP	In-kind	Recurrent expenditures	1,875,000.00
			Total Co-Financing($)	**67,820,804.00**

Describe how any "Investment Mobilized" was identified

The efforts of the Regional Pacific I2I project will build upon on-going national and regional parallel initiatives mobilised in: 1) Cook Islands investments through the following projects and initiatives: Sustainable Fisheries Partnership Agreement (SFPA, Disaster Resilience for Small Pacific Islands (RESPAC Cook Islands), US Fisheries Treaty, Green Climate Fund Readiness, Cook Islands Geoportal (within the Ministry of Infrastructure Cooks Islands (ICI) Hydrography Department, Accurately Positioning Cook Islands (modernising Cook Islands positioning infrastructure), Strengthening water security of vulnerable islands states, Global Climate Change Alliance plus Scaling up Pacific Adaptation (GCCA+ SUPA), Communications support of Marae Moana marine park project, and the National Environment Policy and revised Environment Act development 2) ADB investments for Marshall Islands, Tonga, and Tuvalu through the Pacific Renewable Energy Investment Facility. The 2022 Annual Report of the Pacific Renewable Energy Investment Facility, included in Appendix 13 of the CER, details ADB?s commitment to finance renewable energy projects in the region, including the three projects supported by GEF I2I project. 3) UNEP and SPREP investments through ongoing Green Climate Fund (GCF) and other initiatives in the region. Such investments mobilized are considered as in-kind given that their body of work will contribute to the Pacific I2I project but will not be directly managed through it.

D. Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount($)	Fee($)	Total($)
UNEP	GET	Regional	International Waters	International Waters	11,555,555	1,040,000	12,595,555.00
ADB	GET	Regional	International Waters	International Waters	3,444,445	310,000	3,754,445.00
			Total Grant Resources($)		**15,000,000.00**	**1,350,000.00**	**16,350,000.00**

E. Non Grant Instrument

NON-GRANT INSTRUMENT at CEO Endorsement

Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)

PPG Required **true**

PPG Amount ($)

300,000

PPG Agency Fee ($)

27,000

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount($)	Fee($)	Total($)
UNEP	GET	Regional	International Waters	International Waters	231,000	20,790	**251,790.00**
ADB	GET	Regional	International Waters	International Waters	69,000	6,210	**75,210.00**
				Total Project Costs($)	**300,000.00**	**27,000.00**	**327,000.00**

Core Indicators

Indicator 5 Area of marine habitat under improved practices to benefit biodiversity (excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
71,000,000.00	704,860.00		

Indicator 5.1 Fisheries under third-party certification incorporating biodiversity considerations

Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)

Type/name of the third-party certification

Indicator 5.2 Large Marine Ecosystems with reduced pollution and hypoxia

Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (achieved at MTR)	Number (achieved at TE)
1	1	0	0

LME at PIF	LME at CEO Endorsement	LME at MTR	LME at TE
Western Pacific Warm Pool (WPWP)	Western Pacific Warm Pool (WPWP)		

Indicator 5.3 Marine OECMs supported

Name of the OECMs	WDPA-ID	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)

Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO?e (direct)	0	0	0	0
Expected metric tons of CO?e (indirect)	5750	235000	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO?e (direct)				
Expected metric tons of CO?e (indirect)				
Anticipated start year of accounting				
Duration of accounting				

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO?e (direct)				
Expected metric tons of CO?e (indirect)	5,750	235,000		
Anticipated start year of accounting	2023	2026		
Duration of accounting	5	20		

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)				

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)
Solar Photovoltaic		16.00		
Energy Storage		5.00		

Indicator 7 Shared water ecosystems under new or improved cooperative management

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Shared water Ecosystem	Western Pacific Warm Pool (WPWP)	Western Pacific Warm Pool (WPWP)		
Count	**1**	**1**	**0**	**0**

Indicator 7.1 Level of Transboundary Diagonostic Analysis and Strategic Action Program (TDA/SAP) formulation and implementation (scale of 1 to 4; see Guidance)

Shared Water Ecosystem	Rating (Expected at PIF)	Rating (Expected at CEO Endorsement)	Rating (Achieved at MTR)	Rating (Achieved at TE)
Western Pacific Warm Pool (WPWP)	4	4		

Indicator 7.2 Level of Regional Legal Agreements and Regional management institution(s) (RMI) to support its implementation (scale of 1 to 4; see Guidance)

Shared Water Ecosystem	Rating (Expected at PIF)	Rating (Expected at CEO Endorsement)	Rating (Achieved at MTR)	Rating (Achieved at TE)
Western Pacific Warm Pool (WPWP)		3		

Indicator 7.3 Level of National/Local reforms and active participation of Inter-Ministeral Committees (IMC; scale 1 to 4; See Guidance)

Shared Water Ecosystem	Rating (Expected at PIF)	Rating (Expected at CEO Endorsement)	Rating (Achieved at MTR)	Rating (Achieved at TE)
Western Pacific Warm Pool (WPWP)	2	2		

Indicator 7.4 Level of engagement in IWLEARN throgh participation and delivery of key products(scale 1 to 4; see Guidance)

Shared Water Ecosystem	Rating (Expected at PIF)	Rating (Expected at CEO Endorsement)	Rating (Achieved at MTR)	Rating (Achieved at TE)
Western Pacific Warm Pool (WPWP)	1	1		

Indicator 11 People benefiting from GEF-financed investments

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	150,000	40,077		
Male	150,000	40,589		
Total	300000	80666	0	0

Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided

The following methodology was used to calculate targets: Core indicator 5: The calculated area under improved management is 704,860 ha, based on: Cook Islands Marae Moana Marine Park (673,460 ha - calculated on the assumption that the project improves management practices for 25% of the marine conservation area extending 92.6 km from the Rarotonga coastline); Republic of Marshall Islands (RMI) (10,000 hectares, given the impact on improved practices on lagoons and near shore to islands); Tonga (20,000 ha - calculated on the assumption that the project improves practices for 25% of marine area within 5km of the Tongatapu coast); and Tuvalu (1,400 ha of the near shore areas on the four targeted Outer Islands). Core indicator 6: Greenhouse Gas Emissions Mitigated (metric tons of CO2e) totals 235,000. This is calculated through the following: ? RMI: An estimated 4,000 metric tons of CO2 avoided annually, as the project is targeted to displace diesel use by installing of about 3 MW of marine renewables. Over 25 years, this would lead to 100,000 metric tons of CO2e. ? Tonga: A recent, similar project developed with ADB support in Tonga (the 6 ?Megawatt Hihifo Solar Power Project?) is estimated to lead to a reduction of 5,400 metric tons (T) reduction in CO2 emissions per year. This was determined using standard IPCC methodology and modelling software. Over 25 years, this would lead to 135,000 metric tons of CO2e. This is used as the reference case. ? Tuvalu: The avoided GHG emissions for this project have already been included in a GEF project ID 10788, Tuvalu: Increasing Access to Renewable Energy Project. Hence, they cannot be added to GEF Core indicators for this project. Core indicator 7: Number of shared water ecosystems (fresh or marine) under new or improved cooperative management is calculated on the Pacific region, which receive benefits from regional mechanisms and national mechanisms under the project. Note, the Western Pacific Warm Pool has been classified as the shared water ecosystem. Core indicator 11: Number of direct beneficiaries disaggregated by gender is calculated based on the GEF definition ?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 groups of individuals who are aware that they are

receiving that support and/or who use the specific resources?. The calculated number of direct beneficiaries disaggregated by gender is 80,666; 40,077 (49.7%) are female. The calculation is based upon four factors, namely a) the number of direct beneficiaries in the four pilot project countries with due consideration to pilot project location and scope; b) the number of beneficiaries in each country targeted for capacity building and learning events organized by the project (i.e., 100 participants per country); c) the percentage of females in each country; and d) the percentage of females in each country over the age of 15 and targeted for capacity building and learning events organized by the project. Cook Islands: Pilot project (10,900 - Rarotonga population; 49.8% female); Capacity building and learning events: (100; 47% female). Marshall Islands: Pilot project (500 ? population at pilot sites across Majuro and smaller islands; 50% female); Capacity building and learning events: (100; 50% female). Tonga: Pilot project (66,866 - Tongatapu (main island pilot site) population; 49.8% female); Capacity building and learning events: (100; 38% female). Tuvalu: Pilot project (1,000 - Nukufetau, Nukulaelae, Nui, and Vaitupu (outer island pilot sites populations; 50.5% female); Capacity building and learning events: (100; 47% female). 10 PICs: Regional capacity building and learning events: (1,000; 48% female).

Part II. Project Justification

1a. Project Description

Describe any changes in alignment with the project design with the original pif

The overall project structure presented in this document is consistent with the one presented in the PIF. An additional outcome (Outcome 4) has been included for M&E. All regional capacity enabling and SBE upscaling activities have been consolidated in Outcome 3. The project design and activities were adapted to ensure cohesion with feedback received on the PIF, existing policies, priorities, baselines, and capacities of participating countries, and emerging opportunities in priority sectors of the blue economy, including renewable energy and conservation and protection of marine habitats. The changes are presented in Table 1 below.

Table 1. Changes between PIF and PPG versions

PIF	CEO endorsement	Comment

PIF	CEO endorsement	Comment
Component 1: Enabling Environment for Sustainable Blue Economy Outcome 1: National (14) and regional (1) Sustainable Blue Economy (SBE) Frameworks and Implementation Plans incorporated into government planning and budgetary processes (e.g., National Medium-Term Development Plans). Output 1.1: 14 National and one (1) regional blue economy assessments conducted, and SBE Frameworks and Implementation Plans developed and endorsed to national governments for adoption (including updated or new MSPs, ICZM plans, adaptive ocean management plans, EbA plans or integrated ocean management plans as relevant and considered appropriate by countries). Output 1.2: Advocacy and	Component 1: Enabling Environment for the Sustainable Blue Economy Outcome 1: National and regional priorities, strategies, and financing mechanisms for SBE transformation incorporated into government planning and financing processes. Output 1.1: Baseline assessment of blue economy priorities, opportunities, and challenges in 14 PICs. Output 1.2: SBE transformation strategies, business models, and financing mechanisms supported by PICs, regional organizations, and other relevant stakeholders. Output 1.3: SBE action plans and financing mechanisms incorporated into the planning and financing processes of 14 PICs. Budget: 1,877,768	Outcome 1 has been modified to emphasize ?SBE transformation in each country via integration of SBE frameworks/approaches and implementation plans into policies and sectoral programs of each PIC, as well as national budgets. Outputs 1.1 and 1.2 identify measurable deliverables and their contribution to priority environmental programs and social, economic, and environmental resiliency. Output 1.3 is a new addition, targeting the incorporation of SBE approaches, actions and financing mechanisms into the planning and financing processes of each participating PIC, thereby facilitating upscaling of SBE beyond the life of the project. The budget for Component 1 has been revised with the consolidation of all capacity enhancement activities to Component 3 and the transfer of all M&E activities to Component 4 (GEF supported) and the PMC allocation.

PIF	CEO endorsement	Comment
capacity enhancement activities conducted, focusing on national policies, regulations, financing mechanisms, and economic instruments supporting SBE development and growth. Budget: 3,000,000		

PIF	CEO endorsement	Comment
Component 2: Sustainable Blue Economy Investments Outcome 2: National sustainable blue economy pilot projects developed and implemented, resulting in ?success templates? for replication and upscaling of blue economy growth across the Pacific region. Output 2.1: Scoping studies (14) conducted for potential SBE pilot projects/ sustainable financing mechanisms among participating countries. Output 2.2 At least six (6) national SBE pilot project proposals developed and submitted to national governments for approval. Output 2.3: At least six (6) national SBE pilot projects and supporting partnership arrangements implemented,	Component 2: Sustainable Blue Economy Investments Outcome 2: Four national sustainable blue economy pilot projects developed and implemented providing success templates and on-the-ground learning centres for bolstering the protection of healthy ocean ecosystems, strengthening the resiliency of Pacific communities, and improving local / national economies. Output 2.1 Comprehensive feasibility studies prepared covering technical, management, operating, and financing options for SBE pilot projects in Cook Islands, Marshall Islands, Tonga, and Tuvalu, targeting GHG emission mitigation (445,00 metric tons of CO_2e), and improved management of marine habitats (200 million ha]. Output 2.2: Four SBE pilot projects set up and implemented in partnership key partners from government and non-government sectors, including local communities and women?s organizations. Cook Islands: Development and Demonstration of a Conservation Fund and Sustainable Financing Mechanisms for Implementation of Marae Moana Marine Park, Cook Islands. Marshall Islands: Energy transition and the sustainable blue economy on outer islands Tonga: Demonstrating how innovative business models and energy technologies that can accelerate the sustainable blue economy in Tonga. Tuvalu: Piloting and establishing the sustainable blue economy and the productive end uses of energy infrastructure. Output 2.3: SBE pilot projects? success templates and on-the-ground learning experiences packaged (and shared with	Outcome 2 has been modified to include the expected deliverables based on the results of consultations during the project preparation phase and their benefit to regional, national, and local priorities. Output 2.1 was modified during the PPG stakeholder consultations. At the PIF stage, at least six national SBE pilot project proposals were forecast under Component 2. However, only four SBE pilot projects were confirmed during the PPG phase including Cook Islands, Marshall Islands, Tonga, and Tuvalu. Other PICs were unable to commit to developing and hosting SBE pilot projects within the timeframe of the PPG phase. This was primarily due to travel restrictions that occurred during the COVID pandemic, heavy workloads, and schedules of government staff in the post-pandemic period, and a general lack of knowledge, awareness, and capacity to fully participate in online discussions focused on SBE development and growth within the context of national policies and priorities. Although countries have indicated interest in the project, they have requested additional assistance and time to understand what SBE is and how to develop corresponding pilot projects. In response, Component 3 was revised to provide a clear connection between communication, knowledge sharing, and capacity development and the development and growth of SBE in the region, including the development of at least four second round national pilot projects. Palau has already been identified as a priority country for this second round of projects. Output 2.2 has been modified, confirming the implementation of four national SBE pilot projects, their location, the participation of local communities and

PIF	CEO endorsement	Comment
evaluated, and promoted for replication and upscaling. Budget: 8,690,476	public and private sector stakeholders via Component 3). Budget: UNEP: 2,494,838 ADB: 3,185,186	women?s organizations, the scope of the projects. Output 2.3 has been included to fully reflect the fact that the project will create a range of field experience capacity to identify, negotiate, prepare, and implement SBE investments. This Output was previously understood in the PIF within Output 3.1 but is now consolidated. This includes the preparation of SMART indicators and targets for each pilot project and pilot project performance monitoring under Component 2.

PIF	CEO endorsement	Comment
(Component 3: Regional Knowledge Platform for Sustainable Blue Economy Outcome 3: Upscaling of SBE enabled through SBE knowledge products and support services, and an SBE Regional Knowledge Platform and Decision Support Framework. Output 3.1: Tested and proven partnerships, financing and operating templates, and other relevant knowledge products and technologies from national SBE pilot projects prepared and disseminated. Output 3.2: Regional Knowledge Platform and Decision-Support Framework enabled and incorporated into existing national and regional communication and knowledge platforms.	Component 3: Upscaling SBE Development and Growth through Implementation of a Regional Knowledge Platform and Decision Support System. Outcome 3: Sustainable blue economy capacities enabled for SBE project development and upscaling among governments, communities, NGOs/CSOs, women?s organizations, and the private sector. Output 3.1: Knowledge Management and Communication Strategy developed and executed, raising awareness, and transferring SBE core skills and enabling conditions to Pacific I2I project stakeholders inclusive of governments, communities, women?s organizations, and the private sector. Output 3.2: Upscaling of at least four second round national SBE pilot projects through application of regional knowledge sharing, capacity building, and a professional decision support system. Output 3.3: Knowledge sharing with regional and international organizations and their relevant programs and projects, including IW Learn. Budget: UNEP: 6,424,234 ADB: 95,238	Founded on the national SBE pathways and action plans developed under Component 1, the technologies, processes, professional networks, and experiences of Component 2, and the knowledge sharing and learning events of Component 3, this component now targets the development and initiation of at least 4 second round national SBE pilot projects. Palau has been identified as a priority for this second round of SBE projects. To accomplish the change, the budget previously identified for two of the six pilot projects in Component 2 at the PIF stage has been reprofiled to Component 3. As noted above, Outcome 3 has been modified to target knowledge sharing, capacity building and professional support services that will enable countries to prepare and initiate a second round of SBE pilot projects. In addition to improving access to tested and proven ?success templates?, such as feasibility studies, financing mechanisms, business plans, and corporate structuring, the platform will also facilitate targeted networking and mentoring with incubation professionals, and potential SBE investors to prepare, finance and initiate viable SBE pilot projects. Output 3.1 builds on the capacity needs assessment prepared under Component 1, leading to the development and implementation of an inclusive regional knowledge management and communication plan targeting key stakeholder groups, including governments, communities, women?s organizations, and the private sector. Output 3.2 focuses on the application of knowledge, skills, success templates and professional networks that are created in Components 1 and 2 of the project and other regional projects (e.g., BPFH), which will enable key stakeholders in the public and private sectors to upscale SBE development and growth. Outputs 3.3 has been modified slightly to improve clarity of the respective deliverables.

PIF	CEO endorsement	Comment
Output 3.3: Knowledge sharing and networking linkages and events developed and implemented with other national, regional, and global organizations, programs, and projects, including IW Learn. Budget: 1,613,930		The budget for Component 3 has been reprofiled, moving funds that were originally earmarked for 6 pilot projects under Component 2 to Component 3.
Component 4: Project Monitoring and Evaluation	Component 4: Monitoring and Evaluation M&E has been included as a new component of the project. Outcome 4: Overall project implementation progress and results monitored, supporting adaptive project management and cost efficient/cost effective execution. Output 4.1: Inception workshop and workshop report. Output 4.2: Annual GEF Project Implementation Review (PIR), and M&E of GEF core Indicators, Gender Plan, Safeguards Frameworks and Action Plans. Output 4.3: Project mid-term review (MTR) and report. Output 4.4: Terminal evaluation (TE) and report. Output 4.5: Final project report M&E Budget: 208,450	A separate component on M&E consolidates the M&E activities across the project and the participating countries. The budget indicates the cost of activities that are directly charged to the GEF grant (i.e., Outputs 4.1, 4.3, and 4.4). Outputs 4.2 and 4.5 and their associated costs are part of the PMC allocation.

PIF	CEO endorsement	Comment
Component 5: Regional Project Coordination Outcome 5: Effective coordination of regional project planning and implementation, including monitoring, evaluating, and reporting program outcomes, outputs, benefits, and impacts. Budget: 981,308	Regional Project Coordination has been integrated with the technical and project management components of the project. The budget for project management, coordination and monitoring and financial reporting activities are included in the PMC allocation. PMC: UNEP: 550,265 ADB: 164,021	RPCU project management and administration costs are a portion of the PMC budget allocation. RPCU roles and responsibilities are described in Section 6. Institutional Arrangement and Coordination. The TOR for principal RPCU staff are included in Appendix 13.

PIF	CEO endorsement	Comment
Core indicator 5: Area of marine habitat under improved practices to benefit biodiversity. 71,000,000 ha. **Core indicator 6: Greenhouse Gas Emissions Mitigated (metric tons of CO_2e)** 5.75 million metric tonnes of CO_2e	**Core indicator 5: Area of marine habitat under improved practices to benefit biodiversity** The calculated area under improved management is 704,860 ha, based on: Cook Islands Marae Moana Marine Park (673,460 ha - calculated on the assumption that the project improves management practices for 25% of the marine conservation area extending 92.6 km from the Rarotonga coastline); Republic of Marshall Islands (RMI) (10,000 hectares, given the impact on improved practices on lagoons and near shore to islands); Tonga (20,000 ha - calculated on the assumption that the project improves practices for 25% of marine area within 5km of the Tongatapu coast); and Tuvalu (1,400 ha of the near shore areas on the four targeted Outer Islands). **Core indicator 6: Greenhouse Gas Emissions Mitigated (metric tons of CO_2e)** totals 235,000. This is calculated through the following: ? RMI: An estimated 4,000 metric tons of CO_2 avoided annually, as the project is targeted to displace diesel use by installing of about 3 MW of marine renewables. Over 25 years, this would lead to 100,000 metric tons of CO_2e. ? Tonga: A recent, similar project developed with ADB support in Tonga (the 6 ?Megawatt Hihifo Solar Power Project?) is estimated to lead to a reduction of 5,400 metric tons (T) reduction in CO_2 emissions per year. This was determined using standard IPCC methodology and modelling software. Over 25 years, this would lead to 135,000 metric tons of CO_2e. This is used as the reference case. ? Tuvalu: The avoided GHG emissions for this project have already been included in a GEF project ID 10788, Tuvalu: Increasing Access to Renewable Energy Project. Hence, they cannot be added to GEF Core indicators for this project.	During PPG, the Core Indicators were revised based upon the realities of the 4 national SBE pilot projects.

PIF	CEO endorsement	Comment
Core indicator 7: Number of shared water ecosystems (fresh or marine) under new or improved cooperative management: 1 (Western Pacific Warm Pool) **Core indicator 11: Number of direct beneficiaries disaggregated by gender:** 300,000 (50% women)	**Core indicator 7: Number of shared water ecosystems (fresh or marine) under new or improved cooperative management** is calculated on the Pacific region, which receive benefits from regional mechanisms and national mechanisms under the project. Note, the Western Pacific Warm Pool has been classified as the shared water ecosystem. **Core indicator 11: Number of direct beneficiaries disaggregated by gender:** **The calculated number of direct beneficiaries disaggregated by gender is 80,666; 40,077 (49.7%) are female.** The calculation is based upon four factors, namely a) the number of direct beneficiaries in the four pilot project countries with due consideration to pilot project location and scope; b) the number of beneficiaries in each country targeted for capacity building and learning events organized by the project (i.e., 100 participants per country); c) the percentage of females in each country; and d) the percentage of females in each country over the age of 15 and targeted for capacity building and learning events organized by the project. **Cook Islands**: Pilot project (10,900 - Rarotonga population; 49.8% female); Capacity building and learning events: (100; 47% female). **Marshall Islands**: Pilot project (500 ? population at pilot sites across Majuro and smaller islands; 50% female); Capacity building and learning events: (100; 50% female). **Tonga**: Pilot project (66,866 - Tongatapu (main island pilot site) population; 49.8% female); Capacity building and learning events: (100; 38% female). **Tuvalu**: Pilot project (1,000 - Nukufetau, Nukulaelae, Nui, and Vaitupu (outer island pilot sites populations; 50.5% female); Capacity building and learning events: (100; 47% female). **10 PICs**: Regional capacity building and learning events: (1,000; 48% female).	

ADB co-financing has been increased from $15 million in the PIF to $28.5 million. Since the PIF, the development and design of the baseline investments has advanced, and more details are available for inclusion in the CER document.

The SPREP co-financing contribution has decreased from $19 million in the PIF to $261,100. Since the PIF some projects flagged to provide co-financing have closed. Other projects have experienced delays in development or confirmation of new phases, for example extension of the African Caribbean Pacific Multi-lateral Environment Agreement (ACPMEA) project which involves strengthening implementation of the Regional Seas Convention. Further SPREP co-financing will be confirmed in future, no later than by project inception.

Recipient country co-financing contributions have decreased from approximately $90 million in the PIF to $33,559,704 from Cook Islands ($33,259,704) and Palau ($300,000). As indicated previously, Output 2.1 was modified during the PPG stakeholder consultations. At the PIF stage, at least six national SBE pilot project proposals were forecast under Component 2. However, only four SBE pilot projects were confirmed during the PPG phase including Cook Islands, Marshall Islands, Tonga, and Tuvalu. Other PICs were unable to commit to developing and hosting SBE pilot projects within the timeframe of the PPG phase. Although countries have indicated interest in the project, they have requested additional assistance and time to understand what SBE is and how to develop corresponding pilot projects. In response, Component 3 was revised to provide a clear connection between communication, knowledge sharing, capacity building and the development and growth of SBE in the region, including the development of at least four second round national pilot projects.

It is anticipated that additional co-financing investments will be mobilized from government and non-government sources with the development and implementation of the second round of SBE national projects under Component 3. Palau has been identified as a priority for this second round of projects given initial co-financing agreed for development and implementation of an SBE under this project and SBE initiatives occurring at micro-level.

Co-financing letters have been included in Appendix 3.

As described in Section F above, core indicators were adjusted to reflect more accurately realities on the ground especially as far as component 2 is concerned.

1.a.: Project Description

A defining feature of the Pacific is the Western Pacific Warm Pool ecosystem. The West Pacific Warm Pool extends almost half-way around the globe, stretching along the equator south of India, through the waters off Sumatra, Java, Borneo, and New Guinea, and into the central Pacific Ocean. The South Pacific region of the West Pacific Warm Pool comprises almost 38.5 million km2 sea area, with less than two percent of this extensive area constituting the land base shared by the Pacific Island Countries

(PICs). The limited land base of the area is distributed among 200 high islands and 2,500 low islands and atolls.

The Pacific Islands region comprises three ethno-geographic groupings?Melanesia (including Fiji, Papua New Guinea, Solomon Islands, and Vanuatu), Micronesia (including Federated States of Micronesia, Marshall Islands, Narau, and Palau), and Polynesia (including Cook Islands, Kiribati, Niue, Samoa, Tonga, and Tuvalu). All participating islands lie in the tropical zone and experience sea surface temperatures that rarely fall below 20 degrees Celsius.

The many thousands of islands are, except for some larger Melanesian Islands, entirely coastal in nature, often with limited freshwater resources, and surrounded by a rich variety of ecosystems including mangroves, seagrass beds, estuarine lagoons, and coral reefs. The Pacific Island Countries are highly dependent on coastal and marine resources for economic survival. This so-called ?blue economy? is fundamental to the future of the Pacific Island region, being the most essential provider of food, income, employment, transport, and economic development. However, ongoing degradation of natural assets and the services they provide to the people of the region is putting significant stress on the sustainability of the islanders? way of life, and the very existence of coastal communities and national economies.

1.a.1 Global Ocean context and environmental problems

Human health depends on ocean health. Ocean health is also intrinsically linked to sustainable livelihoods, prosperity, and economic growth ? i.e., to ocean wealth. The global ocean economy encompasses not only all ocean?based industries such as fishing, shipping, offshore oil and gas, offshore wind, ocean thermal energy, marine biotechnology, and others, but also the natural assets and ecosystem services that the oceans provide. As the two are inextricably interlinked, the value of the ocean economy not only includes the value of human industry, but also the value of the ecosystem services, natural resources and natural capital provided by oceans.

Economic activity in the ocean is expanding rapidly, driven primarily by global population growth, general economic growth and increasing globalization of trade and rising income levels across the world. Ocean industries also have the potential to make an important contribution to employment growth. In 2030, they are anticipated to employ approximately 40 million full?time equivalent jobs in the business-as?usual scenario. The fastest growth in jobs is expected to occur in offshore wind energy, marine aquaculture, fish processing and port activities (OECD 2016).

However, an important constraint to the development of the blue economy is the current deterioration of ocean health, and the lack of ecological sustainability in many of the ocean industries themselves. Ocean ecosystems are under unprecedented anthropogenic pressures from climate change, acidification, habitat loss, pollution, fishing, shipping, and, potentially, seabed mining. This may ultimately constrain their growth and cause their decline or even their collapse in some areas, as natural carrying capacity limits are exceeded, as has already been seen in the decline and collapse of several fisheries in various parts of the world (FAO 2018).

1.a.2 Regional Ocean context and environmental problems

The Pacific Islands region faces the same challenges for blue economy development as other regions of the West Pacific Warm Pool. As Small Island Developing States (SIDS) surrounded by the world?s largest ocean, the significance of coastal and marine resources and the importance of ocean health is much greater for Pacific Island peoples than for most of the rest of the world, specifically regarding natural disasters and climate change, degradation of marine and coastal resources and ecosystems, overexploitation of ocean and coastal fisheries, and pollution. The priority issues of the Pacific Islands region are directly aligned with transboundary priorities of the Western Pacific Warm Pool Strategic Action Plan.

Natural disasters and Climate change

Natural disasters and the impacts of climate change, together with vulnerabilities stemming from physical characteristics, remoteness, and lack of necessary infrastructure, are having a profound impact on sustainable development across all sectors in the PICs. For example, the percentage of the population in Fiji suffering from food insecurity increased from 4.2 per cent in December 2020 to 11.4 per cent in February 2021 due to Tropical Cyclone Ana, which formed in late January 2021, while Tropical Cyclone Pam in Vanuatu caused economic loss and damage estimated at 64 per cent of GDP in 2015, demonstrating that development gains can be set back by years due to a single weather event (*Pacific Perspectives 2022: Accelerating Climate Action, ESCAP 2022*).

According to the IPCC Working Group 1 Sixth Assessment Report (2021), changes in the environment are already and will continue to be the single greatest threat to the security and well-being of Pacific people including:

? **Average temperatures have increased** about 1.1?C and will continue to rise, impacting human health and affecting agricultural output and food security.

? **Ocean acidification** has increased and will increase further with 1.5?C of global warming, affecting the health of reef ecosystems. Reef survival is essential for local fishing and the livelihood of communities. Moreover, damages to coral reefs will exacerbate coastal erosion, as they act as the first line of defense against storm surges and strong waves.

? The global trend of **rising seas** will have the most severe consequences in the Pacific, posing a threat not only to the habitability of small island nations but to their very existence and survival as a nation. In Tuvalu, for example, the sea level has increased by approximately 13.2cm from 1993 to 2021 with a trend of 4.7mm per year.

? Sea-level rise coupled with storm surges and ?king tides? are exacerbating **coastal inundation** and the potential for increased saltwater intrusion, affecting the already fragile water security of Pacific people and communities. In Kiribati, for instance, where the land surface is less than 2-3 meters above the sea level, ocean waves have been as high as 3.5 meters in the last five years.

? Land loss due to coastal erosion or disappearing islands will lead to **land disputes and conflicts** over marine resources. The reduction of available land will likely also cause a contraction of Pacific Small Island Developing States exclusive economic zone (EEZs), essential for regional stability and resource management.

? I**ncreasing intensity of extreme weather events** in the Pacific will have severe consequences, including the destruction of housing ,villages and infrastructures and damages to agriculture and other livestock livelihoods.

In sum, climate change is exacerbating existing development challenges in the Pacific Islands region, including deterioration of infrastructure, water shortages, rise in noncommunicable diseases, population pressures on limited resources, and fuel and food supply disruptions. All these scenarios also create conditions that increase social and economic risks to women and children and other disadvantaged members of Pacific Islands society.

Marine and coastal ecosystems and resources

The Pacific Island region hosts some of the last remaining near pristine coral reefs and associated mangrove and seagrass habitats in a world. The region therefore represents a potential global refuge for coral reef, mangrove, and seagrass resilience.

Almost 52% of the region?s coral reefs have been assessed as being at ?low risk? (Moritz et al. 2018; Chin et al. 2011). However, for the other 48%, there were many signs of severe degradation and serious decline, especially on reefs around population centres and in lagoons. Since 2011 there have been at least two major coral bleaching events across large parts of the Pacific, and local-scale impacts from land-based sources of marine pollution, coastal development, overfishing, and similar factors appear to be worsening. As the sea level rises and the ocean warms, coral bleaching can limit the protection provided by coral reefs.

The status of the region?s live coral cover has been deemed fair, with the majority of Pacific islands still having relatively high live coral cover compared to an estimated historical baseline. However, records across the region are patchy, leading to a low data confidence ranking. With significant threats, especially from climate change and natural disasters, the overall trend in the extent of live coral coverage is considered to be deteriorating (SPREP 2020). The projected future of coral reefs significantly differs between low-emission and high-emission future scenarios. Should global warming surpass 2?C, over 99% losses of coral reefs are expected (IPCC 2019). By 2050, almost all reefs in the Pacific are predicted to be rated as threatened, with more than half rated as at high, very high or critical. Cumulative impacts, including pressures from human use, reduce the capacity of reefs to keep pace with sea level rise (IPCC 2019).

The areal extent of seagrass in the region is estimated to be 1,446.2 km2, with the greatest extent (84%) in Melanesia. Seagrass condition in 65% of PICs is increasing or displaying no discernible trend since records began (McKenzie, Len J. et al, June 2021). Despite their importance (e.g., source of food and livelihoods; habitat for charismatic megafauna; carbon sink), little is known of the status of seagrass ecosystems across the region, which are likely under increasing threats from anthropogenic activities, further exacerbated by pressures related to global climate change (Coles et al., 2011; Cullen-Unsworth and Unsworth, 2013; Grech et al., 2012; Waycott et al., 2011). As a result of these pressures, the resilience of seagrass ecosystems across the PICs is becoming compromised. Vulnerability analysis

indicates that there is likely to be a moderate loss of seagrass habitats estimated between <5 and 20% by the year 2035 and 10 to 50% by 2100 (Waycott et al., 2011). At present, marine conservation across the region overwhelmingly focuses on coral reefs, with seagrass ecosystems marginalised in conservation legislation and policy.

In the Pacific Islands region, the total mangrove area is nearly 5,687 km2, or 3.74% of the world?s mangroves, with the largest areas in Papua New Guinea, Solomon Islands, Fiji, and New Caledonia. Pacific Islander societies have traditionally been based in coastal areas, with many early settlements close to mangrove areas. They continue to provide significant social, economic, and cultural benefits for the people of the Pacific Islands.

However, mangroves are disappearing at an alarming rate. Regionally, a 13% reduction in area is predicted when employing an upper projection for global sea level rise through the year 2100 (UNEP 2006). According to a study by Cameron et al. (2021), the greatest drivers of mangrove loss are increasing frequency and intensity of natural disasters such as tropical cyclones and flooding, coastal reclamation for unsustainable aquaculture and infrastructure development, and overexploitation of mangrove resources. For example:

- In Samoa, mangrove ecosystems are rapidly declining due to reclamation, urban and tourism development, and land-based activities such as agriculture, aquaculture, and pollution. Consequently, there is increased loss of important environmental and economic goods and services such as forest products, flood mitigation and habitat for fish.

- In Tonga, mangroves of a surveyed area in Fanga?uta lagoon needed further investigation to establish the cause of reduced mangrove condition along the mangrove fringe. A combination of both natural (cyclones) and anthropogenic (road construction) factors may be affecting mangrove condition.

Fisheries

i. Oceanic Fisheries

The EEZs of PICs and territories provide about 30% of the world?s tuna catch, with Pacific catch counting more than 1.5 million tonnes in 2016 (Johnson et al. 2018). License fees for foreign distant-water fishing vessels have increased by 400% in the last two decades, creating economic gains for the islands, but comparable future increases are less likely (White et al. 2018; Bell et al. 2015). Illegal, unreported, and unregulated (IUU) fishing is a direct threat to tuna populations and to other Pacific species. The large size of Pacific EEZs and limited capacity for enforcement are priority challenges in the fight against IUU fishing.

Based on the concept of maximum sustainable yield, all four main tuna stocks (i.e., skipjack, bigeye, yellowfin, and albacore) are considered healthy by the Western and Central Pacific Fisheries Commission (WCPFC) and Pacific Islands Forum Fisheries Agency (FFA). The overall tuna catch is increasing, with increasing or stable trends in the catch of most species without overfishing; for this reason, the trend is considered stable. From a fisheries perspective, it is considered satisfactory that the fish stocks are available and within the measure of maximum sustainable yield. However, from an

ecosystem perspective, it is concerning that all major pelagic stocks in the region are fully exploited and that the populations of three of the main species (yellowfin, bigeye, and albacore) are declining.

Fishing is expected to be the largest pressure on tuna populations at least until the middle of this century. That said, attention to other drivers of ecosystem health will benefit tuna populations and attention to sustainable fishing practices will benefit many other marine species and ecosystems.

Climate change (e.g., increasing ocean temperatures) will have direct and indirect effects on tuna (Johnson et al. 2018). These changes will have varying impacts across the region: Cook Islands, French Polynesia, Fiji and Vanuatu might benefit from future opportunities for greater engagement in supply chains. The progressive eastward shift in skipjack tuna is likely to have negative effects on the contributions of tuna fishing to government revenue and tuna processing to GDP for other nations in the western Pacific (e.g., Papua New Guinea, Solomon Islands) (Johnson et al. 2018). Knowledge of the impacts of ocean acidification on juvenile and adult tuna is only emerging.

ii. *Coastal Fisheries*

At the regional level, coastal fish biomass data are limited and are not regularly collated in a single regional mechanism; historical assessments have found ?average-to-low? or ?poor? condition of demersal fish stocks in about half of the studied sites (Johnson et al. 2018). Catch data are not reliable alone for coastal fish biomass measures due to the anticipated underestimation of subsistence catch. National State of Environment reports contain fish biomass assessments: several countries see the impacts of fishing pressure, declining sizes of fish particularly reef finfish, and boosts in fish biomass in areas with spatial protection or with lower fishing pressure due to risks of ciguatera poisoning or culture and diet shifts (SPREP 2020).

As of 2015, large areas of the Pacific islands region were not under effective coastal fisheries management with at least 90% of coastal communities lacking viable coastal fisheries management systems (SPC 2015).

At the regional level, the status of this indicator was considered *poor to fair* with a *mixed* trend among sites. Due to the scattered and limited data available in a region with diverse coastal fish populations and heavy reliance on them, the confidence in the available data was ranked *low* (SPREP 2020).

The biomass of fish is only one factor when considering fisheries sufficiency: the demand for fish by a growing human population with changing demands must also be considered. A stable trend in coastal fish biomass might be insufficient to feed a growing Pacific population if traditional dependence on ocean foods is maintained (SPC 2015). Eleven of 21 Pacific countries and territories are projected to have

?fish deficits? by 2035 with another five expected to face challenges in redistribution (Bell et al. 2009; Govan 2017).

In combination with fishing pressure, coastal fisheries in the Pacific islands face the challenges of habitat loss, climate change, invasive species, and pollution, particularly water quality and marine plastics. Many of these new threats cross boundaries. Fish populations depend on other species and habitats for their survival, with their requirements varying throughout their life stages. Coastal fish

habitats, particularly vegetated wetlands, are declining throughout the Pacific islands region, as noted previously.

Pollution

Pollutive wastewater discharges from households, landfill leachates, industrial and mining activities, and husbandry and agricultural processing activities are the main sources of land-based pollution to freshwater, coastal and marine resources in PICs and territories. However, the extent of the issue is difficult to quantify due to the lack of contemporary data on coastal water quality and on the quantity and quality of wastewater discharged from these various sources. In terms of household wastewater, according to the Pacific Water and Wastes Association (ND), approximately 4% of the Pacific population is served by sewer connections, and of this amount approximately 65% of the collected wastewater receives secondary treatment.

Another significant source of marine pollution is related to the various categories of shipping. The total amount of shipping traffic (number of movements) in the Pacific islands region in 2013 was 92,963 (SPREP 2015a). The capacity of PICs to prevent and respond to shipping impacts (both operational and accidental) is currently quite limited, and most countries do not have adequate pollution prevention and response plans. In addition, several PICs have not become Parties to the various conventions and protocols relating to the protection of the marine environment, including the MARPOL, London, OPRC, and Noumea Conventions.

The extent of the marine litter problem (quantities of litter, dispersal pathways, and fate) in the Pacific region has not been comprehensively documented; however, the limited information that is available strongly suggests that marine litter is not appropriately managed in most PICs. Additionally, many countries have no current systematic management plan or system for marine litter prevention, management and clean up/recovery (Richardson 2015). Waste disposal to land, via dumps, controlled dumps and sanitary landfills is the predominant method of municipal solid waste disposal in PICs, with over 333 temporary dumpsites, 96 open dumps, 34 controlled dumps, and 15 sanitary landfills (Cleaner Pacific 2025: Pacific Regional Waste and Pollution Management Strategy 2016?2025. SPREP, 2016). Recycling of used products and materials is restricted in PICs due to intra- and inter-island logistical and transport challenges, lack of collection and sorting facilities, limited port capacity in some countries, lack of backloading/reverse logistics agreements, and difficulty in securing and retaining markets for post-consumer materials. To combat the problem of litter in their ocean environment, the Pacific Island nations, through SPREP, have launched the *Pacific Regional Action Plan ? Marine Litter ? 2018-2025* (Marine Litter Action Plan).

A principal constituent of marine litter is waste plastic. It is estimated that 310,000 tonnes of waste plastic are generated by Pacific Island nations and territories each year, with much of it ending up in their rivers, drainage systems, and coastal waters ? which then impacts on the health of the marine ecosystem and the health of inshore fisheries (SPREP 2015). Pacific Island nations typically do not have the infrastructure to capture this waste, the population size to make recycling economical, nor the technical support to develop measures to reduce the use of plastics in the first place.

While the Pacific Islands contribute about 1.3% of the world?s plastic pollution, the region is grossly and disproportionately affected by its impacts. Marine plastics are being transported into the Pacific Island region from Western countries and East and Southeast Asian countries via ocean currents and trade winds (Andrew et al 2019). PICs are often exposed to marine plastic pollution disproportionate to their size and domestic contributions, with the source and responsibility often originating thousands of kilometres away. PICs are advocating an international response to curb this global problem and are actively involved in negotiating a new global treaty on plastic, to be completed by the end of 2024.

1.a.3 Root causes and barriers that need to be addressed.

The root causes of the environmental pressures and impacts on ocean health and ocean wealth for the Pacific Islands region come from both outside and within the region, depending on the environmental issue or resource being considered.

Natural disasters and Climate change
Given the scenarios identified previously and the limited financial and human resources available, the PICs are striving to prioritize actions on disaster risk reduction and climate change mitigation and adaptation. While adaptation efforts are critical to help communities cope with climate impacts, there are a number of recognized barriers that impede the success of climate change adaptation projects in the region including:

? remoteness of some islands: logistical, technological, and weather-related obstacles are common in the remote islands of the Pacific, causing delays to material-specific projects. High costs for transportation divert costs from on-the-ground implementation.

? lack of technical and financial capacity: many PICs face several capacity constraints (e.g., financial assessment, project planning and management, business model development, climate modelling and spatial analysis, infrastructure operation and maintenance, etc.). Sustained capacity is also a challenge as talented workers rise through the ranks and are often recruited by government or private sector or seek opportunities abroad.

? governance: complex land tenure structures commonly follow traditional or tribal governance systems, which can deter climate financing from large international organizations that require stringent contract-based agreements such as land transfers and easements for protected areas.

For mitigation initiatives, it is recognized that most Pacific countries remain highly dependent on imported petroleum fuels and are expected to do so for some years into the future. Oil makes up about 80 per cent of the region?s total energy supply, of which 52 per cent is used in transport, 37 per cent for electricity generation, and 12 per cent for other applications such as process heating (SPC, 2020). Furthermore, at an estimated value of USD 6 billion, the costs of fuel imports make up between around 5 and 15 per cent of GDP for each economy. That said, the contribution of Pacific Islands to global GHG emissions are tiny.

On a positive note, the high cost, volatility, and uncertainties associated with imported fossil fuels provide a clear opportunity for an energy transition. In many cases, renewable sources can deliver clean energy at a lower cost than conventional sources, their disruptive nature can create opportunities, and the centrality of the energy sector as a driver of development means it has potential to provide a platform for a broad transition. Further, the business case for energy efficiency is also strong. Renewable electricity now makes up approximately 28 per cent of the electricity generation mix, with petroleum accounting for the remaining 72 per cent.

There are, however, several barriers to renewable energy transition:

1) Land - land is at a high premium in most PICs, and the availability, suitability, and cost of land for renewable anergy projects are major constraints to its development. Energy competes with other sectors, such as agriculture, commerce, water supply, transport and sanitation, housing, etc. for access to land. The alternative, siting facilities in lagoons and coastal waters, includes various technical challenges and risks that require additional scientific assessment and socio-economic and environmental analysis.

? Technology ? requirements for renewable energy technologies (solar, wind, wave, geothermal), along with complementary technologies to control and optimize performance of the system, increase in scope and complexity depending on the selected technology, the location, and the physical arrangement. At present, most PICs currently do not have access to these technologies, nor the necessary capacity to procure, install, monitor, and maintain them.

? Human and institutional capacity - new technical skills and capacity are needed to manage, maintain and repair the new technologies and systems, including monitoring and physical testing of equipment; testing and repairing/replacing inverters; maintaining battery systems; and data management and analysis skills to monitor, detect and correct performance issues.

? Finance - funding investment costs for renewable energy transition is currently far beyond the scope of Pacific Island governments. Revenue losses and economic stagnation during the COVID pandemic have made this even more challenging, both for government or private investors.

Oceanic Fisheries

The root cause of fisheries over-exploitation is the rapidly increasing consumer demand all around the world, driven by global population growth and increasing affluence. Major declines in tuna and other oceanic fisheries in other parts of the world are driving fishing fleets from these areas into PIC EEZs. Illegal, unreported, and unregulated (IUU) fishing is a direct threat to tuna populations and to other Pacific species. The large size of Pacific EEZs and limited capacity of PICs for surveillance and enforcement are priority challenges in the fight against IUU fishing.

The Pacific Islands region has developed relatively sophisticated oceanic fisheries management arrangements through the WCPFC and FFA, including setting regional goals, indicators, and strategies in the *Regional Roadmap for Sustainable Pacific Fisheries* (SPC & FFA 2015). An ongoing GEF-supported regional project, *Implementation of the Global and Regional Oceanic Fisheries Conventions and Related Instruments in the Pacific Small Island Developing States (SIDS)* is attempting to advance

these strategies and targets. The *Pacific I2I* project will collaborate with this project for transfer of knowledge and synergies (e.g., transformative business approaches, conservation development for fisheries) as they apply to oceanic fisheries across the region.

Coastal fisheries

Coastal fisheries in the region are facing significant pressures from over-fishing and destructive fishing, in combination with the challenges of habitat loss, climate change, invasive species, and pollution, particularly water quality, and marine plastics. The populations of many Pacific Island countries and territories are growing but coastal fisheries resources, which provide the primary or secondary source of income for up to 50 per cent of households and 50?90 per cent of the animal- sourced protein consumed, are declining (Noumea Strategy. SPC 2015).

Root causes include population growth, poverty, and lack of alternative sustainable livelihoods, causing overexploitation of coastal fishery resources, and coastal development that does not consider cumulative impacts on fisheries habitat.

Community-led and community-based approaches (LLMAs) focused on maintaining and restoring habitats and source populations, in combination with diversified fishing, are a key element of sustainable Pacific fisheries and food security (Bell et al. 2018). With Pacific traditions of land tenure and community management, spatial protection of fishing areas has been adopted at many sites and times in the islands. However, sustaining and monitoring the impacts of this protection on fisheries and on all sectors of society, is a key information challenge for the islands (Michalena et al. 2020).

At the regional level the Secretariat for the Pacific Community (SPC) has a significant Coastal Fisheries Program, which assists countries toward improving the sustainability of coastal fisheries, including through a regional strategy - *A New Song for Coastal Fisheries ? Pathways to Change: The Noumea Strategy* (SPC 2015). Existing barriers to implementation of the strategy include resource and capacity limits in country management agencies, and perhaps most critically, lack of integrated management approaches at the national levels to manage coastal fisheries as part of the broader ridge-to reef ecosystem, and lack of financial support to manage, implement, and monitor LLMAs. Only 8% of coastal communities receive coastal fisheries management support (Govan 2017) despite their dependence on fishing.

Marine and coastal ecosystems and habitats

The root causes of pressures and impacts on mangroves, seagrasses and coral reefs are largely the same as for coastal fisheries, including population growth and increasing coastal development for urban expansion, ports and harbors, and tourism infrastructure. Extraction of sand and gravel from coastal and marine areas to supply the construction industry is a major impact in some island countries. Again, barriers to addressing these root causes include resource and capacity limits in country management agencies, and perhaps most critically, lack of integrated management approaches at the national levels, which results in poor coordination between national government agencies (e.g., conflicting policies and plans between environment agencies and sectoral agencies (e.g., tourism, fishing, transportation)).

The region has a wealth of varied management and conservation measures implemented nationally, each responding to specific objectives. In recent years, island countries have responded to the global

call to increase marine conservation by declaring vast areas of their EEZ under some form of conservation and management, embracing the development and implementation of Large Marine Protected Areas or LMPAs. The difficulty arising from lack of technical and scientific capacity and budget to realistically plan, zone, and monitor and measure the effectiveness of LMPAs and their management measures, including enforcement capacities as well as ability to adapt to changing circumstances, are challenges faced by administrators in the region (SPREP (PIPAP)).

Pollution
Limited land area, combined with a lack of access to appropriate technology, the knowledge and technical skills for avoiding, managing, processing/recycling, and disposing of solid and liquid wastes (both hazardous and non-hazardous), and financing are key barriers to pollution reduction in the Pacific Islands.

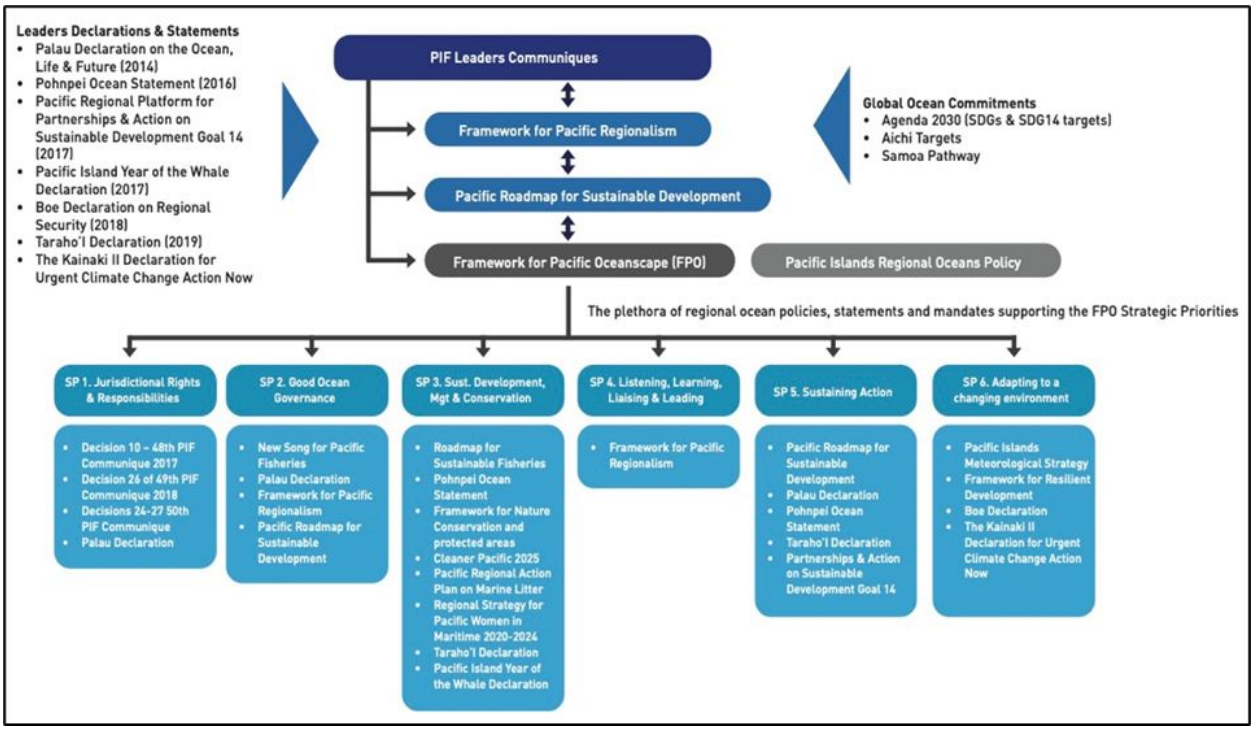
SPREP has the lead responsibility for regional coordination and delivery of waste management and pollution control action and uses the strategic management framework, Cleaner Pacific 2025 (2016-2025), as well as the Action Plan on Marine Litter, in guiding regional cooperation and collaboration. There is limited information on overall progress in achieving the management targets. However, in March 2022, a project entitled ISLANDS Pacific was launched in support of the Cleaner Pacific 2025, co-financed by GEF, implemented by UNEP under the USD 515 million Implementing Sustainable Low and Non-Chemical Development in Small Island Development States (ISLANDS) Programme, and including the 14 PICs of this project.

1.a.2: Baseline Scenario
The *Strategic Action Programme for International Waters of the Pacific Islands Region (SAP)* was approved by 14 Pacific Island countries (PICs) in 1997. The SAP focused on three priority transboundary concerns for International Waters, namely: degradation of their quality, degradation of their associated critical habitats, and unsustainable use of their living and non-living resources.

Over the years, the region has made good progress with the SAP implementation, particularly with regard to ocean governance and a strong emphasis on policy development, institutional mechanisms, and cooperation and collaboration among regional and international partners (Figure 1). Targeted actions in the SAP included capacity-building, awareness building and education, and research and information sharing for decision-making, and investment.

A 2021 regional stocktaking report[1]1 on the progress of implementation of priorities and requisite approaches, which are encapsulated in the Framework for the Pacific Oceanscape (FPO), provides a comprehensive assessment of the baseline scenario. Although there is evidence of continued, slow progression towards strategic ocean priorities and sustainable development targets, this is accompanied by continued / accelerated degradation of ocean and coastal ecosystems as a result of climate change and other human induced stressors. There are also indications of disjointed and uncoordinated ocean initiatives, particularly in monitoring and documenting progress.

Figure 1. The hierarchy and linkages of key regional ocean policies, political declarations and global commitments in the Pacific region[1]



There have been a multitude of projects and resources supporting climate change, oceanic and coastal fisheries, marine and coastal resource management, integrated coastal management, renewable energy, etc. over the past two decades. A significant number have been devoted to building capacity to address particular issues. However, few needs assessments have been conducted in the region; those that have, have been focused on specific areas or countries. Furthermore, in areas where there is a lot of interest from international partners, the capacity constraints faced by the PICs have hampered their ability to adequately absorb all the help that has been provided.[1] In-country and regional capacity needs assessment and a learning-by-doing approach will be included in the Pacific I2I project to help address these two priority concerns.

Appendix 6 includes an inventory of relevant ongoing and planned projects at the regional (multi-country) and country levels. Notably, there are two GEF-supported projects on developing innovative financial investments (i.e., Blue Pacific Finance Hub) and insurance mechanisms (i.e., Partnerships for Coral Reef Finance and Insurance in Asia and the Pacific), implemented by ADB, on the list, which emphasize the importance of close co-operation during project implementation (e.g., participation of relevant stakeholders in various meetings, workshops, and seminars; joint knowledge sharing activities / products; and setting up an Interagency Committee to oversee coordinating activities, annual reviews, etc.).

Another example is the transition to renewable energy. In the baseline, governments with support from development partners, are seeking a structural shift away from fossil fuel and toward clean energy. For ADB this includes investments to increase the share of renewable energy for power generation. Baseline investments will focus on (i) improving supply- and demand-side efficiency; (ii) introducing battery storage to support grid stability and higher penetration rates of renewables; (iii) improving the technical and commercial performance of utilities by building capacity and helping rationalize tariffs; and (iv) enabling public?private partnerships, increase private investment in clean energy, and introduce new technology. A notable missing element from the baseline is ensuring that the energy transition contributes optimally to the transition to a sustainable blue economy, rather than using cleaner energy for business as usual. (see: Pacific Approach, 2021 ? 2025; ADB (2021))

Twenty-three planned and ongoing projects are listed in Appendix 6. GEF?s investment in those projects is about USD 52.9 million and co-financing of more than USD 200 million has been committed by government agencies, donors, and the private sector. The listed projects focus on priority environmental concerns, ranging from biodiversity conservation/enhancement and renewable energy and energy efficiency improvements to sustainable food systems, climate change adaptation/improved resiliency, and sustainable land use. The Pacific I2I project will provide a platform for sharing products and information (Component 3) among these projects by inviting key stakeholders to capacity building workshops and seminars and identifying opportunities for upscaling SBE approaches and sustainable financing mechanisms across priority environmental sectors and issues at country- and regional-levels.

1.a.3 The proposed alternative scenario with a brief description of expected outcomes and components of the project

The proposed alternative project has a goal to advance projects and initiatives to preserve and safeguard the health of ocean ecosystems in the Pacific Island region, as well as supporting the transition to SBE development and growth. The project is in line with GEF 7 International Waters Objective 1, Strengthening Blue Economy Initiatives, and addresses the key impediments to achieving the strategic priorities of the region?s Framework for Pacific Oceanscape.

The project will specifically deliver three Outcomes: 1) national and regional priorities, strategies, and financing mechanisms for SBE transformation incorporated into government planning and financing processes; 2) four national SBE pilot projects developed and implemented, providing success templates and on-the-ground learning centres for bolstering the protection of healthy ocean ecosystems, strengthening the resiliency of Pacific communities, and (3) upscaling SBE in at least four second round pilot sites in partnership with SBE-enabled governments, communities, women?s organizations, and private sector.

The proposed project will demonstrate the technical, financial, and environmental feasibility of integrated management approaches and sustainable financing mechanisms (Appendix 5) to overcome the slow pace of achieving FPO?s strategic priorities. In addition, the 4 national SBE pilot projects will serve as regional learning centers in cross-sectoral collaboration and coordination to identify, plan, negotiate, finance, and implement on-the-ground investments for blue economy growth in at least 4 other sites by the end of the project. Barriers to sustainable blue economy growth, including natural

barriers (e.g., climate impacts, natural disasters, ecosystem resiliency) and man-made barriers (e.g., overfishing, pollution, uncontrolled development, social inequity) will be central to the planning and development of blue economy pathways and national SBE pilot projects.

To deliver these Outcomes, the project will support a series of activities that are strategically designed to create pathways and remove barriers. Such activities include policy reforms, feasibility studies, sustainable financing mechanisms (Appendix 5), inclusive partnership arrangements that encompass financing, start-up, management, and upscaling of SBE development and growth. In addition, it is recognized that there are a number of planned and ongoing projects at the country and regional levels that are contributing to improvements in ocean ecosystem health, policy reform, public and private sector investments, and mitigating threats to social, economic and environmental security and resiliency (Appendix 6). The SBE process emphasizes the importance of improved coordination and collaboration across sectoral programs and projects. The Pacific I2I will proactively engage with other projects in the region in order to develop viable SBE pathways and actions plans at the national and regional levels (Component 1), to exchange learning experiences, and to upscale SBE development and growth across the region by tapping into the expertise and experience created by these projects (Component 3).

For example, in the energy sector, the project will demonstrate ? and build capacity ? how the process to introduce, expand and operationalize innovative renewable energy technologies can make a critical contribution to driving the Pacific?s all-round transition to a sustainable blue economy.

Nevertheless, it is fully recognized that a complete SBE transformation across 14 participating PICs cannot be accomplished within the 5-year duration and financing for this regional project. Thus, the rationale of the project is to build the necessary confidence, core skills, success templates, and partnerships within and among the PICs and major stakeholders in the public and private sectors over the 5-year duration, through a practical, hands-on ?learning-by-doing? approach. The results will serve the region for continuation of SBE planning, financing, and growth beyond the Pacific I2I Project.

Project Goal and Project Objective

The overarching goal of the project is to enhance social and economic benefits to Pacific Island countries through sustainable management of marine and coastal resources, improved ocean governance, and upscaling of blue economy investments in priority sectors of the ocean economy.

The project objective is to preserve and safeguard the global health of ocean ecosystems by catalysing the development and growth of sustainable blue economies (SBE) in Pacific Island countries.

Strategically, the GEF 7 Pacific I2I project aims to:

? operationalize a navigational framework to guide the PICs, individually and collectively, on their transformation towards integrated island and ocean management and sustainable blue economies.

? enable PICs to strengthen the implementation of governance, environmental, and sustainability aspects of related regional policies and strategies, obligations under various ocean-related international instruments subscribed to by PICs, including the *Noumea Convention* and the *Strategic Action*

Programme for International Waters of the Pacific Region, as well as regional policies and strategic programmes of the *Framework for Pacific Oceanscape*.

? support sustainable economic development in a post-COVID 19 era, restoring and protecting ocean health through integrated management and sustainable financing mechanisms.

? improve awareness and understanding of the challenges and solutions to sustainable use and management of the natural capital assets and ecosystems services of the ocean and encourage wider support and increased investment to address threats to ocean health for ocean wealth.

The project consists of 4 interrelated components:

Component 1: Enabling Environment for the Sustainable Blue Economy.
Component 2: Sustainable Blue Economy Investments.
Component 3: Upscaling SBE Development and Growth through Implementation of a Regional Knowledge Platform and Decision Support System.
Component 4: Project Monitoring and Evaluation.

In addition, all project activities will be conducted, designed, and implemented in an inclusive manner ensuring that women?s participation and voices, regardless of background, age, race, ethnicity, or religion, are reflected in decision-making, and that consultations with women?s organizations are supported at all scales.

Project Components, Outcomes and Outputs

Component 1: Enabling Environment for Sustainable Blue Economy

Outcome 1: National and regional priorities, strategies, and financing mechanisms for SBE transformation incorporated into government planning and financing processes.

Outcome 1 underscores the leadership role of government in a blue economy transformation. The 14 Pacific countries targeted under this project are still recovering from the physical and economic disruption caused by the COVID pandemic. While decision-makers may be tempted to continue with a ?business-as-usual? approach that creates jobs and provides financial gain in the short-term, the risk of aggravating an already desperate environmental situation or running counter to long-term social, environmental, and economic priorities of government is heightened. Component 1 will provide leaders and decision-makers with other options and business models to consider. Given the varying demographics, physical and geographical characteristics, and technical and financial capacities of countries, the options will be country (and island) specific, inclusive of comprehensive baseline assessments. Ultimately, the final decision on the way forward for developing a sustainable blue economy is the responsibility of the respective national governments. The project?s aim is to ensure that the available options and their potential impacts and benefits are well-understood, timely, and result in decisions with sustainable and inclusive benefits for the people and ocean ecosystems of the region.

This project Outcome complements effectively the LDCF-supported project entitled *Blue Pacific Finance Hub (BPFH): Investing in Resilient Pacific SIDS Ecosystems and Economies (GEF Project ID 10986).* The BPFH Outcome 1 is focused on strengthening capacity and governance to finance sustainable, resilient blue economies in 4 lesser developed countries (LDCs) in the region, namely Kiribati, Solomon Islands, Timor Leste, and Tuvalu. The Pacific I2I Outcome 3 will build on the economic and financing analyses and mechanisms completed in the BPFH project to enhance enabling environments, develop innovative SBE pathways and action plans at the country and regional levels, and develop and promote investments in scaling up the blue economy among participating countries.

Output 1.1: Baseline assessment of blue economy priorities, opportunities, and challenges in 14 PICs.

Blue economy assessments will focus on priority sectors of the ocean economy and enabling capacities in each country. Across the region priority sectors include traditional ocean-related sectors (e.g., fisheries, tourism, aquaculture, shipping) and new or emerging sectors (e.g., renewable energy, nature-based infrastructure, integrated waste management, ecotourism, biotechnology). Factors such as contribution to GDP and employment, will be determined, as well as how these sectors impact on ocean health through ?business-as-usual? economic models, how they are being impacted or potentially impacted in the future by climate change and other natural and man-made threats, reduced resiliency, losses and/or degradation of marine and coastal capital assets, and pollution. The assessment will also delve into social and economic assessment of plans and initiatives being undertaken to boost the ocean

economy in a post-COVID period, women?s empowerment and gender balance, resiliency in a changing environment, and the transition to blue economy.

As part of the baseline assessment, a capacity needs assessment will be conducted in each country to determine the current level of technology, skills, education, and experience among men and women in project management and operation, scientific monitoring, and assessment, etc., and available access to training and education programs that will provide for a blue economy transition.

The final part of the blue economy assessment will address both drivers and impediments to blue economy development and growth in the context of each country and at a regional level. Drivers and impediments to be considered (among others) include national ocean and sectoral policies, national economies/modes of development, demography and migration, technology and capacity for change, traditional values, financing mechanisms and access to financing, and post COVID 19 recovery plans.

Activity 1.1.1 will entail the preparation of a tool kit / guidance document for the conduct of SBE baseline assessments, inclusive of capacity needs, in each country followed by the organization and conduct of a series of national workshops to gather and analyse baseline data and information, and ultimately build consensus on priorities, opportunities and challenges among government and non-government stakeholders. A team comprised of representatives of regional organizations, academe, and scientific and technical professionals will be organized to prepare the guidance document as well as to lead the baseline assessments, working in close collaboration with country lead agencies, CROP Working Groups (i.e., Pacific Sustainable Development and the Marine Sector working groups), as well as interacting with the CROP Task Force on the 2050 Strategy for the Blue Continent.

Activity 1.1.2 will include the organization and conduct of in-country workshops on SBE baseline assessments. A series of consultative workshops will be organized with the participation of representatives of planning, economic development, climate change, environment, and other relevant sectoral government departments in each country. In addition, representatives of ongoing bilateral and multi-lateral ocean-related projects, community organizations, women?s groups, and the private sector will be invited to participate in the process. The tool kit and other guidance documents prepared in Activity 1.1.1 will be customized to accommodate the priority sectors of the ocean economy in each country, with due consideration of data availability and in-country capacities. Each workshop will be tasked with organizing an in-country interagency, multi-sectoral working group, work program, and schedule for gathering and analysing available data and for coordinating follow-up workshops/roundtables to review progress, validate information, and analyse the results.

Following completion of the draft SBE baseline assessments, Activity 1.1.3 will comprise a series of national and regional roundtables with representatives from government agencies and non-government organizations, including women?s organizations. The objective of the roundtables is to move beyond current baselines and explore essentials, ideas, and options for transitioning to a sustainable blue economy. Innovative partnership arrangements, inclusive corporate structuring, and sustainable financing mechanisms (Appendix 5), among others, within the context of each country with be tabled for a discussion of potential opportunities and reactions from stakeholders. Following the roundtable, updated national SBE baseline assessment reports will be published and disseminated to the respective government agencies, regional organizations, international development agencies, financial institutions,

and donors with a call to action to develop national and regional responses in support of identified SBE priorities, options, and potential opportunities.

Output 1.2: SBE transformation strategies, business models, and financing mechanisms supported by PICs, regional organizations, and other relevant stakeholders to accelerate investments in climate change mitigation/ adaptation, marine biodiversity protection and management, habitat restoration and management, and pollution reduction and management.

This output builds on the baseline reports produced in Output 1.1 and the consensus that was reached in each country regarding opportunities, challenges and driving forces for changing current economic models. Output 1.2 activities will support the identification and assessment of prevailing development pathways (technically, economically, and financially) for each country, including the identification and analysis of existing and prospective policies, business models and financing mechanisms, enabling capacities, and potential social, economic, and environmental influences on communities and coastal and ocean ecosystems..

Activity 1.2.1 will entail the recruitment of a team of international professionals to work closely with the regional team and national working groups from Output 1.1 to develop and vet pathways for SBE transitioning in each country. The rationale and prospects of integrating blue economy across economic sectors and environmental issues (e.g., climate change, biodiversity conservation, and pollution), and island cultures (including opportunities for women) will be evaluated against business-as-usual scenarios, drivers, and challenges. The expectation is that the analyses will provide governments and in-country stakeholders with a solid case for transitioning to blue economy approaches.

Success templates and lessons learned from the SBE pilot projects (Output 2) will be captured and incorporated into the analysis when available, along with best practices from other experiences in SIDS and coastal LDCs.

Activity 1.2.2 will entail a series of high-level national and regional seminars and consultative workshops to enhance understanding and build support for development pathways that integrate SBE approaches and priorities within existing ocean governance and management systems of the region rather than creating new levels of bureaucracy. The regional and in-country seminars / workshops will be organized by the project, working with relevant CROP working groups, national governments, NGOs (including national and regional women?s organizations), and Implementing and Executing Agencies of ongoing projects and programmes in the region. From these workshops, the project will seek consensus among public and private sector stakeholders in each country on preferred SBE development pathways, integrated project packages, financing mechanisms, inclusive corporate structures, and preferred partners/contributors.

Activity 1.2.3 will bring about the packaging of the delivery pathways and projects as recommended during the consultative workshops under Activity 1.2.2. The result will be an SBE pathway and action plan for each country, and for the region, complete with work schedule, financing mechanisms, potential contributors, sponsors, and corporate structuring.

Each national SBE action plan will impart a stepwise approach to navigating the agreed pathway in the short-to-medium term (i.e., over a 5-year timeframe). The emphasis will be on achieving early success in SBE investment in parallel to building capacity and support mechanisms in a post-COVID 19 recovery environment. For example, the action plan will include an agreed package of integrated development projects, appropriate financing mechanisms, possible partners and contributors, gender balancing and women?s empowerment, and the readiness of policies, legal frameworks, and programmes to support such projects. The action plans will include impact indicators (e.g., climate change mitigation/adaptation, enhanced ecosystem and community resiliency, women?s empowerment), timebound indicators and targets, and a monitoring and reporting system.

The regional SBE plan will focus on SBE pathways and how they can support / accelerate the implementation of existing and proposed regional strategies, action plans and projects for the marine environment, key sectoral strategies, and overarching environmental concerns including climate change, degradation of marine resources and ecosystem services, and pollution, as well as the post-COVID 19 economic recovery. Furthermore, the regional plan will include a section on the region?s input to global environmental fora and instruments addressing these and other environmental problems using SBE pathways as an innovative contribution to international deliberations.

Output 1.3: SBE action plans and financing mechanisms incorporated into the planning and financing processes / cycles of sectoral agencies and programmes in14 PICs.

Output 1.3 targets the uptake of national SBE pathways and action plans into national and regional planning and financing processes. This necessitates the support and endorsement of the SBE pathways and action plans from the respective national working groups to the responsible Ministers for planning, economic development, environment, and ocean-related sectoral agencies. National seminars will be organized to promote the uptake of the SBE pathways and plans into national planning and budgeting cycles of sectoral agencies and the business and investment plans of the private sector.

The regional SBE pathways and implementation plan will be published and disseminated to regional organizations, most notably CROP member organizations and other organizations and networks that are driving change in government and non-government sectors (e.g., Office of the Pacific Ocean Commission (OPOC), Pacific Island Development Forum (PIDF), Pacific Island Private Sector Organization (PIPSO), Pacific Green Business Centre, and the Pacific Business Resilience Network, among others). The project will co-organize a roundtable of the CROP members and interested organizations to explore actions that can be taken individually and collectively to support SBE growth across the region while advancing sustainable development targets and ambitions.

Activity 1.3.1 involves the preparation and dissemination of advocacy and multi-media materials and the conduct of events to enhance the awareness and understanding of SBE approaches among PIC leaders, policymakers, and planners. Events and materials will be planned, organized, and conducted in accordance with the Knowledge Management and Communication Plan developed in Component 3.

Activity 1.3.2 will entail the organization of high-level national and regional roundtables with government and non-government participants to deliberate on the respective SBE pathways and action plans and to resolve concerns or uncertainties regarding the alignment of said pathways and plans with

national and local policy, planning and development priorities, and financing processes. The targeted output of each roundtable will be agreement on the process and schedule for incorporating the SBE pathways and action plans into the next planning and financing processes and cycles of the national economic development agencies, environment departments, and ocean-related sectoral agencies and programmes.

Component 2: Sustainable Blue Economy Investments

Outcome 2: Four sustainable blue economy pilot projects developed and implemented, providing success templates and on-the-ground learning centres for bolstering the protection of healthy ocean ecosystems, strengthening the resiliency of Pacific communities, and improving local / national economies.

Component 2 will provide hands-on experience to government and non-government organizations, communities, and the business sector/SMEs to identify, plan, negotiate, develop, and implement a real-life SBE investment project.

Under this component, the Pacific I2I project will take SBE investment project proponents from a concept stage, through a learning-by-doing process, to implementation of a sustainable blue economy pilot project. The pilots will centre on key environmental concerns of the region: climate change adaptation and mitigation, protection and management of ocean and coastal resources and ecosystem services, enhanced resiliency, and pollution reduction and management.

The preparation stage for the Pacific I2I project included consultations with PICs and their respective stakeholders, as well as a review of existing policies, programmes, and projects that potentially represented political, financial, and technical leverage for the development and uptake national SBE pilot projects. In addition, opportunities for integrating SBE approaches into existing and planned projects and financial commitments within the countries in partnership with international donors and financial institutions were explored. For example, the LDCF-supported *BPFH project* will bring together co-funders for strategic and coordinated funding for project preparation and implementation. The Pacific I2I project will generate concrete examples of SBE financing and partnership arrangements through its pilot projects, as well as confirmation of priority SBE endeavours and sectors across the 14 countries. The potential for scaling up these projects will be greatly improved with the advancement of the BPFH?s network of co-funders.

As a result of the project preparation phase, four national SBE pilot project concepts were identified and agreed to by the governments of Cook Islands, Marshall Islands, Tonga, and Tuvalu for development and uptake as part of the Pacific I2I project.

Table 2 provides a summary of the rationale and objectives of each of the pilot project concepts along with an indication of in-country, regional, and international stakeholders who will be contributing to the projects. One of the national pilot projects identified in Table 2 will be led by UNEP and three by ADB. Appendix 4 contains the proposals for the 4 national SBE pilot projects. Collectively the three

ADB SBE pilot projects aim to build momentum for the transition to renewable energies leading to an overall shift to SBE.

Table 2: National SBE Pilot Projects

Host Country (Project Location)	Project Title (Lead IA for the pilot project)	Project Objective/Rationale	Blue Economy Sectors w/linkages to regional baseline priorities	Indicative Project Contributors

Host Country (Project Location)	Project Title (Lead IA for the pilot project)	Project Objective/Rationale	Blue Economy Sectors w/linkages to regional baseline priorities	Indicative Project Contributors
Cook Islands (Marae Moana Marine Park)	Development and Demonstration of a Conservation Fund and Sustainable Financing Mechanisms for Implementation of Marae Moana Marine Park, Cook Islands (UNEP)	Building on previous and ongoing efforts in Marae Moana Marine Park, the national SBE pilot project will focus on the development and implementation of: ? a Marae Moana conservation fund ? sustainable financing mechanisms and initiatives to generate revenues for the fund ? investments in sustainable blue economy projects and initiatives within MSP policies and standards for the marine park. Previously, the GEF/UNDP R2R project facilitated an assessment of sustainable financing sources and mechanisms that can be used to support the long-term implementation of Marae Moana. Three operational models (and scenarios) were identified: a) Base Operational Model: Marae Moana Coordination Office (MMCO) operating costs only ? Current MMCO	? Marine biodiversity protection and management potentially: ? sustainable fisheries/ aquaculture ? food security ? climate change adaptation/ resilient coastal communities ? low carbon, sustainable tourism ? pollution reduction and waste management ? renewable energy	? Marae Moana Technical Advisory Group ? Marae Moana Coordination Office in the Office of the Prime Minister ? National Environment Service ? Ministry of Finance & Economic Management (MFEM) ? Climate Change Cook Islands (CCCI-OPM)

Host Country (Project Location)	Project Title (Lead IA for the pilot project)	Project Objective/Rationale	Blue Economy Sectors w/linkages to regional baseline priorities	Indicative Project Contributors
		government budget allocation ? Expanded MMCO b) MSP Legislation Operational Model: MMCO + MSP ? Expanded MMCO + national MSP ? Expanded MMCO + national MSP + island MSP c) Good-Practice Operational Model: includes additional annual operating costs for Marae Moana- related activities and scenarios for implementation moving forward. This is a more advanced model with a greater level of management standards and services available. The Pacific I2I project will assess these three models within the context of potential sustainable financing mechanisms that provide the necessary resources to achieve the desired scenarios under each model. In collaboration with the Cook Island government and partners/stakeholders,		

Host Country (Project Location)	Project Title (Lead IA for the pilot project)	Project Objective/Rationale	Blue Economy Sectors w/linkages to regional baseline priorities	Indicative Project Contributors
		the project will plan, negotiate, and initiate the implementation of the preferred operational model and sustainable financing mechanisms, as well as a Marae Moana conservation fund to serve as a convening. mechanism to receive and administer a variety of revenue types that will flow from the sustainable financing mechanisms. The project will then proceed to identify, plan, negotiate and initiate an SBE investment project that is deemed eligible for support under the Marae Moana conservation fund and associated national MSP/island MSP.		

Host Country (Project Location)	Project Title (Lead IA for the pilot project)	Project Objective/Rationale	Blue Economy Sectors w/linkages to regional baseline priorities	Indicative Project Contributors
Marshall Islands	Energy transition and the sustainable blue economy on Majuro and outer islands. (ADB)	The baseline project is rolling out innovative renewable energies (floating solar, potentially wave and wind) on several islands on RMI, including two remote economically challenged outer islands (Kili and Santo). With the Pacific I2I project, the objective will be expanded to include demonstrating and building capacity that the introduction of innovative energies can provide a platform for transition to a sustainable blue economy. This will be characterised by more economic and social opportunities, improved lives and livelihoods, increased local ownership over resources and energy, and improved ecosystems or reduced pressure on ecosystems.	? Renewable energy (FPV) potentially: ? floating wave energy; ? electric bikes and motor bikes, and associated charging stations; ? electric boats for fishing and local essential transport, and charging stations; ? regenerative and eco-tourism facilities; ? ice making for fish and food storage and processing; ? water production; ? pollution reduction ? support to improved internet connectivity ? mobile and/or fixed - or to other forms of improved, modern communications ? early warning systems, electricity for disaster shelters, food preservation, greenhouses/agriculture and vertical farming/aquaponics.	The Ministry of Finance, Banking and Postal Services. National Electricity Office (NEO). Majuro Electricity Corporation (MEC). Development partners, e.g., the World Bank, the European Union (EU), the Japan International Cooperation Agency, the Government of New Zealand, and the Abu Dhabi Fund for Development. NGOs and CSO involved in the livelihood generation initiatives.

Host Country (Project Location)	Project Title (Lead IA for the pilot project)	Project Objective/Rationale	Blue Economy Sectors w/linkages to regional baseline priorities	Indicative Project Contributors
Tonga	Demonstrating how innovative business models and energy technologies can accelerate the sustainable blue economy in Tonga. (ADB)	The baseline project is a private sector investment in floating PV near Nuku?alofa, the capital. The baseline investment is to be developed through a private-public sector partnership including an independent power producer (IPP), as the private party, and the utility Tonga Power Limited as the public party. ADB will support the process to develop and facilitate the preparation, negotiation and signing of the power purchase agreement (PPA) and related agreements. With I2I, the objective will be expanded to include demonstrating how the investment can be expand from simply securing electricity generation to also developing the *productive uses of energy* (PUE) that lead to better lives and livelihoods. This is likely to be in support of implementation of Tonga Ocean Management Plan. This will be demonstrated and capacity developed.	? Renewable energy (FPV) potentially: ? eco-tourism ? circular economy/ pollution reduction ? cold storage and food preservation/processing ; ? e-transport and e-mobility; ? marine (fish or plant) aquaculture ? marine protected area management	? Ministry of Meteorology, Energy, Information, Disaster Management, Climate Change, and Communications. ? The Electricity Commission Regulator. ECR. ? Tonga Power Limited (TPL). ? Oceans 7 (a group of seven Tongan Ministries that shepherded the process to the Tonga Ocean Management Plan). ? Bilateral government partners. ? ADB Private Sector Operations Department (PSOD). ? FPV sector technology manufacturers/providers

Host Country (Project Location)	Project Title (Lead IA for the pilot project)	Project Objective/Rationale	Blue Economy Sectors w/linkages to regional baseline priorities	Indicative Project Contributors
Tuvalu	Piloting and establishing the sustainable blue economy and the productive end uses of innovative energy infrastructure on remote outer islands. (ADB)	The baseline project is raising the contribution of renewable energy to over 90% on four remote islands: Nukufetau, Nukulaelae, Nui and Vaitupu. This is through upgrading battery storage, upscaling fixed PV and all related technologies. With additional support from I2I, in the alternative, the objective will be expanded from simply securing electricity generation to also developing the *productive uses of energy* (PUE) that lead to better lives and livelihoods. This will be demonstrated and capacity developed.	? Renewable energy (FPV) potentially: ? electric bikes and motor bikes, and associated charging stations; ? electric boats for fishing and local essential transport, and charging stations; ? ice making for fish and food storage and processing; ? water production; ? support to improved internet connectivity ? mobile and/or fixed - or to other forms of improved, modern communications; ? consideration will also be given to early warning systems, electricity for disaster shelters, food preservation, greenhouses/ agriculture and vertical farming/ aquaponics.	? Energy users - Local population, associations and entrepreneurs ? Tuvalu Energy Corporation (TEC) ? Nukufetau Kaupule ? Nukulaelae Kaupule ? Nui Kaupule ? Vaitupu Kaupule ? Tuvalu Department of Energy (Ministry of Transport, Energy and Tourism) ? Tuvalu Department of Environment (Ministry of Finance) ? New Zealand Ministry of Foreign Affairs and Trade

Output 2.1: Comprehensive feasibility studies prepared covering technical, management, operating, and financing options for SBE pilot projects in Cook Islands, Marshall Islands, Tonga, and Tuvalu, targeting GHG emission mitigation (445,00 metric tons of CO_2e), and improved management of marine habitats (200 million ha).

Activity 2.1.1 entails the organization and conduct of feasibility studies for each of the SBE pilot projects. The feasibility studies will be a collaborative effort between in-country project proponents and a professional team / international consultancy with expertise and experience in the development and incubation of project start-ups. In addition to the technical, financial, structuring, and legal aspects of

the pilots, the feasibility studies will delve into how the respective pilot projects affect/are affected by social, economic, and environmental barriers and challenges identified under Output 1.

In Activity 2.1.2 the feasibility studies will be reviewed and endorsed by the respective governments, project proponents (public and private), and key stakeholders (communities, women?s organizations, local businesses, and NGOs) through national consultation processes. The recommendations of the feasibility studies will be submitted for endorsement by the concerned governments and project proponents. An integral part of the feasibility studies will be gender assessment, which will provide a ?gender lens? to the activities, challenges, and benefits being reviewed and recommended in the feasibility studies.

Activity 2.1.3 entails the preparation of business plans and corporate structuring of the pilot projects. The business plan will confirm market engagement, identify potential / available financing mechanisms and sources of financing, and validate social, economic, and environmental risks and risk mitigation measures. Corporate structuring will focus on financial mechanisms, management, and operating arrangements inclusive of gender balance and women?s empowerment and monitoring and evaluation systems that both engage and provide benefits to the project, the project owners, investors and contributors, and communities.

Assessment of working and financing arrangements will commence with a review of procurement and contracting requirements. The review will be conducted to ensure that all contracting and procurement arrangements conform with SPREP?s rules and guidelines. To assist the process, the project team will prepare template agreements for use by the pilot projects in formalizing partnership arrangements (e.g., investors, operators, cooperatives/associations), corporate structures, and financing mechanisms.

In Activity 2.1.4, the call for partners will be launched for professional partners with technical and commercial expertise, financing, and management and operations experience for implementation of the pilot projects. Qualified partners will be primarily assessed on their technical expertise and professional management experience in project start-ups and incubation in the economic sectors of the pilots. This is expected to result in identifying potential partners that are willing to engage in remote locations with small economies, and share identified technical, financial, and economic risks in an equitable manner. Financing partners / investors will be evaluated on their capacities and experience in the respective sectors, as well as their willingness to partner in an inclusive corporate structure.

Output 2.2: Four SBE pilot projects set up and implemented in partnership with key partners from government and non-government sectors, including local communities and women?s organizations.

The four pilot projects include the following:

Pilot Project Name	Location	Scope
Development of a Conservation Fund and Sustainable Financing Mechanisms for MSP/SBE Application in Marae Moana Marine Park, Cook Islands	Cook Islands (Marae Moana Marine Park)	Planning and development of a Marae Moana conservation fund to receive and administer revenues from a variety of financing mechanisms, and an inclusive legal framework and administrative mechanism to manage and administer the fund. Evaluation, consultation, and initiation of a portfolio of sustainable financing mechanisms (SFMs) and initiatives to generate revenues for the fund (e.g., arrival/departure tax/green fee; fisheries sector value enhancements (National Currency Standard), MSP zoning and licensing, renewable energy upscaling, blue carbon, offsets and environmental compensation, external donors, and philanthropy, etc.). Identification, planning, negotiation, and implementation of a sustainable blue economy (SBE) project that is deemed eligible for support under the Marae Moana conservation fund and is in accordance with national MSP/island MSP policies and standards.
2. Energy transition and the sustainable blue economy on Majuro and outer islands.	Marshall Islands (outer islands)	Piloting and roll-out of energy technologies that enable a full transition to the sustainable blue economy.
3. Demonstrating how innovative business models and energy technologies can accelerate the sustainable blue economy in Tonga	Tonga (main island)	Innovative development of the energy sector, notably of innovative business models and floating photovoltaic technology, driving transition to sustainable blue economy and implementation of the Ocean Plan in Tonga. This will include mainstreaming SBE into an initiative to develop a power purchase agreement (PPA) with a private sector investor.
4. Piloting and establishing the sustainable blue economy and the productive end uses of innovative energy infrastructure on remote outer islands.	Tuvalu (outer islands)	Piloting and roll-out of energy technologies that enable a full transition to the sustainable blue economy.

SBE pilot project development, financing, negotiation, and implementation activities will be undertaken in close collaboration with and endorsement by national and local governments, local communities, CSOs, private sector, academia, women?s organizations, and other concerned entities. Consultations will occur at each stage of the pilot project development process, including consideration of gender balance and stakeholder inclusion priorities:

1) identification of potential SBE activities and/or technologies that can lead to a combination of: (i) improved marine ecosystems, (ii) improved lives, and (iii) improvements in economic and social conditions including access to energy, transport, and support for increased economic activity.
2) identification of potential business models for SBE investments.
3) preparation of a comprehensive feasibility study of potential SBE activities and technologies and business models.
4) selection of priority SBE technologies.
5) establish partner commitments (national and local governments, communities, financial institutions, investors, private sector, CSOs, women?s organizations, etc.). This includes preparing and agreeing on the structural and financial package and investors, including due diligence.
6) secure financing from partners and investors
7) prepare full detailed design of project and initiate project.
8) implement the project, which is designed to be economically viable, positive for the ocean environment, and contributing to local community resilience and livelihoods.
9) support capacity building of public and private sectors, communities, women?s organizations, etc. to be able to make suitable use of identified opportunities.

Activity 2.2.1 will result in the negotiation and signing of partnership arrangements for the SBE pilot projects with the selected partners, investors, and contributors. The Pacific I2I project will provide each pilot project with legal, technical, and business advice and support throughout the process. The project will also support the development of a core list of SMART indicators and targets for each pilot project, inclusive of gender balancing / women?s empowerment, in the agreements. The signing of partnership agreements and the closure of financing commitments will signal the start-up of the SBE pilot project phase. A launching event will be organized in each host country to mark the kick-off of the SBE initiative and to emphasize the potential opportunities locally and nationally.

Activity 2.2.2 will include management training, advice, and assistance with core operations (accounting, market research, marketing, legal compliance), access to other operating resources (necessary software, hardware, etc.), and refinements to the operation (to ensure sustainability and conformity with SBE objectives and targets). Trainings will also be conducted by the technical/management partners with the support of the Pacific I2I project to enable local communities, women?s organizations, and other local stakeholders to fully participate in and benefit from the SBE investments (e.g., employment, expansion / upscaling, improved support service, and/or new enterprise development).

Activity 2.2.3 will oversee the set-up and implementation of the performance monitoring portion of the pilot project to track progress toward the technical, financial, structural, and market-based criterion and

targets of the enterprises, as well as the social, economic, and environmental impacts and benefits derived, based on the SMART indicators and targets identified in Activity 2.2.1. Performance monitoring will be an integral part of each pilot project and will extend over the duration of the pilot project operation (2-3 years). The results of pilot project performance monitoring will be incorporated into the Pacific I2I monitoring, evaluation, and reporting system (Component 4).

Output 2.3 SBE pilot projects? success templates and on-the-ground learning experiences packaged (and shared with public and private sector stakeholders through Component 3).

A critical component of the Pacific I2I project is the packaging of the lessons and experiences of the 4 pilot projects, and ultimately to share those experiences regionally and internationally (Component 3).

Under Activity 2.3.1, the Pacific I2I project will coordinate the packaging of success templates, lessons learned, and good practices that were experienced in the development and implementation of each pilot project. Success templates and learning experiences will cover partnership / commercial structures, sustainable financing mechanisms, integrated management approaches, inclusiveness of communities, women entrepreneurs, and public and private sectors, and project performance assessment, among others. The packaging will also address gaps and challenges faced by the pilot projects (legal / policy, financial, management, marketing, capacity, coordination / administration) and recommendations for overcoming similar problems in the future.

Component 3: Upscaling SBE Development and Growth through Implementation of a Regional Knowledge Platform and Decision Support System.

Outcome 3: Sustainable blue economy capacities enabled for SBE project development and upscaling among governments, communities, women?s organizations, and the private sector.

Component 3 will involve the development, production, and dissemination of SBE knowledge products, success templates, and professional support services that have been tried and proven in Components 1 and 2, including the implementation of a proactive regional knowledge-sharing platform and decision support system. The regional knowledge platform will be employed in Component 3 to enable SBE project development capacities through training workshops, peer-to-peer learning, and easy access to knowledge products and tools. By the end of the project, the working SBE knowledge platform will be integrated into existing ocean-related regional and national KM platforms for continuing application. The platform will also be linked to GEF IW Learn for transfer of experiences and best practices to and from SIDS and coastal LDCs in other regions of the world.

The decision support service (DSS) will assist countries to identify, develop, negotiate, and implement investments in new and emerging blue economy projects in the Pacific Island Region. The SBE pathways, experiences, success templates, and professional support services (e.g., project incubators, economic and financing expertise, and scientific and technical professionals) established during project implementation will be consolidated within a regional DSS. Through hands-on application of the DSS, countries will generate a second-round of investment projects within the blue economy space at the national level, including business plans, financing mechanisms and partnership arrangements to ensure sustainable and inclusive blue economy growth. GEF support to the Pacific I2I Component 3 will focus

on the generation of at least 4 viable SBE pilot projects and leveraging political and financial commitments from governments,. Similarly, GEF support will be utilized to promote and facilitate partnerships and financial commitments with the private sector, financial institutions, and investors for the implementation of this second round of SBE pilot projects. For example, the network of co-funders for strategic and coordinated funding, being establish under the LDCF-supported BPFH project, could benefit from and be a contributor to the Component 3 outputs, through access to investment-ready SBE projects. Palau will be prioritised for the second round of projects.

Output 3.1: Knowledge Management and Communication Plan developed and executed, raising awareness, and transferring core skills and enabling conditions to Pacific I2I project stakeholders, inclusive of governments, communities, women?s organizations, and the private sector.

Activity 3.1.1 will support the development of an Knowledge Management and Communication (KMAC) Plan, including the production of communication materials (such as press releases, videos, web stories, content for social media) and dissemination of those materials (media outreach, meetings, high-level events) targeting: a) PIC leaders, policymakers, and planners, b) managers and scientific/technical personnel in sectoral agencies, private sector, and universities, and c) local governments, community-based organizations, and women?s groups.

Appendix 10 presents the framework of the Knowledge Management and Communication Strategy and Plan, which is aligned with the Component 3.

Primary themes of the KMAC Plan will cover gaps and shortcomings in governance, management, financing, sustaining environmental projects and programmes in PICs as defined in the baseline and capacity needs assessments completed under Component 1. The KMAC Plan will also communicate opportunities for improving the situation by advancing new and innovative approaches in integrated management, financial mechanisms, and corporate structures for SBE upscaling, based on the assessments and experiences of Components 1 and 2.

Suggested communication themes for inclusion in the KMAC plan, based on feedback during the project preparation phase, include:

i. integrated management experiences, benefits, and challenges in the Pacific Island region.

ii. policy barriers to advancing SBE development and growth and how to address them.

iii. innovative financing mechanisms and sources of financing for SBE investments.

iv. renewable energy as an engine of sustainable development.

v. making environmental projects ?bankable? through cross-sectoral integration.

vi. inclusive corporate structures and their application in the Pacific Island region (cooperatives, associations, community companies, and social enterprises).

vii. women entrepreneurs for SBE development and growth.

The Plan will be executed to fit the schedule of the work program, the key audiences/beneficiaries, and the central purposes of the communication, as identified in Table 8 of this document (Section 8, Knowledge Management). For each communication activity, the project will document recipients and audiences in gender disaggregated data, and analyse the impacts related to behaviour change.

Activity 3.1.2 will involve the preparation of knowledge products (success templates, good practices, lessons learned), including guideline documents (sustainable financing mechanisms, gender empowerment through SBE, inclusive corporate structuring) and case studies showcasing the experiences, achievements, and impacts across the region under Components 1 and 2 of the Pacific I2I project.

The knowledge products from the national SBE pilot projects, will be published and disseminated within the region at workshops and other knowledge sharing events, and globally through IW Learn, UNEP, and ADB.

Output 3.2: Upscaling of at least four second round national SBE pilot projects through application of regional knowledge sharing, capacity building, and a professional decision support system.

The project will develop and operate a web-based knowledge-sharing platform for the collation, management, dissemination, and communication of information on innovative SBE approaches. M&E programs will be linked to the platform to provide stakeholders with up-to-date access to information on the status and achievements of the four SBE pilot projects and other related activities under the Pacific I2I project.

The platform will be designed to stimulate and support wider adoption and replication of SBE and integrated approaches to ocean management through access to professional services and support networks. The project will work closely with governments and academe to enhance regional and international cooperation to build professional skills and experiences through improved access to higher education, internships and professional development programs covering scientific, technological, financial, and legal aspects of SBE issues. GEF support and the involvement of Implementing Agencies ? UNEP and ADB ? will be a definite asset to the management and sharing of knowledge across a large group of partners and networks regionally and globally.

Activity 3.2.1 will involve the design and construction of a dedicated knowledge platform and decision-support system as a one-stop regional hub for governments to access information, templates, and professional support services for upscaling SBE investments. Decision support services (DSS) will be developed in close collaboration with policymakers in national economic development and finance agencies, professional incubators, IFIs, business networks, other regional projects (e.g., BPFH project), and local partners and collaborators. In addition, the project will coordinate with the hosts and users of existing regional knowledge platforms to determine where and how an SBE knowledge-sharing and decision-support system can best be integrated with existing systems.

Once the platform is completed, it will be launched and trial tested at the country and regional levels to determine ease of use and benefits derived.

Activity 3.2.2 is designed with two purposes in mind, namely: a) to substantiate the use and benefits of the regional knowledge sharing platform and professional support system; and b) to bolster upscaling of SBE development and growth across the region with a second round of country led SBE pilot projects. As a foundational project, it is acknowledged that a principal risk to upscaling SBE development and growth will be the lack of experience and confidence among countries to move forward on their own. To mitigate this risk, the project will work with countries and their partners, providing additional time and assistance to develop and initiate a second round SBE pilot projects under Activity 3.2.2.

SBE pathways and action plans developed under Component 1 will serve as the benchmarks for SBE priorities in each country, while the disruptive technologies and templates for feasibility studies, partnership arrangements, and financing mechanisms as validated under Component 2, will be replicated in the second round. The DSS and its network of professional project incubators will be fully operationalized to support project proponents with the development, financing, and initiation of their SBE initiatives in partnership with government, private sector, financial institutions, and investors.

Appendix 15 of this CER includes ocean governance and management profiles of the 14 Pacific Island countries. Based on the information in these initial profiles and in consultation with participating countries, it is apparent that there is interest and well as opportunity to engage a second round of sustainable blue economy investments. For example, Palau will be prioritized for the second round of projects having indicated SBE-type projects and interest in aquaculture, fisheries and marine resource protection and conservation. A preliminary list of project concepts has been summarized in the Table 3; other priorities can be expected to emerge with the completion of national SBE pathways and action plans (Component 1) and experiences from the national SBE pilot projects (Component 2).

Table 3. Potential SBE Upscaling Initiatives across Pacific Island Countries

Pilot Project Categories	**Ocean sector/ contribution to SBE transformation**	**Project concept**	**Project description**
Marine and coastal development	Renewable energy Renewable energy options are innovative and potential game-changing technologies for the Pacific. In addition to reducing carbon emissions, renewable energy options have	Solar/floating solar	Upscaling solar/floating solar and productive use of energy for SBE development and growth
		Offshore wind energy	A pilot project on offshore wind energy, the environmental, social, and economic benefits, and the application of development rights to an Independent Power Producer.

Pilot Project Categories	Ocean sector/ contribution to SBE transformation	Project concept	Project description
	several inherent characteristics that will facilitate transition to a sustainable blue economy on Pacific Islands, including: ? Resilience to storms and sea level rise; ? Frees up highly valuable land space for other socio-economic and cultural activities; ? Extreme geographical flexibility, meaning it can provide electricity at sites where it can contribute directly to activities that lead to ecosystem improvement, and/or local livelihoods and food security, and/or reducing pollution and building a circular economy.	Ocean Thermal Energy Conversion (OTEC)	A pilot project on OTEC, a green energy solution that could revolutionize the energy and economic landscape of Pacific Island countries, providing reliable low-C electricity and a basis for a range of industry.

Pilot Project Categories	Ocean sector/ contribution to SBE transformation	Project concept	Project description
	Maritime transportation Decarbonization of the maritime transportation sector provides a couple of SBE advances for the Pacific Region, namely: ? Reduction in use of expensive and pollutive diesel fuels, providing cost-savings to vessel owners and operators in the region who are primarily micro/small enterprises. ? Facilitating spin-off SBE enterprises, local job creation, and upscaling of existing enterprises for shipbuilding, technology transfer, training, and vessel servicing.	Sustainable sea transport	A pilot project on solar powered and hybrid powered interisland transportation (e.g., passenger, cargo, tourism, and fisheries vessels), as well as advances in local shipbuilding, technology transfer, and training.
	Marine tourism Changing the tourism business model from a focus on tourism growth to a focus on tourism quality, thereby preserving and protecting the unique coastal and marine ecosystems of the region while enhancing local enterprises (sustainable fisheries/ aquaculture /agriculture) community participation (cultural activities, services), and quality employment.	Ecotourism	A pilot project on low-carbon/zero carbon ecotourism in marine protected areas, promoting MSP implementation for niche markets, such as whale and dolphin watching, and supporting value growth over volume growth.

Pilot Project Categories	Ocean sector/ contribution to SBE transformation	Project concept	Project description
	Environmental Infrastructure Integrating the development and operation of environmental infrastructure and services, such as water production and distribution, sewage treatment/processing, food production (aquaponics, fish processing/storage) with renewable energy sources and innovative business models using grid and off-grid electricity options. This will contribute directly to improving the coverage and quality of environmental services to communities and commercial enterprises (e.g., tourism), while also creating spin-off SBE enterprises, local job creation, and upscaling of existing environmental infrastructure and services.	Water supply, integrated waste management, pollution reduction	A pilot project building upon existing initiatives (e.g., Vanuatu recycling, Tuvalu PacWest) with linkages to renewable energy, circular economy, water and food security, and SME development.
	Coastal development Addresses the co-dependence between improved ocean governance at the local level and major sectors of the ocean economy (e.g., fisheries, tourism, energy, maritime trade, ports, and waterfront development) for SBE development and growth in the region.	Blue city/ Blue town	A pilot project in partnership with a local government/island community focused on integrated planning, financing, and management using SBE approaches.

Pilot Project Categories	Ocean sector/ contribution to SBE transformation	Project concept	Project description
	Cross-cutting innovations: Economically empowering women in SBE enterprise development and upscaling addresses: ? the creation of new micro and small businesses that will generate economic activity, both in urban centers and rural areas. ? improve women?s confidence and autonomy to make diverse contributions to the economy, the environment, and the community ? better respond to the needs of the growing group of women consumers who are entering the workforce and have control over product sourcing and selection and financial decisions.	Women entrepreneurs	A pilot project to transfer and nurture management skills of women entrepreneurs and enhance the use of technologies for sustainable use of coastal and ocean resources, value-added products, networking, marketing, and business performance.

Pilot Project Categories	Ocean sector/ contribution to SBE transformation	Project concept	Project description
Category B: Commodities	Fisheries Moving towards more sustainable fishery practices, by reducing the number of people dependent on fishing as their sole income and thus reducing barriers to change. Livelihoods are almost always multiple in the Pacific Islands. It will be critical to understand the mix of livelihood options/gender equity at a household level. If a household livelihood approach is taken, rather than just focusing on the fisher, it is possible to provide a broader range of sustainable livelihood options.	Sustainable alternative livelihoods for fishing communities	A pilot project focused on diverse livelihoods for reducing pressure on fisheries resources, enhancing community incomes, and contributing to improved fisheries management.
	Aquaculture Introducing and demonstrating new technologies, innovative business models for sustainable aquaculture, SBE enterprises, and improved markets for quality aquaculture products.	Seawater aquaculture and hydroponics	A pilot project on marine aquaculture and seawater greenhouse hydroponics, facilitating increased private sector investment in domestic food security.

Pilot Project Categories	Ocean sector/ contribution to SBE transformation	Project concept	Project description
Category C: Natural Capital Assets	Marine resource protection and conservation Upscaling sustainable financing mechanisms (e.g., conservation funds; MSP permit/licensing system) for strengthening the planning, financing, and implementation of EEZ-scale marine conservation management across the Pacific Island region.	Marine spatial planning	A pilot project on upscaling sustainable financing mechanisms and inclusive partnership arrangements for the planning and implementation of EEZ-scale marine parks / marine protected areas, their corresponding MSPs, and SBE investments.

Output 3.3: Knowledge sharing with regional and international organizations and their relevant programs and projects, including IW Learn.

Activity 3.3.1 will oversee the connection of the regional knowledge platform and DSS to existing platforms within the region and globally, to proactively share lessons from the project, build networks with SIDs in other regions, promote SBE knowledge products, case studies, and success templates, and learn from the experiences outside the region. The project will connect the platform to the IW Learn platform to: a) share lessons learned and case studies, and b) promote SBE policy development and project planning and implementation, among SIDs and LDCs that are conducting similar GEF projects. A primary example is south-south (or SIDS:SIDS) learning between this project and two GEF projects in the Caribbean (i.e., Protecting and Restoring the Ocean?s natural Capital, building Resilience and supporting region-wide Investments for sustainable Blue socio-Economic development (PROCARIBE+); and the Caribbean BluEFin (Caribbean Blue Economy Financing Project).

Component 4: Monitoring and Evaluation

Outcome 4: Overall project implementation progress and results monitored, supporting adaptive project management, and cost efficient/cost effective execution.

The Component has the following main outputs:
Output 4.1: Inception workshop and workshop report
Output 4.2: Quarterly financial reports, Annual GEF Project Implementation Review (PIR), and M&E of GEF core Indicators, Gender Plan, Safeguards Frameworks and Action Plans.
Output 4.3: Project mid-term review (MTR) and report.
Output 4.4 Terminal evaluation (TE) and report
Output 4.5: Final project report.
The M&E plan is presented in section IV of this CEO Endorsement Request.

4) Alignment with GEF focal area and/or Impact Program strategies

The Pacific I2I regional project is fully in line with Strategic Objective 1 of the GEF-7 International Waters (IW) Focal Area (FA), which aims to strengthen blue economy opportunities to reduce threats to marine and coastal waters.

Further, in line with the overall GEF IW Focal Area objective, this project has the following characteristics:

? Contributes to a disruptive shift from business-as-usual economic development and financing approaches in the 14 countries to a sustainable blue economy focus in national planning and budgeting cycles.

? Supports sustainable management of Marae Moana Marine Park (Cook Islands) encompassing about 200 million hectares of key biodiversity hotspots and coastal habitats; Republic of Marshall Islands (RMI) (10,000 hectares, given the impact on improved practices on lagoons and near shore to islands); Tonga (20,000 ha - calculated on the assumption that the project improves practices for 25% of marine area within 5km of the Tongatapu coast), and Tuvalu (1,400 ha of the near shore areas on the four targeted Outer Islands).

? Mitigates 235,000 metric tons of CO_2e emissions in Marshall Islands and Tonga.

? Directly benefits 85,066 stakeholders, 49.7% of whom are women, at the local, national, and regional levels to develop and implement on-the-ground interventions, increase collaboration and support for SBE investments and processes, and build capacity through training and hands-on experience; and

? Stimulates private sector engagement through investment opportunities, inclusive partnership arrangements, financial incentives, and access to professional mentoring and technical assistance.

The project is innovative, firstly by rolling out 4 national SBE pilot projects at an accelerated pace in 4 countries of the region, setting up and demonstrating the necessary enabling technologies, partnership arrangements and financing mechanisms, providing a learning-by-doing experiences for national and local stakeholders in the application of SBE approaches, and stimulating the development and upscaling of a second round of SBE pilot projects among participating countries. These deliverables are designed to enhance the understanding of SBE as a disruptive paradigm for sustainable economic development, integrated ocean management, and enhanced resilience among countries and communities of the region.
The project ensures the enabling of the local capacity ? by providing required technologies and templates, professional assistance, and hands-on experience for upscaling SBE approaches and sustainable financing mechanisms at the community / island / country levels.

The GEF-7 resources will be utilized as an accelerator and risk reducer, removing the barriers to sustainable blue economy advancement and moving SBE towards upscaling at country and regional levels.

5) Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and co-financing

The countries of the Pacific Island region have recognised the social, economic, and environmental problems and constraints associated with business-as-usual approaches to economic development. National ocean policies and sustainable development plans of the countries emphasize the critical role of healthy oceans to a sustainable and healthy economy.

GEF funds will specifically contribute to the development and implementation of real-life sustainable blue economy projects that leverage investments and partnerships across the public and private sectors of the region (Component 2). As identified in previous sections, numerous development strategies and implementation plans have been adopted by and for Pacific Island countries with the support of GEF and other international organizations. But there are few examples of PICs moving forward with the kind of investments, business models, financing mechanisms, and partnership arrangements that are needed to fully meet the objectives and benefits of these strategies. With the GEF grant, the Pacific I2I Project will address this gap. It will provide government and non-government stakeholders with hands-on experience in developing investible SBE projects, identifying sustainable business models and financing mechanisms, finding partners that bring innovation and business experience to the table, and ultimately building and operating sustainable, viable enterprises or services that create jobs and result in triple-bottom benefits locally and nationally. The experience, lessons learned, and skills developed with the Component 2 pilot projects will serve to better ground national and regional development policies and strategies (Component 1), as well as providing tools, technologies, and services that can be tapped within the region to transform to blue economy growth while reducing reliance on external funding and technical support (Component 3).

The co-finance for this project is USD 67,820,804, consisting of investment and in-kind support from ADB, UNEP, SPREP, Cook Islands, and Palau. Furthermore, the GEF funding will attract additional co-financing to that already identified, by engaging the 14 PICs and the private sector in new blue economy interventions developed as an output of Component 3.

Without the GEF-7 investment in the Pacific I2I Regional Project, considering the sparse financial and human resource capacities of the concerned countries, movement towards more sustainable and coherent blue economy programming will be much slower and will proceed in a less-effective, less-integrated manner, and with reduced prospects of impact. There would also be considerable additional risks to biodiversity conservation and maintenance of ecosystem services as a result of such a slower, more fragmented approach, especially given the increasing social and economic pressures to marine resources in the region as a consequence of climate change and in the aftermath of COVID 19.

The GEF investment will support changes to policies, legal and administrative frameworks and processes, and incentives for more effective application of sustainable blue economy arrangements at all levels, including improving private sector engagement. Under the baseline scenario, national

legislation and sectoral policies, strategies and plans to provide enabling environments for blue economy growth would remain largely independent (not integrated) and limited. With GEF support, regional and national governance mechanisms and instruments will be strengthened by mainstreaming SBE approaches and tools into investments across a range of sectors, including renewable energy (Marshall Islands, Tonga, and Tuvalu), implementation of marine spatial plans, enhancing the protection and conservation of marine parks, and establishment of a sustainable conservation fund with supporting financial mechanisms (Cook Islands).

The Pacific I2I Project has a specific interest in encouraging and facilitating the involvement of financial institutions, investors, the private sector as potential sources of financing and as partners. Notably, there are two GEF-supported projects on developing innovative financial investments (i.e., Blue Pacific Finance Hub) and insurance mechanisms (i.e., Partnerships for Coral Reef Finance and Insurance in Asia and the Pacific) implemented by ADB. The GEF funding under Components 1 and 3 of the Pacific I2I project will assist countries to identify and develop a pipeline of viable SBE projects, as a platform for interacting with the Blue Pacific Finance Hub as it becomes operational. The Pacific I2I project will proactively seek the participation of relevant stakeholders from these and similar projects in various meetings, workshops, and seminars; joint knowledge sharing activities / products; and initiating the SBE investment process among PICs.

6) Global environmental benefits (GEFTF)

The *Strategic Action Programme (SAP) for International Waters of the Pacific Islands Region* was initiated and developed by the Pacific Island Countries with the support of the Global Environment Facility (GEF). Priority transboundary concerns for Pacific waters were identified as: pollution of marine and freshwater (including groundwater) from land-based activities, physical, ecological and hydrological modification of critical habitats, and unsustainable exploitation of living and non- living resources. Root causes underlying the imminent threats were identified as deficiencies in ocean governance and knowledge / understanding of integrated ocean management strategies and approaches.

Over the years, the region has made notable progress in ocean governance and management. For example, the *Blue Pacific 2050* strategy[2][2], the *Pacific Sustainable Development Roadmap*[3][3], and the *Framework for Pacific Oceanscape*[4][4] provide high-level guidance for the regional ocean agenda and priorities, which maximize - in a sustainable way - the benefits for livelihoods and human well-being obtained from marine ecosystem goods and services. The *Pacific I2I* project is designed to enable the region to accelerate the delivery of its vision and development targets, through the application of integrated management, SBE approaches and sustainable financing mechanisms in a collaborative, coordinated, and multi-stakeholder setting. Global Environmental Benefits will arise from the direct contributions of the Pacific I2I project, as well as its role in providing policy direction and enhancements, accelerating investments in regional environmental priorities and sustainable

economic development, enhancing social, economic and environmental resiliency, and transferring necessary skills and tools to local stakeholders.

Measured against three of the GEF International Waters Core Indicators, the global environmental benefits to be delivered/enabled through the *Pacific I2I* project include:

Core indicator 5: Area of marine habitat under improved practices to benefit biodiversity, estimated to be 704,860 hectares based on proposed marine and coastal conservation projects in Marae Moana Marine Park, Cook Islands (673,460), Marshall Islands (10,000 ha), Tuvalu (1,400 ha), and Tonga (20,000 ha).

Core indicator 6: Greenhouse Gas Emissions Mitigated (metric tons of CO2e) ? calculated to be 235,000 metric tons of CO_2e based on proposed renewable energy projects in Marshall Islands (100,000 metric tons) and Tonga (135,000 metric tons)**.**

Core Indicator 11: Number of direct beneficiaries disaggregated by gender: estimated to be 40,077 female and 40,589 male, based on the number of people across 14 countries that are expected to benefit from project planning, implementation, and knowledge-sharing events.

The Pacific I2I project activities will further contribute to a number of Sustainable Development Goals (SDGs) through blue economy development and growth and the protection and sustainable utilization of marine ecosystems, including:

Goal 2: Zero hunger through pilot projects in sustainable coastal fisheries, aquaculture, and food preservation/processing (Cook Islands, Marshall Islands, Tonga, and Tuvalu).
Goal 7: Affordable and clean energy (i.e., FPV investments in Marshall Islands, Tonga, and Tuvalu).
Goal 8: Decent work and economic growth through the diversification and growth of marine- based economic sectors (i.e., 4 SBE pilot projects and 14 country SBE action plans for upscaling investments).
Goal 13: Climate Action through the implicit link between the oceans and climate change, and the adaptive measures countries can take to maintain ocean integrity and resilience (i.e., SBE action plans and 4 SBE pilot projects).
Goal 14: Life Below Water through identifying risks to the marine environment, especially to marine living resources, and proposing strategies that mitigate those risks (i.e., 14 country SBE baseline assessments and action plans).
Goal 16: Strong Institutions through establishing robust national marine regulators and incorporating participatory processes in decision-making about marine management issues (i.e., 14 SBE action plans incorporated into national and regional agenda inclusive of enhancements in policies and institutional arrangements).
Goal 17: Partnerships through establishing mechanisms through which the broad range of stakeholders with an interest in sustainable use of the oceans can participate and play a role in decision making and management (i.e., 4 SBE pilot projects, sustainable financing mechanisms, and corporate structures).

7.0 Innovativeness, sustainability, and potential for scaling up.

Innovation

The Regional Project has several innovative elements including:

? promotion of new technologies, processes and systems that lead to healthy ocean ecosystems while catalyzing the development and growth of sustainable blue economies (e.g., technology advancement in support of resource efficiency, low-carbon/alternative energy solutions and circular economy, with targeted impacts on reduction/elimination of marine debris; safe and sustainable water supply management; integrated pollution reduction/waste management (e.g., domestic waste; piggery waste); and reduction/elimination of fossil fuel usage).

? identification and promotion of innovative public-private and private financing and investment arrangements to support sustainable blue economy projects and infrastructures covering, for example: green shipping/green ports; nature-based, grey-green infrastructure; sustainable tourism; sustainable aquaculture/mariculture; and integrated pollution reduction/waste management facilities.

? exploring the potential of novel approaches to financing and de-risking blue economy investments, such as debt-for-nature, blue carbon, payment for ecosystem services, and insurance products.

? building and enhancing both sectoral and cross-sectoral capacity to effectively engage in integrated, cross-sectoral cooperation and coordination through the use of, among others, area-based planning tools IOM/EBM/ICM, marine spatial planning, and national blue economy assessment framework, strategy, and implementation plan.

? setting up and strengthening support services/mechanisms to assist the public (SBE Investment Service) and private (SBE Accelerator) sectors to up-scale and implement a pipeline of bankable SBE investment projects at the national and regional levels beyond the life of the Regional Project.

? improving management of knowledge and access to the best available information on blue economy for a network of national and regional stakeholders (including investors and the business sector), as well as other SIDs, Regional Sea Programmes and LMEs to enable well-informed decision-making and cross-sectoral collaboration for blue economy development and growth.

Sustainability

Various factors can be identified as potential barriers to achieving sustainability of Regional Project results and impacts including inadequate human and institutional capacities, poor collaboration and coordination among sectors and stakeholders, limited harmonization of regional and national policies, lack of financing, weak knowledge management systems, and a lack of common governance and management priorities.

However, despite these challenges, there is emerging and massive interest among participating countries for sustainable ocean management, climate change adaptation, and the transition to renewable sources of energy. It is a matter of survival for the Pacific Island Region and there are no short-term solutions. In general, these countries and their stakeholders are in this for the long haul and the required support and available resources will be there. This is quite evident from the existing and planned commitments by the countries and their domestic and international partners as identified in Appendix

6. By way of example, in 2019, ADB launched the Healthy Oceans Action Plan to scale up investments and technical assistance to $5 billion between 2019 and 2024. Despite the interruption of the COVID pandemic, ADB is well on schedule to meeting this target.

The Pacific I2I project involves getting in early, clarifying good pathways, and nudging partners onto those pathways by demonstrating, validating, and hands-on capacity building. The Pacific I2I Project?s strategy to support sustainability at two levels. For national SBE pilot projects, integrated management and tailored financing mechanisms are recognized as essential ingredients to success templates for blue economy investments. While conditions may from country-to-country and sector-to-sector, the process for identifying, evaluating, and building consensus on integrated solutions and acceptable and affordable financing mechanisms will be transparent, inclusive, and replicable. On another level, the sustainability of the Project?s results will be facilitated through close collaboration and coordination among implementing agencies and executing partners, regional organizations, other regional and national projects, and knowledge management and communication mechanisms (e.g., Pacific Forum; SPREP; SPC).

The individual national SBE pilot projects will also be built on the foundation of existing national and regional priorities, initiatives, and structures. This will enhance the likelihood of the sustainability of results by:

? improving ownership and uptake (mainstreaming) of blue economy principles, framework and implementation plans and project pipelines into regional programs and national medium-term development and financial plans.

? harmonizing obligations under ocean-related global and regional conventions and agreements that are subscribed to by the PICs, into a regional blue economy framework and implementation plan thereby enhancing efficiencies and effectiveness of efforts by PICs, regional organizations, and their partners to meet international commitments.

? strengthening cross-sectoral linkages, collaboration and partnerships through the development and implementation of on-the-ground, real-life SBE investments that will endure beyond the life of the Regional Project and, based on the experience gained during the Regional Project, continue to facilitate blue economy growth across the region.

? identification of long-term financing sources and mechanisms, particularly through private sector investment, to address blue economy as part of the development of each national SBE pilot project.

? creating and strengthening mechanisms (e.g., blue economy framework and implementation plan; SBE investment service; investment pipeline accelerator) for more effective and transparent planning, development, and implementation of SBE investments, with inclusive participation of diverse stakeholders at the regional, national, and local levels.

Fostering the capacity of individuals and institutions is seen as central to ensuring lasting collective ability to address barriers to blue economy. However, capacity building is always a concern after

intervention funding ceases. The project therefore identifies several mechanisms for institutionalizing sustained capacity building, including: a) incorporating training and education needs and approaches into national blue economy frameworks and implementation plans/national medium-term development plans; and b) working with national and regional organizations, universities and ongoing project and programs to develop and enhance existing training/education programs and syllabi to incorporate blue economy skills and knowledge, and to prepare training materials and other knowledge products for use in training and education programs.

Scaling Up

The Pacific I2I Project is designed to enable scaling up and scaling out beyond the boundaries of the national SBE pilot projects and the participating stakeholder groups, in terms of both the range of concerns and issues addressed, and in terms of the geographic scope.

A central approach of the Pacific I2I Project is to develop and validate blue economy ?success templates? that can be applied to upscale and/or diversify approaches, technologies, financing mechanisms and partnerships that show value under a variety of circumstances. The extension of their application to SBE pathways and actions plans will be assessed and promoted at the national and regional levels through (i) advocacy and communication with country leaders and economic sectors of the region; (ii) information and knowledge product dissemination; and (iii) ready access to professional project development and financing services.

One aim of pilot projects, through private sector involvement, is to demonstrate that SBE investments can in many cases be economically viable, and in other cases just small levels of public or philanthropic support is needed to make them viable. Through pilot demonstrations, it is expected that future investments will take place, as they are increasingly seen by potential investors to be a viable business opportunity.

Through the application of the regional knowledge platform and decision support system (Component 3), the project will proactively pursue the preparation of a second round of SBE project proposals in collaboration with PICS. Employing project preparation and financing processes developed during Component 2 of this project as well as those developed by the LDCF-supported BPFH project, Component 3 will identify partners and sources of financing for viable project proposals, thereby promoting SBE upscaling across the region.

In addition, lessons learned and benefits of blue economy will be disseminated for scaling up purposes to other regions, and to the SIDS network. This will be achieved through knowledge management, outreach, information exchange, and targeted awareness raising activities under Components 3 and 4, including promoting success templates, financing mechanisms, and partnerships that support blue economy growth.

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[1] Office of the Pacific Ocean Commissioner (2021). Blue Pacific Ocean Report: A report by the Pacific Ocean Commissioner to the Pacific Islands Forum Leaders. Suva, Fiji.

[2] Pacific Islands Forum Secretariat. (2022). 2050 Strategy for the Blue Pacific Continent. Retrieved from https://www.forumsec.org/wp-content/uploads/2022/08/PIFS-2050-Strategy-Blue-Pacific-Continent-WEB-5Aug2022.pdf

[3] Pacific Island Forum Secretariat (2017). Pacific Roadmap for Sustainable Development. Retrieved from https://www.forumsec.org/wp-content/uploads/2018/10/The-Pacific-Roadmap-for-Sustainable-Development.pdf

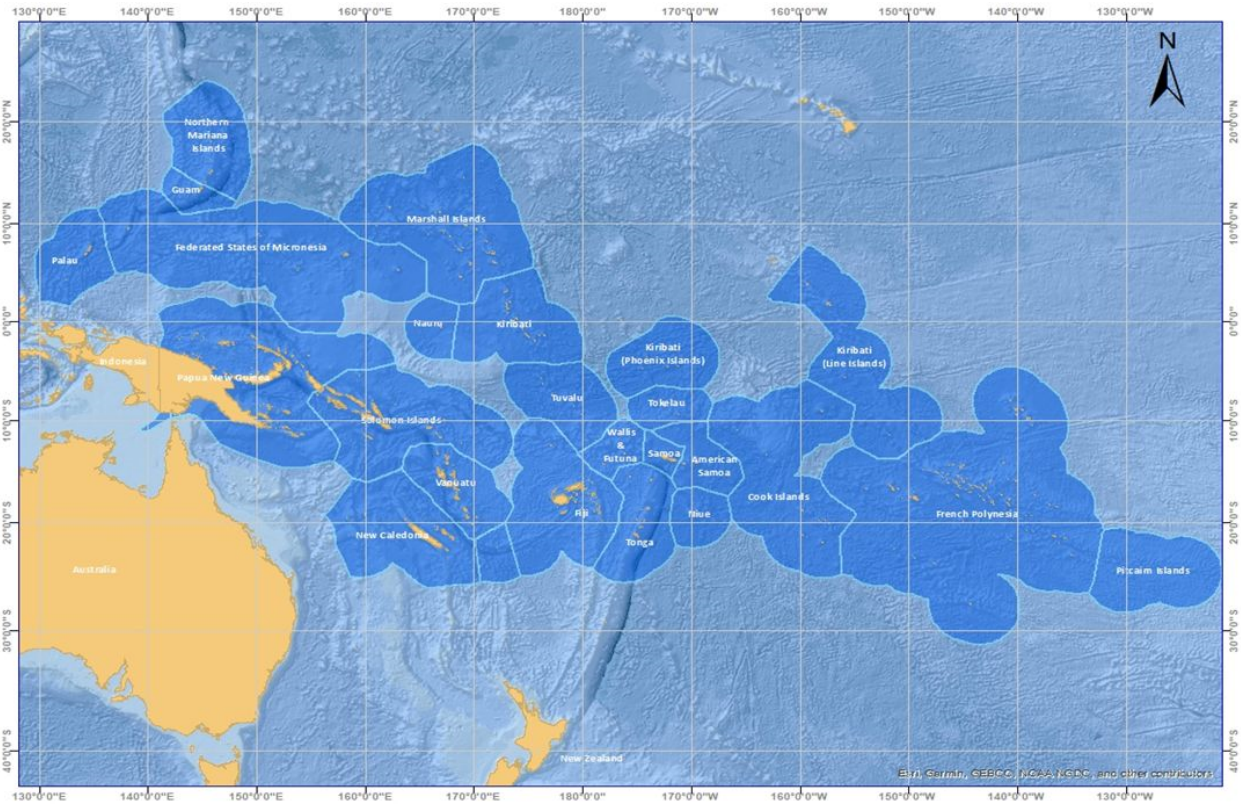
[4] Pacific Islands Forum Secretariat. (2010). Framework for Pacific Oceanscape. Retrieved from https://www.forumsec.org/wp-content/uploads/2018/03/Framework-for-a-Pacific-Oceanscape-2010.pdf

1b. Project Map and Coordinates

Please provide geo-referenced information and map where the project interventions will take place.

The project is implemented across the 14 Pacific Island Countries, these and their geo-coordinates are presented in Figure 2.

Figure 2. Participating Pacific Island Countries



Cook Islands	-21.2367? S, -159.7777? W	Palau	7.5150? N, 134.5825? E
Federated States of Micronesia	7.4256? N, 150.5508? E	Papua New Guinea	-6.000000? S, 147.000000? E
Fiji	-17.7134? S, 178.0650? E	Samoa	-13.7590? S, -172.1046? W
Kiribati	1.421? N, 172.984? W	Solomon Islands	-9.6457? S, 160.1562? E
Marshall Islands	7.1315? N, 171.1845? E	Tonga	-21.1790? S, -175.1982? W
Nauru	-0.5228? S, 166.9315? E	Tuvalu	-7.1095? S, 177.6493? E
Niue	-19.0544? S, -169.8672? W	Vanuatu	-15.3767? S, 166.9592? E

1c. Child Project?

If this is a child project under a program, describe how the components contribute to the overall program impact.

2. Stakeholders

Select the stakeholders that have participated in consultations during the project identification phase:

Civil Society Organizations Yes

Indigenous Peoples and Local Communities

Private Sector Entities Yes

If none of the above, please explain why:

Please provide the Stakeholder Engagement Plan or equivalent assessment.

Stakeholder involvement supporting the development of Pacific I2I Regional Project (PIF and PPG)

Travel restrictions imposed nationally in response to COVID 19 pandemic limited and delayed direct consultations with affected stakeholders and the gathering of primary data during the early stage of project preparation. Initially, remote on-line consultations using internet-based video conferencing platforms was relied on and several meetings were held but restricted in participation to representatives of UNEP, ADB, SPREP, government ministries, a limited number of local experts, and representatives of the TA consultant. Logistical issues in organizing and holding similar on-line consultations with project affected communities meant this option was not utilized.

Direct face-to-face consultations were made possible with the lifting of travel restrictions from early November 2022. Several meetings with government agencies were conducted virtually on internet-based platforms in 2022 and 2023.

Consultations during Project Preparation

From the consultations, all stakeholders were found to support the project. The overriding request from stakeholders was for the Pacific I2I project to leverage existing policies and programs of government as well as coordinate and collaborate with ongoing and planned bilateral and multi-lateral ocean-related projects rather than create an entirely new initiative. In response, the consultations focused on projects and issues that were priorities of government and were in the planning process or early stages of development and implementation, where the Pacific I2I project could potentially leverage / accelerate actions supporting SBE development. Stakeholders expressed support for this approach and voiced no other concerns.

Due to nature of the pilot projects (Productive Use of Energy or PUE focus) and business model (renewable energy generation and electricity supply), ADB tended to have different stakeholder networks and different opportunities to engage stakeholders (i.e., power generation companies, energy, economic development, and finance departments, landowners, and energy consumers/communities. On the other hand, UNEP/SPREP focused on a different group of stakeholders, primarily environmental and resource management agencies, communities, regional organizations, private sector, and CSOs/NGOs. Given the broad nature of the sustainable blue economy theme, the range of consultations and engagements can be considered a strength of a project that is encouraging integrated management across social, economic, and environmental boundaries. This raises the complexities of stakeholder participation, capacity development, and consensus building, but is a true reflection of the real-world situation.

Table 4 is a list of stakeholders that were consulted during project design.

It is noted that the Stakeholder Analysis and Engagement Plan (Appendix 9a) be considered in association with the Gender Analysis Report and Gender Action Plan (Appendix 11) for consideration of the cross-cutting goals of gender equality and empowerment. In short, the approach to be followed by Pacific I2I project builds on the standards / guidelines, procedures, and good practices of GEF, UNEP and ADB, as well as the Executing Agency for the project, SPREP. Given the vast thematic and geographic scope of the Pacific I2I project, and far-ranging potential consequences of project activities and outcomes, a wide diversity of stakeholders will influence and/or can be potentially affected by the project.

This implies that various stakeholders will need to be engaged in a variety of ways and with varying levels of intensity, in or through the project activities to ensure the successful implementation. The capacity constraints of the project, inherent to the project grant and timeline, will need to be considered in this context. A periodic re-evaluation of priorities, throughout the project?s implementation timeline, will be required. The forging of strategic alliances and partnerships as discussed in previous sections can alleviate the burden on the project?s agents up to a certain extent.

Table 5 includes a description of the main stakeholder groups for the project. This initial stakeholder mapping identifies key stakeholder groups in government, civil society, and the private sector at the regional and national levels. These groupings will be developed during the Project Inception Phase to provide greater clarity on the stakeholders to be involved across each of the component activities and their level of engagement and involvement.

A draft Stakeholder Engagement Plan attached as Appendix 9a illustrates the expected roles and responsibilities of each partner and stakeholder group, which will be reviewed and validated during project implementation. The draft Plan also includes cross-sectoral capacity enabling activities to facilitate improved communication, collaboration, and cooperation among the key sector/stakeholder groups and to explore opportunities for shared planning and implementation of SBE initiatives. The draft Stakeholder Engagement Plan will be further developed during the Project Inception Phase and submitted to the Project Inception Workshop for review and approval. The Plan will be reviewed, assessed, and updated as required annually as part of the Project Implementation Review (PIR).

The draft Stakeholder Analysis (Appendix 9b) explores connections with local, national, regional, and international stakeholders who are either:

- ? Partners in the planning and implementation of project activities.
- ? Beneficiaries or end-users of project tools, knowledge, etc.
- ? Participants in project-related activities.
- ? Intermediaries which can be effective distribution channels at the global, regional and national levels.

The intention will be to continually monitor ongoing outreach and engagement with these beneficiaries and intermediaries throughout the life of the project and, as appropriate, continue to add to the network.

Table 4. Summary of Stakeholder Consultations by Country and by Region for Project Design

Country	Stakeholders	Consultation Dates
Cook Islands	National Environment Service (NES), Marae Moana Technical Advisory Group, consisting, which includes the Office of the Prime Minister (OPM), National Environment Service (NES), Ministry of Marine Resources (MMR), Seabed Minerals Authority (SBMA) and Ministry of Transport (MOT) as the five key government stakeholders. In addition to three additional non-government members (i.e., traditional leader, environmental NGO, and social NGO).	May 2022 January 2023 July 2023 August 2023 September 2023
Federated States of Micronesia	Operational GEF Focal Point, Department of Environment, Climate Change & Emergency	May 2022 January 2023 August 2023
Fiji	Operational GEF Focal Point	January 2023
Kiribati	Operational GEF Focal Point, Ministry of Environment Lands & Agricultural Development ? Environment and Conservation Division.	February 2021 May 2022 January 2023 August 2023
Marshall Islands	The Ministry of Finance, Banking and Postal Services, National Electricity Office (NEO), Majuro Electricity Corporation (MEC) Development partners: World Bank, the European Union (EU), the Japan International Cooperation Agency, the Government of New Zealand, and the Abu Dhabi Fund for Development.	May 2022 January 2023 August 2023 September 2023

Country	Stakeholders	Consultation Dates
Nauru	Operational GEF Focal Point	May 2022 January 2023
Niue	Operational GEF Focal point, Ministry of Natural Resources - Department of Environment.	May 2022 January 2023 August 2023 September 2023
Palau	Operational GEF Focal point, Ministry of Agriculture, Fisheries and the Environment ? Division of Coastal Fisheries, Ministry of Natural Resources, Environment & Tourism	May 2022 January 2023 August 2023
Papua New Guinea	Operational GEF Focal Point	January 2023
Samoa	Operational GEF Focal Point, Ministry of Natural Resources and Environment	May 2022 January 2023 August 2023
Solomon Islands	Operational GEF Focal Point, Ministry of Environment Climate Change and Disaster Management ? National Programme	May 2022 January 2023 July 2023
Tonga	Ministry of Meteorology, Energy, Information, Disaster Management, Climate Change, and Communications (MEIDECC), Electricity Commission Regulator (ECR), Tonga Power Limited (TPL), Oceans 7 consisting of seven Ministries that shepherded the marine spatial planning process that led to the Tonga Ocean Management Plan, and has responsibilities related to the Plan?s implementation, ADB Private Sector Operations Department (PSOD), FPV sector technology manufacturers/providers (e.g., Oceansun, Scatec)	May 2022 January 2023 August 2023 September 2023

Country	Stakeholders	Consultation Dates
Tuvalu	Department of Environment (DOE), Ministry of Fisheries and Trade (MOFT), Ministry of Finance (MoF), Department of Climate Change, Lands and Surveys Department, Department of Marine under Ministry of Tourism, Communications and Transport, Ministry of Interior and Local Government (MILG), Department of Waste Management under MILG, Ministry of Foreign Affairs, Attorney General, Office of the Prime Minister, Funafuti Kaupule	May 2022 January 2023 July 2023 August 2023
Vanuatu	Operational GEF Focal Point	January 2023

Stakeholder Identification

The initial data gathering during the planning phase led to the clustering of stakeholders by sector (Table 5).

Table 5. Pacific I2I Stakeholder Groups

STAKEHOLDER GROUP	DESCRIPTION
Governments	Stakeholders from government with connections to blue economy - divided into sub-groups: ? National ? State ? Provincial/district ? Local Across all levels of government, this includes decision-makers, policymakers and planners, regulators, managers etc.
On-ground Mechanisms	Stakeholders within Countries who hold decision-making functions at the island or community-level e.g. ? Island Councils ? Village Councils

STAKEHOLDER GROUP	DESCRIPTION
Private Sector	Stakeholders specifically from the private sector include companies whose operations are largely dependent on the region?s or countries? coastal and marine ecosystems, or who operate businesses that could provide integrated business models with marine and coastal based resources. Examples include tourism-related businesses, fisheries-related businesses, renewable energy, shipping, etc. Investors and providers of energy systems are also included.
Peak Bodies / Associations	Associations or peak bodies representing a collective of individuals or organizations.
Non-Governmental Organizations	NGOs directly involved in either the sustainable development or conservation of coastal and marine resources.
Civil Society Organizations	Members of civil society organizations that should likewise be engaged in project activities or output dissemination include environment-related NGOs, development agencies, community-based groups and other multilateral organizations whose interests and advocacy are closely aligned with the project.
Intergovernmental Organizations	Pacific-based intergovernmental organizations who mandate is to sustain and preserve the environment, or partner with countries on sustainable development.
Academia / Research	Stakeholders who may benefit from the information / knowledge from the Project, or who may be partners on sustainable business enterprises or the enabling environment.
Programs & Projects	These are specific programs or projects which are already operating in the region and at country level and which would be useful for: (a) complementarity, (b) scaling-up of the Pacific I2I results, or (c) networks for information / knowledge dissemination and uptake.

It will be important to establish strong networks and relationships with identified stakeholders, and each will have its own identified pathways for this to occur. In the case of the three SBE pilot project countries (Marshall Islands, Tonga, and Tuvalu), ADB has been working on energy and renewables through several phases of development and has already established strong networks related to energy and electricity. However, in general, when connecting with stakeholders for SBE (or PUE), engagement will commence with:

? identifying relevant beneficiaries (local, provincial, district) and intermediaries (national, regional, global) with whom to communicate and engage.

? extracting insights into the design of information products and advisory communications and input into how and to whom to disseminate them.

? developing a network of engaged beneficiaries and intermediaries, following the identification and analysis of stakeholders.

? maintaining these networks and their commitment to the Project via a series of events, activities and relationship-building initiatives.

The initial stakeholder scoping process conducted during the Project Preparation phase identified the key participants among stakeholder groups across the region and the 14 PICs (Appendix 9b).

In addition, provide a summary on how stakeholders will be consulted in project execution, the means and timing of engagement, how information will be disseminated, and an explanation of any resource requirements throughout the project/program cycle to ensure proper and meaningful stakeholder engagement

Stakeholder strategies of participation
Table 8 in Section 8, Knowledge Management, presents a preliminary proposal of the participation strategy of the different stakeholders. All the participation strategies include the gender dimension to ensure a balanced participation between women and men and promote women?s empowerment in the scope of the project execution.

Select what role civil society will play in the project:

Consulted only;

Member of Advisory Body; Contractor;

Co-financier;

Member of project steering committee or equivalent decision-making body;

Executor or co-executor;

Other (Please explain) Yes

3. Gender Equality and Women's Empowerment

Provide the gender analysis or equivalent socio-economic assesment.

A gender analysis is provided in Appendix 11. Women across the Pacific make a strong contribution to cultural, economic, and political development. They are known to be hardworking, creative, and resilient. Women in the Pacific perform multiple roles as household managers, subsistence and cash

crop farmers, income earners, and active members of churches and community groups. Increasingly, but slowly, women are playing an increasing role in public administration, political decision-making and in the formal private sector. Consequently, there is a growing recognition among governments and the private sector that investing in women and girls has a powerful effect on economic growth and wellbeing.

Pacific women are entrepreneurial by necessity and, while there are many variations between sub-regions, women are highly involved in the informal sector production of goods for subsistence and micro-enterprise. There are significant rural to urban variations in women?s engagement in the formal labour force and business. Women?s economic empowerment is an ongoing area of work in the region, and recent efforts to engage rural women more actively in different levels of agricultural and handicraft value chains are showing positive results.

There is widespread recognition that catalysing women?s entrepreneurship is a key pathway for advancing women?s economic empowerment, with proven multiplier effects on decent employment, poverty eradication and economic growth. Yet, compared with men, women entrepreneurs continue to face complex barriers limiting their ability to start-up and/or grow their business.

Notwithstanding, women are often amongst the more vulnerable populations within Pacific societies and face significant challenges. For example, up to 60% of women and girls have experienced violence at the hands of partners or family members. The Inter-Parliamentary Union reports that, whereas globally women comprise only 23.3% of national parliamentarians, the percentage of women in Pacific parliaments is currently around 6.9%.

In response to these gender challenges, at the legal and institutional level, all Pacific nations have taken steps to enshrine progress on women?s issues. Further, collectively, Pacific nations have taken steps over more than three decades to develop a regional architecture for advancing on gender issues, culminating most recently in the ?new Pacific Platform for Action for Gender Equality and Women?s Human Rights 2018?2030?. The objective of this Platform is to accelerate the implementation of gender commitments at all levels to achieve gender equality and the promotion and protection of the human rights of all women and girls, in all their diversity.

The Regional Project?s approach is to mainstream gender activities into all sectors and activities, rather than have a separate, stand-alone gender outcome or component. Under the Pacific I2I Regional Project gender issues will be factored-in as a core requirement in all Regional Project Components and Outcomes. This will include an overt requirement to actively encourage and support gender-balanced participation in all Regional Project activities, developing gender-sensitive indicators in the Regional Project Results Framework, and reporting gender-segregated data and information for all Regional Project outcomes as part of monitoring and evaluation reports.

All project activities will be conducted, designed, and implemented in an inclusive manner so that women?s participation and voice are, regardless of 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. For example, under Component 1, gender analyses will be completed in the 14 countries as part of national SBE baseline assessments to

provide a gender lens to key drivers and challenges to blue economy transformation across the different sectors, including the participation of women at the community level as well as the various government agencies and non-government organizations that deal with women and gender equality across the region.

A Gender Mainstreaming Strategy and Action Plan has been prepared by UNEP/SPREP and is included in Appendix 11. Gender mainstreaming is a key cross-cutting priority for this project and the Gender Action Plan will guide the actions of the project at all levels to supporting the priority of gender mainstreaming. The Gender Action Plan will be closely aligned to the overall Stakeholder Engagement Plan. It will also be reviewed annually as part of the PIR process and revised and updated to achieve identified targets. To this end, the Gender Action Plan will be supplemented by experiences and lessons from GEF IWLEARN, the Harvard Analytical Framework and the WWAP 2019 Toolkit[1] on Sex Disaggregated Water Data, UNEP?s, ADB?s, and SPREP?s gender policies and guidance, and the GEF Gender Action Plan. The project will also take account of national organisations approaches to gender equality and mainstreaming.

The initial actions proposed to include the gender issue in the project are summarized below:

? Integrate gender in the SBE pilot project development.

? Include at least one gender specific project as an SBE pilot e.g. women entrepreneurs.

? Capacity building and training based on the principles of gender balance, participation, and empowerment of women.

? Knowledge management and tailoring communication efforts to ensure that messages reach women.

? Gender-responsive implementation of project-related activities.

? Build partnerships and networks to promote gender integration.

? Monitoring and reporting, including against gender-related indicators.

In each SBE pilot project (i) all components of the project ? planning, decision-making, implementation, and monitoring - will require the full and meaningful participation of women; (ii) activities, where possible, will be designed to ensure gender co-benefits; (iii) significant activities will be taken to actively improve gender equality and (iv) gender themed monitoring will take place. Full gender assessments and gender action plans will be prepared for each SBE pilot project. The action plans will set out the activities, roles, responsibilities, and budget allocation to ensure gender objectives in the projects.

In addition, it is noted that ADB is responsible for implementing three of the four SBE pilot projects in Marshal Islands, Tonga, and Tuvalu. In each case, the SBE pilot project is additional to an ongoing baseline investment in the energy sector. The comprehensive ADB framework to gender will be

applied to these projects. This framework is based on the ADB Policy on Gender and Development, the ADB Safeguard Policy Statement, and ADB?s Strengthening Disability-Inclusive Development: 2021?2025 Road Map. Taken together, these are more than fully aligned to the GEF Policy on Gender Equality (2017) and Gender Implementation Strategy (2018).

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[1] www.unesco.org/new/en/natural-sciences/environment/water/wwap/water-and-gender

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment?

Yes
Closing gender gaps in access to and control over natural resources;

Improving women's participation and decision making Yes

Generating socio-economic benefits or services or women Yes

Does the project?s results framework or logical framework include gender-sensitive indicators?

Yes
4. Private sector engagement

Elaborate on the private sector's engagement in the project, if any.

The private sector in the Pacific region is diverse and level of capacities and engagement vary both in business size, e.g., micro, small to medium enterprises (MSMEs) to large corporate organisations, as well as within NPSO/business organisations. The majority of businesses in PICTs are classified as micro-enterprises, hence there is a lack of private sector data, market access restrictions, appropriate incentives and enabling environment, capacity and ability to prepare bankable projects, and international business experience at the leadership level[1]. This also limits the opportunity for a single business entity to engage effectively with opportunities provided through avenues such as this project. Additionally, private sector engagement has been challenging due to the smallness (and at times, non-existent) of the sector in each country, the need to build engagement and communication platforms to understand commonalities and linkage points, and a lack of detail as to what constitutes the private sector and where the linkage points might be.

Under the Pacific I2I, the engagement of private sector will be critical in the development and implementation of the sustainable business enterprises. Therefore, the private sector is expected to be involved as identified in, but not necessarily limited to, the following Components and as described in Table 6:

Component 1: The private sector will be invited to participate and comment on proposed development and adoption of national and regional blue economy frameworks and implementation plans (Output 1.1 / 1.2 and 1.3).

Component 2: This component supports government and non-government organizations, communities, and the business sector/SMEs through the process of planning, developing, and implementing a real-life SBE investment project. The private sector will be actively engaged and involved in taking SBE project proponents from an ?idea or concept? stage, through a learning-by-doing process, result in the start-up and implementation of a sustainable blue economy pilot project, focused on one of seven sectors of the ocean economy in the Pacific Region (Output 2.1 / 2.2 and 2.3).

Component 3: Private sector stakeholders will be involved in the design and validation of the Regional Knowledge Platform and Decision-Support System for enabling improved access to professional SBE support services, and for the planning, development, and implementation of a second round of SBE pilot projects (Output 3.1 and 3.2).

Table 6. Prospective Private Sector Engagement in the Implementation of the Pacific I2I Project

Project Component	National	Regional
1. Enabling environment for Sustainable Blue Economy (SBE)	National Chambers of Commerce	Pacific Islands Private Sector Organization (PIPSO) South Pacific Tourism Organisation (SPOT) Pacific Business Resilience Network (PBRN). Australia Pacific Training Coalition (APTC)
2. SBE investments	Cook Islands: Local businesses and social entrepreneurs. Marshall Islands: Local businesses and social entrepreneurs. Tonga: Tonga Power Limited FPV sector technology manufacturers/ providers (e.g., Oceansun, Scatec); Local businesses and social entrepreneurs. Tuvalu: Local businesses and social entrepreneurs.	

3. Regional knowledge platform and decision-support system	National Chambers of Commerce	Australia-Pacific Islands Business Council Criterion Institute Pacific Readiness for Investment in Social Enterprises (Pacific RISE)

Multiple attempts have been made to encourage greater private sector participation in the Pacific SIDS, and in the blue economy. For example, ADB?s Pacific Private Sector Development Initiative is now in Phase IV, with up to A$32.3 million over 2020-2024, aimed at reducing the constraints on doing business in the SIDS. The AUSTRAC Pacific Islands Partnership aims to build trust in the Pacific financial system and combat money laundering and terrorism financing risks. The Pacific Horticultural and Agricultural Market Access Plus (A$35.6 million for 2018-2022) assists PNG, Tonga, Fiji, Samoa, Vanuatu, and Solomon Islands to increase the volume and quality of primary sector exports. The Pacific Readiness for Investment in Social Enterprises Facility (Pacific RISE) commenced in 2016 to further connect impact investors to Pacific social enterprises, particularly for women, using ?gender lens investing?. The Pacific Financial Inclusion Programme is a multi-donor effort to increase access to financial services for low income and rural households.

The IMF?s Pacific Finance Technical Assistance Centre (PFTAC), based in Suva, has been operating since 1995 to assist PICs to develop sustainable fiscal policies, respond to macroeconomic shocks, and maintain sound financial systems. The IFC?s Pacific Partnership is co-funded by New Zealand and combines improving domestic business opportunities and creating new markets. A key focus is women?s economic empowerment and leadership, mobilising more than US$ 843 million in investment since 2012, and benefiting over 507,000 women. Another important regional facility is the multi-donor Pacific Regional Infrastructure Facility (PRIF) which supports energy, telecommunications, transport, urban development, water, and sanitation etc. The World Bank Pacific Facility IV (A$65 million over 2013-2022) is an additional multi-donor trust fund aimed at supporting the drivers of growth, including fisheries management.

The Pacific Private Sector Development Initiative has found that enhancing private sector engagement in the Pacific SIDS needs to focus on (i) increased access to finance, such as secured transactions and registry reforms; (ii) strengthening of government owned development banks to become more commercially oriented and receptive to women entrepreneurs; (iii) initiation of equity and debt markets by provident funds; (iv) establishing and upgrading credit bureaus to provide reliable credit ratings; (v) finding new financial instruments that meet the needs of the private sector; (vi) business law reform, such as establishing online, gender-disaggregated company registers and reducing the time to establish a business; (vii) state-owned enterprise reform and establishment of public-private partnerships; (viii)

focus on the economic empowerment of women and their transition from the informal economy; and (ix) competition policy and consumer protection.

Innovative finance mechanisms have been the subject of previous work in the Pacific region[2],[3] that could facilitate private sector engagement including: (i) waste management levies on imports (e.g., in Tuvalu) can open opportunities for alternative domestic products that do not generate waste; (ii) levies/taxes on unsustainable products (such as fossil fuels) earmarked for payment for ecosystem services (such as locally managed marine protected areas); (iii) tourism taxes (such as a bed tax) shared with domestic tourism operators and the government; (iv) results-based payments only available for domestically registered or local companies; (v) multi-donor trust funds providing micro-credit loans to private sector start-ups; (vi) blue carbon market for GHG sequestration from seaweed, seagrass, or mangrove protection and/or plantations; (vii) corporate social responsibility investment in biodiversity credits; and (viii) debt for nature (or debt for climate change) swaps.

Pacific SIDS economies are small, fragmented, lack diversity and are highly dependent on imports and highly reliant on revenue from overseas sources. As a result, private sector growth has until now been constrained and the public sector continues to account for a large share of the economy and employment. However, the technical challenges, the technology needed, and the high levels of investment needed to achieve sustainable blue economies in the Pacific mean that there is a need for a broad private sector involvement ? as investor, as works and equipment provider, as skills provider, and as operator.

Under the Pacific I2I, the SBE pilot projects focus on developing partnerships with private sector, seeking out private resource providers, and mobilizing private finance to investments.

A potential partner for each SBE pilot project is the private sector operations department (PSOD) of ADB. PSOD supports privately held and state-sponsored companies. PSOD catalyses, structures, and provides financing to privately held and state-sponsored companies across a wide range of industry sectors throughout developing Asia. The emphasis is on commercially viable transactions that generate attractive financial returns while also delivering on ADB's organization-wide mission to promote environmentally sustainable and inclusive economic growth. Amongst others, PSOD is responsible for processing guarantees and project financing for individual private sector projects.

The SBE pilot projects will focus on developing and constructing innovative business models to attract private sector investment. It is expected that private sector organizations will be both financier (investor) and resource provider/operator. To make this happen, the project will support required data collection, assessments and consultation, detailed design of investments, financing, commercial structuring, requests for proposals, and agreement negotiations. If necessary and in full respect of market conditions, the project may mobilize government or donor subsidies to cover incremental costs, or government or donor funds to reduce risks.

Table 7 provides an early indication of where and how the private sector can contribute to the planning and implementation of SBE pilot projects. The preparation of feasibility studies and business plans in Component 2 will further clarify the opportunities and the role of the private sector in the SBE enterprises.

Table 7. Private Sector participation in SBE pilot projects

SBE Pilot projects	Private sector role		
	Investment (commercial/partially commercial)	**Management**	**Technical Operations**
Cook Islands: Development of a Conservation Fund and Sustainable Financing Mechanisms for MSP/SBE Application in Marae Moana Marine Park, Cook Islands	Renewable energy Tourism Pollution reduction / waste management Coastal fisheries Aquaculture	Private Public-private partnership Concessionaire Inclusive corporate structure (e.g., cooperative)	Facilities operation Marketing Performance monitoring and evaluation Job creation and revenue generation
2. Marshall Islands: Energy transition and the sustainable blue economy on outer islands.	Renewable energy (FPV) Pollution reduction / waste management Coastal fisheries Aquaculture	Potentially: Management Cooperative structure	Facilities operation Job creation and revenue generation
3. Tonga: Demonstrating how innovative business models and energy technologies can accelerate the sustainable blue economy in Tonga.	Renewable energy (FPV) Tourism Pollution reduction / waste management Coastal fisheries Aquaculture	Private Public-private partnership Concessionaire	Facility operation Job creation and revenue generation

SBE Pilot projects	Private sector role		
	Investment (commercial/partially commercial)	**Management**	**Technical Operations**
4. Tuvalu: Piloting and establishing the sustainable blue economy and the productive end uses of innovative energy infrastructure on remote islands.	Renewable energy (PV) Tourism Pollution reduction/waste management Coastal fisheries Aquaculture e-bikes e-vessels	Private Public-private partnership Concessionaire	Facility operation Job creation and revenue generation

[1] Policy Brief: Opportunities for Private Sector Engagement in Climate Change Action in the Pacific / Pacific Islands Secretariat, Suva, Fiji: Pacific Islands Forum Secretariat, 2020.

[2] Environmental Finance Consulting Services (2021) Sustainable Finance for Invasive Species Management in the Pacific Islands. https://brb.sprep.org/sites/default/files/2023-05/Sustainable%20Finance%20for%20Invasive%20Species%20Management%20in%20the%20Pacific%20Islands.pdf

[3] Sustainable Financing Mechanism for Ridge to Reef Approaches and Protected Area Management within Marae Moana ? An Assessment of Options Report to the Cook Islands Marae Moana Coordination Office and National Environment Service. March 2020. https://www.maraemoana.gov.ck/wp-content/uploads/2021/06/22.-Sustainable-Financing-Mechanism-report-2020.pdf

5. Risks to Achieving Project Objectives

Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.(table format acceptable):

UNEP and ADB have comprehensive approaches to environmental and social risk management, with procedures and risk management tools adapted to their specific project cycles and implementation approaches. UNEP is the lead Implementing Agency for this Project and as such will oversee the development of all project activities and will report to the GEF on project progress. The ADB is co-

Implementing Agency with responsibility for developing and implementing 3 national SBE pilot projects in Marshall Islands, Tonga, and Tuvalu (Component 2). ADB will coordinate with UNEP on the development and implementation of risk assessment/risk management for those three pilot projects.

Table 9 below provides an overview of identified risks for the project, risk mitigation measures and risk owners. The risks identified under the risk category column ?social and environmental? in Table 9 are within the scope of ESMS principles and safeguards (Appendix 8). Appendix 8 provides further guidance on assessing, managing, and monitoring social and environmental risks of national SBE pilot projects, which are being led by UNEP (Cook Islands) and ADB (Marshall Islands, Tonga, and Tuvalu) respectively.

The Risk Management Plan (Appendix 12a) provides further guidance on how to manage risks that are outside of the social and environmental risk category.

Table 9. Global, regional, national, and local risks matrix

Risks	**Impact (I) Probability (P) Significance (S) of Risks**	**Proposed measures to address the risks**	**Risk Category**	**Risk Owner**
Climate change may increase the vulnerability of coastal communities	If coastal communities are forced to invest in protecting their properties from sea level rise and/or storm surges, or in extreme cases to relocate to higher ground or another island, then they will not have the resources to invest in SBE enterprises. I = 2; P = 2; S = Low	The national SBE pilot projects (Component 2) are designed leverage investments that enhance resilience to climate change impacts, including protection and management of marine and coastal habitats, food security, job / employment security, and women?s empowerment.	Social and environmental	UNEP / SPREP: Cook Islands ADB: Marshall Islands, Tonga, Tuvalu

Risks	Impact (I) Probability (P) Significance (S) of Risks	Proposed measures to address the risks	Risk Category	Risk Owner
Extreme weather events and climate change impacts on countries.	The Project?s outputs and outcomes are sensitive or vulnerable to potential impacts of climate change (e.g., changes in precipitation, temperature, salinity, extreme events. I = 2; P = 2; S = Low	PICS are known to be subject to natural hazards. Project sites will be selected with due consideration of potential impacts of extreme weather. This will be further assessed during the feasibility stage of the pilots and climate risk assessments will be incorporated into the design of the SBEs.	Social and environmental	UNEP / SPREP: Cook Islands ADB: Marshall Islands, Tonga, Tuvalu
Conversion or degradation of habitats, or losses and threats to biodiversity and / or ecosystems and ecosystem services	Coastal vegetation is important as a nursery or habitat for a variety of marine animals, to protect the shoreline from wave and storm surge damage, and as a source of food. Activities involving marine ecotourism and / or aquaculture may affect ecosystem services through habitat / vegetation removal, pollution etc. If the private sector removes these resources, then the public goods and ecosystem services are lost and converted into private assets. I = 2; P = 3; S = Low	The proposed pilot projects will not allow removal of coastal vegetation but where possible will encourage revegetation and coastal plantations. In addition, comprehensive feasibility studies undertaken during SBE pilot project planning and development will avoid or minimize impacts.	Social and environmental	UNEP / SPREP: Cook Islands ADB: Marshall Islands, Tonga, Tuvalu

Risks	Impact (I) Probability (P) Significance (S) of Risks	Proposed measures to address the risks	Risk Category	Risk Owner
Construction or rehabilitation or structural requirements may pose a risk to affected communities.	Risks to communities will impact upon ownership and stakeholder ?buy-in? required for the sustainable business enterprise pilot projects. I = 2; P = 3; S = Low	Project activities may require small scale construction for some activities. Feasibility studies and community consultations during project planning and development will better identify the nature, likelihood, and consequence of any potential impact and measures will be taken to avoid or minimize impacts.	Social and environmental	UNEP / SPREP: Cook Islands ADB: Marshall Islands, Tonga, Tuvalu

Risks	Impact (I) Probability (P) Significance (S) of Risks	Proposed measures to address the risks	Risk Category	Risk Owner
Project activities may restrict access to natural resources and areas used by affected communities resulting in economic displacement.	Economic displacement of communities would result in a loss of the ability to contribute to livelihoods, and socioeconomic development opportunities which the project is aiming at achieving for stakeholders. I = 1; P = 1; S = Low	Potential activities, such as marine spatial planning, could alter or restrict the way in which communities access resources used for livelihood activities. SBE, MSP and similar integrated management approaches are participatory in nature, and actively seek input from communities, women?s organizations and other potentially disadvantaged groups to better understand the nature, likelihood, and to avoid negative consequences of proposed actions. Decisions on project activities will avoid or minimize access restrictions on affected communities.	Social and environmental	UNEP / SPREP: Cook Islands ADB: Marshall Islands, Tonga, Tuvalu
Changes in land tenure arrangements, including communal and/or customary/ traditional land tenure patterns (including temporary/ permanent loss of land)	Limiting access to resources would result in a loss of livelihoods and contribution to socioeconomic development opportunities to be gained under the SBEs. I= 1; P = 1; S = Low	Screening of proposed projects will be undertaken using the project ESMP (Appendix 8) during activity planning and development and planning to better understand the nature, likelihood, and consequence.	Social and environmental	UNEP / SPREP: Cook Islands ADB: Marshall Islands, Tonga, Tuvalu

Risks	Impact (I) Probability (P) Significance (S) of Risks	Proposed measures to address the risks	Risk Category	Risk Owner
Activities may be located on lands and territories claimed by indigenous peoples	The loss of access to, or the removal of resources, or a lack of flow of benefits to indigenous peoples will lead to a loss of livelihoods and contributions to socioeconomic development opportunities. In addition, it could reduce the engagement and participation of a stakeholder group in project activities. I = 1; P = 1; S = Low	Implementation of project ESMP screening process (Appendix 8) will ensure no negative impacts are felt by IP. Detailed project design, social safeguards for each pilot project will ensure that there are no negative impacts, should any such activities take place (although it is very unlikely).	Social and environmental	UNEP / SPREP: Cook Islands ADB: Marshall Islands, Tonga, Tuvalu

Risks	Impact (I) Probability (P) Significance (S) of Risks	Proposed measures to address the risks	Risk Category	Risk Owner
Fragmentation of efforts and lack of coordination among projects and initiatives resulting in low return on investment and failure to achieve Global Environmental Benefits (GEB).	Continued fragmentation and lack of coordination of regional and national environmental projects could result in duplication of efforts instead of building on the outputs and results from other initiatives that have had successful results in the region. I = 3; P = 2; S = Low	The PPG phase included full and active participation of countries from the region and key inter-governmental organizations that lead other regional and national projects and initiatives. The active participation of CROP members in the project should increase coordination efforts and avoid duplication. The Pacific I2I project will also build a regional SBE knowledge platform and decision support system for easy access to information, knowledge, resources and tools for those working towards the implementation of the Blue Continent vision.	Operational	UNEP SPREP / RPCU

Risks	Impact (I) Probability (P) Significance (S) of Risks	Proposed measures to address the risks	Risk Category	Risk Owner
Changes in political priorities of participating countries leading to a reduction in Project support and changes in country contributions.	Changes in national priorities could affect the activities of the project by causing delays in providing required feedback on project design and implementation, especially in lower-capacity countries. I = 3; P = 2; S= Moderate	The project will maintain ongoing communication and dialogue with PIC leaders, decision-makers, and planners, as well as CROP members. Component 1 of the project is focused on supporting on awareness building and enhancing the uptake of SBE approaches into the development planning and financing cycles and processes of the PICs and regional organizations.	Political	UNEP / SPREP RPCU
Project Management and Coordination Unit incapable of effectively managing the implementation of the Project	This would impact overall project implementation and would result in a delay or in some cases inability to successfully complete or even begin to implement a number of the proposed activities. In the extreme case it could mean that the project is unable to achieve its objective. I = 4; P = 2; S = Moderate	Emphasis will be placed on developing Terms of Reference and attractive renumeration packages to support the recruitment of top-notch staff for the PMCU. Further it is anticipated that candidates will go through a robust screening process during the selection phase.	Operational	UNEP SPREP

Risks	Impact (I) Probability (P) Significance (S) of Risks	Proposed measures to address the risks	Risk Category	Risk Owner
Project implementation delays caused by situations like travel restrictions, increased risk of infection by the emergence of new COVID-19 variants, natural disasters, and increased cost of goods and services.	Delays would have an impact on project implementation since it could limit the possibility of organizing face- to-face meetings, limit travels, and compromise the execution of field activities. It would likely cause delays in implementation and if the restrictions were to extend for long periods could compromise meeting certain project objectives, notably under Component 2 where work on the ground is anticipated (i.e., pilot projects). I = 4 ; P = 3; S = Moderate	The Project will monitor status reports on the post-pandemic situation and apply mitigation measures in the case of the emergence of new COVID variants or the occurrence of natural disasters. These include, among others, using virtual communication means and work schedule and budget reviews.	Other	UNEP / SPREP RPCU ADB: re. Marshall Islands, Tonga, and Tuvalu national SBE pilot projects

The Risk Management Plan has been prepared for the project (Appendix 12a), along with a Risk Summary Matrix (Appendix 12b) encompassing institutional, project, and financial risks that were identified during the PPG phase. The Plan and Summary Risk Matrix will be reviewed during the Project Inception phase and updated as necessary. The Plan will also be reviewed regularly (i.e., semi-annually) as part of the project?s monitoring and evaluation component and reported to GEF.

6. Institutional Arrangement and Coordination

Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.

This GEF-funded Pacific I2I project will be implemented over a five-year period. The **Project Donor** is the GEF, and the **Project Implementing Agencies (IAs)** are UNEP and ADB. The IAs are responsible to the GEF for the project?s oversight, the use of resources as written in the CEO Endorsement Request, or any amendments agreed to it by GEF. The main roles of the Implementing Agencies are described in Appendix 7.

UNEP will be the lead IA and will be solely responsible for Components 1, 3, 4, and 5, and will co-implement Component 2 with ADB. In Component 2, UNEP will be responsible for national SBE pilot projects in Cook Islands and ADB will be responsible for national SBE pilot projects in Marshall Islands, Tonga, and Tuvalu. Through Agreement with GEF, ADB will be the IA responsible for USD 3,444,445 of the total GEF grant for implementation of the aforementioned three pilot projects.

UNEP and ADB collaboration will be guided by a separate agreement in accordance with an existing, overarching Memorandum of Understanding between the two agencies. UNEP and ADB will also agree on information and knowledge sharing activities across the national SBE pilot projects (Component 3), as well as input to regional M&E and reporting (Component 4). An **Interagency Coordinating Committee**, comprised of UNEP, ADB and SPREP representatives will meet regularly to coordinate planning, monitoring, evaluation, and reporting processes across the regional project. An initial description of the role of this committee is provided in Appendix 7.

Figure 3 is the proposed organization structure for the project.

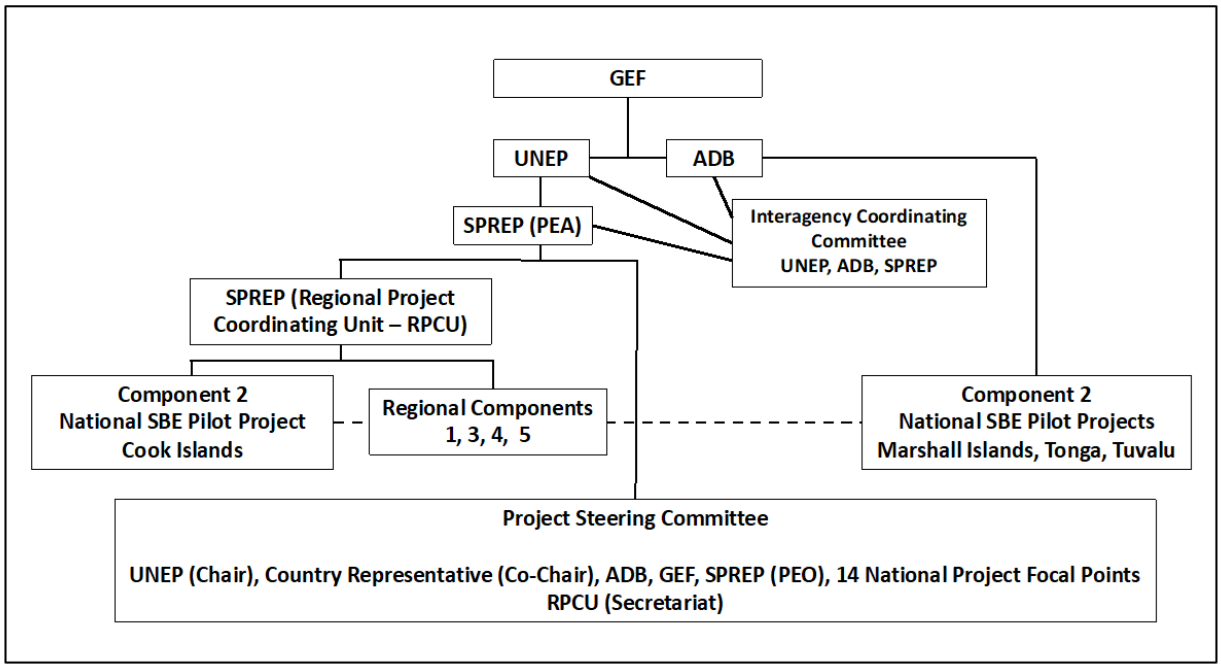
The **Project Executing Agency (PEA)** for all activities led by UNEP is the Secretariat for the Pacific Regional Environment Programme (SPREP), which is responsible for day to day management of the project, including financial management and project reporting in that regard. As PEA, SPREP will have a fully dedicated team (**Regional Project Coordination Unit, RPCU**) to oversee project implementation including the management and oversight of all activities undertaken by the component teams and experts; project procurement including contract administration and management; project monitoring and evaluation; oversight of all engagement, outreach and communication activities, and; future planning (including development activities to identify future co-financing and new partnerships). In addition, the RPCU will be responsible for tracking and reporting progress towards achieving region-level outcomes, utilizing appropriate outcome indicators with well-defined M&E targets to assess the cumulative impact of the project. The RPCU will also play a key role in the overall synthesis of output and outcome results for the production and dissemination of knowledge products at the regional and global levels.

Project administration will follow the procedures of the PEA, including for procurement, contracting, and recruitment.

Terms of Reference for core staff and key consultancies of the RPCU have been included in Appendix 13.

In close collaboration with the concerned government agencies, ADB will be responsible for procurement, contracting and recruitment related to planning, implementation, and reporting the progress and results of national SBE pilot projects in Marshall Islands, Tonga, and Tuvalu (Component 2), in line with ADB policy and procedures and GEF reporting requirements and schedules (see Section 9, Monitoring and Evaluation).

Figure 3. Pacific I2I Organization Chart



The RPCU will provide guidance to all national SBE pilot projects for monitoring and evaluation, knowledge management, and communications to ensure cohesiveness and consistency at the regional level. The RPCU will be responsible for tracking and reporting progress towards achieving region-level outcomes, utilizing appropriate outcome indicators with well-defined M&E targets to assess the cumulative impact of the project. The RPCU will also play a key role in the overall synthesis of output and outcome results for the production and dissemination of knowledge products at the regional and global levels.

The core RPCU will consist of a **Regional Project Coordinator (RPC)** and **Administrative & Financial Management Officer** and be supported by a team of technical experts implementing the components and / or activities of the project. The line of accountability will go up through the project team to the RPC and connect to the SPREP management structure through the **SPREP Executive Director**.

Overseeing the entire project will be the **Project Steering Committee (PSC)**. This will be chaired by UNEP, with one country acting as co-Chair on a rotating basis. The PSC will include representatives from ADB, SPREP, the 14 PICs, and ad hoc representation from regional projects and organizations and technical experts on an invitation basis. The Regional Project Coordinator will be the Secretariat for the PSC. The PSC will meet annually, unless one of the committee members calls for an ad hoc interim meeting. The main functions of the PSC will be to review project progress, approve annual work plans and budget, provide strategic guidance to the project, and approve management decisions to ensure timely delivery of quality outputs.

At the country level, in-country coordination of the Pacific I2I project will be the responsibility of a **National Focal Agency** for the project through Agreement (e.g., MOA) with SPREP. National interagency and multi-sectoral coordination will be conducted through existing national coordinating mechanisms where available.

Coordination with other projects/initiatives

There are a number of planned and ongoing projects and initiatives at the regional and country level in the Pacific region, as detailed in Appendix 6, that have relevant links to the Pacific I2I projects. In particular, the following will be invited to participate in Components 1 and 3 of the Pacific I2I project:

- Blue Pacific Finance Hub: Investing in Resilient Pacific SIDS Ecosystems and Economies. (2023-2027) GEF (USD 8.99 million). ADB, Nordic Development Fund, and others (USD 53.7 million) Project Objective: Identify, prepare, and finance investments that increase the resilience of Pacific coastal communities and ecosystems with primary focus on four LDCs (Kiribati, Solomon Islands, Timor Leste, Tuvalu).
- Partnerships for Coral Reef Finance and Insurance in Asia and the Pacific. (2022-2026). GEF (USD 1.3 million). ADB and TNC Co-financing (USD 5.25 million). Project Objective: 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.
- ISLANDS Pacific (2022-2027). GEF (USD 20 million). UNEP, SPREP, 14 Pacific Island Governments, Swire Shipping Co-financing (USD 94.18 million). Project Objective: Supports the implementation of the Pacific waste and pollution management strategy, Cleaner Pacific 2025, as well as the Waigani Convention to Ban the importation into Forum Island Countries of Hazardous and Radioactive Wastes and to Control the Transboundary Movement of Hazardous Wastes within the South Pacific Region, the Basel, Rotterdam, and Stockholm (BRS) conventions, the Minamata Convention on Mercury, and achieving global commitments made under the Samoa Pathway.
- Preparing Floating Solar Plus Projects under the Pacific Renewable Energy Investment Facility. ADB (USD 3.5 million). Project Objective: Data collection, consultation, analysis, and preparatory work to launch FPV as a transitional technology and related sustainable blue economy/productive uses of energy (SBE/PUE) investments.
- Pacific Islands Renewable Energy Investment Program (2016-2025). GCF (USD 29.2 million). ADB (IA).
- Pacific Ecosystem Based Adaptation of Climate Change (PEBACC+) (2022-2026). Kiwa Initiative (EUR 4 million). French Facility for Global Environment (FFEM) (EUR 1.8 million). Project Objective: Promote Ecosystem Based Adaptation (EbA) as a climate change adaptation strategy, building capacity for robust EbA planning processes, implementing EbA demonstration activities, communications, and policy integration. SPREP (EA).
- Pacific ? European Union (EU) Waste Management Programme, (PacWaste Plus) (2018-2023). EU (EUR 16.5 million). Project Objective: Invest in country and regional projects that support and improve waste management and positive environmental outcomes for businesses, community groups, and social enterprises.

At the country level, the following projects will be invited to collaborate on the planning, implementation and knowledge-sharing with the 4 national SBE pilot projects:

Cook Islands

? Enhancing biodiversity considerations and effective protected area management to safeguard the Cook Islands integrated ecosystems and species. (2023-2028). GEF (USD 3.5 million). UNDP (IA), National Environment Service (NES), Ministry of Finance and Economic Management (MFEMI), Infrastructure Cook Islands (ICI); Ministry of Agriculture (MOA), Cook Islands Tourism Corporation (CIT) Co-financing (USD 27.6 million).

Marshall Islands

? Enhancing the resilience of people in the Republic of the Marshall Islands to long-term climate change through coastal protection to protect lives and property from inundation. (2019-2024). GCF (USD 25 million). World Bank (IBRD-IDA) Co-financing (USD 34.9 million).

? Sustainable food systems and integrated land/seascape management in the Marshall Islands (Project approved). GEF (USD 2.1 million). Ministry of Natural Resources and Commerce Co-financing (USD 6.8 million).

Tonga

? Shifting electricity production in Tonga to a low-carbon, climate resilient path: help Tonga move away from fossil fuels and shift to renewables (2018-2023). GCF (USD 29.9 million). ADB, Ministry for Meteorology, Energy, Information, Disaster Management, Environment, Climate Change and Communications (MEIDECC) Co-financing (USD 17.7 million).

Tuvalu

? Tuvalu Coastal Adaptation Project (TCAP): protecting the small island nation of Tuvalu from the impact of rising sea level and increasing cyclone events that threaten the country?s viability (2017-2024). GCF (USD 36 million). UNDP (IA), Ministry of Finance Co-financing (USD 2.86 million).

? Increasing Access to Renewable Energy in Tuvalu, Phase 1 (2024-2028). GEF (USD 2.75 million). ADB, World Bank, and Government of Tuvalu Co-financing (USD 16.98 million).

7. Consistency with National Priorities

Describe the consistency of the project with national strategies and plans or reports and assesments under relevant conventions from below:

NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

At the regional level, the project is aligned to the regional Framework for the Pacific Oceanscape (FPO) 2010 (prepared by the Pacific Island Forum Secretariat) and the 2030 Pacific Road Map for Sustainable Development (PRSD) 2018 (prepared by the Pacific Sustainable Development Goals Task Force), both endorsed by Pacific Island leaders.

The FPO area of application extends to the ocean and coastal areas that encompass the extent of the marine ecosystems that support the region, including areas beyond national jurisdiction. It takes a cross cutting approach, which focuses on the integration of ocean management and governance across jurisdictions, stakeholders, and traditional sectors. The strategic priorities of the FPO are focused on the enabling conditions, institutions and mechanisms required to effectively implement the more specific, thematic priorities of the Pacific Islands Regional Ocean Policy (PIROP) 2002 (see Figure 1).

On the other hand, the PRSD road map provides a regional response to the 2030 Agenda and the SDGs. It is underpinned by a draft Implementation Strategy, which includes five interlinked elements: i) leadership and coordination; ii) advocacy and communications; iii) regional priorities monitoring and indicators; iv) Integrated reporting; and v) supporting the means of implementation. The ?Supporting the Means of Implementation? element promotes country-led assessments of capacity constraints, harnessing Pacific expertise and experience through the engagement of senior public, civil society, and private sector experts, and blending of domestic and external funding to give effect to the declared priorities of governments through national budgets.

In addition, a core priority of the FPO is ?Liaising, Listening, Learning and Leading?, which aims to articulate and use appropriate processes, mechanisms, systems, and research that result in integrated ocean management across the Pacific region. The Pacific I2I Project?s Component will provide practical and on-the-ground approaches and experiences in support of this priority.

At the national level, the project is fully aligned to national priorities with regards to sustainable development, climate change, ocean and coastal ecosystem protection and management, as follows:

? Cook Islands: Marae Moana Act 2017 covers the entire Cook Islands Exclusive Economic Zone (EEZ) ? approximately 2 million km2. The primary objective of the Marae Moana Act is to ?protect and conserve the ecological, biodiversity, and heritage values of the Cook Islands marine environment? (Article 3.1), with other purposes including to ?provide an integrated decision-making and management framework? (Article 3.2.a) and ?allow ecologically sustainable use of the marine environment. The Pacific I2I project will assist the government to design and implement a conservation fund that will sustain the operation of the Marae Moana and initiate SBE investments in the park that are aligned with its MSP. SBE investments will cut across a number of policies and priorities including Te Kaveinga Nui National Sustainable Development Plan (2016-2020), Cook Islands Climate Change Policy (2018-2028), Cook Islands Renewable Electricity Chart: Te Atamoa o te Uira Natura, and Cook Islands Sustainable Tourism Development Policy Framework & Goals: Protecting Our Future.

? Tonga: Following a highly consultative and integrated process, the Tonga Ocean Management Plan was approved in 2021. The Plan covers the entire Tongan EEZ with the aim of ?ecologically sustainable, social and economic development of Tonga?s ocean for the benefit of all Tongans?. The Plan is based on marine spatial planning and sets out a holistic approach to ocean management. Stakeholders consider the Plan to be a key entry point for Tonga?s venture to a blue economy. Concerned stakeholders are now moving into implementation phase, which is to draw on innovative technologies. In addition, the Tonga Strategic Development Plan 2015-2025 ? A more progressive Tonga: Enhancing our Inheritance includes the following key targets:

i. more equitable, inclusive, sustainable and appropriate management of the use of renewable and non-renewable natural resources;

ii. cleaner environments and less pollution from household and business activities building on improved waste management, minimization and recycling;

iii. improved national and community resilience to the potential disruption and damage to well-being, growth and development from extreme natural events and climate change.

? Tuvalu: Tuvalu?s National Strategy for Sustainable Development 2021-2030 Te Kete identifies 20 National Outcomes covering all aspects of lives, livelihoods, resilience and sustainability. National Outcome 19 is ?Quality and Affordable Energy Supply?. This emphasizes the role to be played by renewables and singles out solar energy as a priority for Funafuti and outer islands.

? Marshall Islands: The National Strategic Plan 2020-2030 (NSP) is defined around five Pillars (i.e., social/culture; environment, climate change and resiliency; infrastructure; economic development; and good governance) and each pillar is comprised of several Strategic Areas, goals and policy objectives. Pertinent policy objectives include, for example: (i) efficient and reliable air and sea connectivity to the outer islands and the world; (ii) improved enabling frameworks for reducing dependence on imported fossil fuel for electricity generation; (iii) more sustainable and eco-friendly tourism; (iv) maximize the long-term value from fisheries for the benefit of the economy and people and (v) conserve and manage the aquatic resources for current and future generations.

Referring to marine resources, the Marshall Islands Marine Resources Authority (MIMRA) Strategic Plan (2019-2023) has goals to maximize the revenue and people?s benefit from fisheries, the conservation and sustainable management of aquatic resources, and effective management/governance.

8. Knowledge Management

Elaborate the "Knowledge Management Approach" for the project, including a budget, key deliverables and a timeline, and explain how it will contribute to the project's overall impact.

The regional project will develop a robust Knowledge Management and Communication Plan (referred to as KMAC Plan) at the outset (Output 3). The KMAC Plan will underpin, guide, and support the generation, dissemination, and application of information and knowledge from the project, set out a common analytical framework to organize and analyse information gathered by the different national SBE pilot projects, collect and share best practices, lessons learned, and innovative solutions to SBE issues across the regional, and ensure that key target audiences are kept informed and engaged.

The knowledge management approach rests on two important principles in the Pacific region: (i) peer-to-peer learning; and (ii) utilising existing knowledge management structures, rather than creating new platforms or ?portals?.

In the case of peer-to-peer learning, the project will provide opportunities for relevant officials to visit the sites of successful sub-projects, discuss the challenges and opportunities with their peers, and provide to the PMU their plans for upscaling the work in the other Pacific Island countries.

The International Waters Learning Exchange and Resource Network (IWLEARN) and its Marine Hub (https://iwlearn.net/marine) provides an ideal platform for sharing the results of the Pacific I2I project not only to other Pacific Island countries but also to other SIDS globally. The Marine Hub already covers issues like IUU fishing, ocean sustainability, and sustainable fishing, among other topics.

The KMAC plan implementation will cover the entire project work program and timetable of the Pacific I2I project, as follows:

For the **initial phase of project implementation**, project communication will focus on the visibility of the project with target audiences. Communication materials?(such as press releases, videos, web stories) and a relevant dissemination plan (media, conference, high-level events) will be developed to promote the project and its key areas of activity. These activities will raise the awareness of stakeholders across PICs on the project objective, approach, activities as well as the benefits associated with the implementation of SBE approaches at the local and national levels.

Behaviour Change Campaigns will be developed to encourage behaviour and attitudinal change towards sustainable blue economy approaches, aimed at motivating leaders, decision-makers, and planners in the government and non-government sectors toward a modal shift in ocean and coastal resource development and investment. Behaviour Change Campaigns will be synchronized with the preparation of SBE baseline assessments and formulation of SBE pathways and implementation plans at the national and regional levels (Outcome 1).

Learning-by-Doing capacity building activities will be built into Outcomes 1 and 2 of the project. The approach will ensure project stakeholders not only benefit from knowledge transferred via workshops and seminars but are provided with the opportunity to apply new skills and tools during project implementation, including the conduct SBE baseline assessments, policy development and action planning, and SBE pilot project preparation, financing, implementation, and evaluation.

Lessons learnt and best practices will be documented and communicated to key audiences to encourage replication of successful SBE approaches. Key knowledge products will be developed based on the learnings from project Outcomes 1 and 2. For policy makers, learning experience and case studies will be compiled from Outcome 1 related to best practices in developing SBE enabling conditions (e.g., SBE pathways and priority setting, capacity building, financing mechanisms, partnership arrangements). For communities, women?s organizations, SMEs, and other members of the formal and informal sectors of local economies, learning experiences and case studies will be compiled from Outcome 2, related to the best practice on developing SBE investment projects and solutions along the value chain, including market assessment and development, innovative business models, inclusive corporate structures, etc.

Knowledge sharing will be channelled through the Regional Knowledge Platform (Outcome 3), as a one-stop shop to document and store project information, activities, progress, publications, events, and support services. Information will be regularly updated to maintain engagement with key stakeholders and partners. The knowledge products of the project will also be shared with the IW Learn website. Partnering with IW Learn will allow the project to network with SIDS and coastal LDCs in other regions who are experiencing similar challenges, while also benefitting from IWLEARN?s existing knowledge management system, including case studies, good practices, learning materials and publications.

The effectiveness of the KMAC plan will be reviewed annually to monitor and evaluate the impact of knowledge exchange and learning activities at the regional and national levels.

The project will also support exchange of knowledge between national SBE pilot projects, and regional and global repositories of relevant information (such as IWLEARN). To do this the project will utilize its main national and regional partners as information conduits and platforms and build on existing capacities and knowledge sharing facilities and services. At least 1% of the project budget has been allocated to support project input and participation in IWLEARN activities.

Table 8 provides an overview of the proposed knowledge management activities, schedules, targeted audiences, and indicative budget allocations for implementation of the KMAC strategy and plan in accordance with the overall project budget and work plan (Appendix 2).

Table 8. Knowledge Management and Communication Activities of the Pacific I2I Project

Events /Capacity Building/Networking	Project Outcome/ Topics and Goals	Timing and frequency	Target audience	Budget allocation
a) Events				
Regional launch meeting of the project	Outcome 5: Kick off project and gain visibility and support.	Year 1	All participating PICs, UNEP, ADB, GEF Secretariat, regional organizations, women and women?s organizations, NGOs, communities, SMEs, industry, and academe.	25,000
Regional closure meeting of the project	Outcome 5: Share experiences of project and project conclusion.	Year 5		50,000
Annual project working meetings	Outcome 5: To plan, evaluate, and advance project planning and implementation.	Annual (5 in total)	Executing agency, implementing agency, project partners.	230,000

Events /Capacity Building/Networking	Project Outcome/ Topics and Goals	Timing and frequency	Target audience	Budget allocation
Project steering committee meetings	Outcome 5: To approve project workplan and budget and discuss critical issues.	Annual (5 in total)	Executive agency, Implementing Agencies, Steering Committee members	
b) Capacity and awareness building				
Training of government and non-government representatives on the SBE process, including baseline assessment, pathway options, SFMs, inclusive corporate structures, integrated management.	Outcome 1: National and regional priorities, strategies, and financing mechanisms for SBE transformation incorporated into government planning and financing processes.	Years 1 and 2 (3 sub-regional trainings for countries; 1 regional training for regional organizations)	National government officers (statistics office, ocean-related line agencies, resource management, environment), NGOs, academe, women?s organizations, CSOs.	190,000
Training of government and non-government representatives on the development of SBE proposals.	Outcome 3: Sustainable blue economy capacities enabled for SBE project development and upscaling among governments, communities, women?s organizations, and the private sector.	Years 3 and 4 (3 sub-regional trainings for countries; 1 regional training for regional organizations)	National government officers (planning, economic development, finance, statistics office, ocean-related line agencies, resource management, environment), NGOs, academe, women?s organizations and CSOs.	190,000
c) Networking (regional and global)				

Events /Capacity Building/Networking	Project Outcome/ Topics and Goals	Timing and frequency	Target audience	Budget allocation
Global network event on SBE implementation in the Pacific Island region	Outcome 3: Participate in a global event/platform with SIDS and coastal LDCs to share visions, perspectives, and strategies, and exchange lessons learnt and best practices in SBE transformations.	Year 2	Participants in international networking events and platforms, including IW learn	70,000
Global network event on SBE implementation in the Pacific Island region	Outcome 3: Exchange learnings from the Pacific I2I project among SIDS and coastal LDCs to share best practices and experiences from the regional project.	Year 5	Participants in international networking events and platforms, including IW learn	70,000
			Total Cost	825,000

9. Monitoring and Evaluation

Describe the budgeted M and E plan

Monitoring, evaluation, and reporting for the regional project will follow UNEP?s Evaluation Policy and align with the GEF policy and guidance for both monitoring and evaluation. The SPREP is familiar with

UNEP and GEF processes with respect to M&E and reporting. As indicated in the budget (Appendix 2), USD 208,450 has been allocated for GEF M&E costs.

The RPCU, under the supervision of PEO and in collaboration with ADB management units for SBE pilot projects in Marshall Islands, Tonga, and Tuvalu, will be responsible for project monitoring and reporting. This will include project performance monitoring, compliance monitoring, safeguards monitoring and gender/social dimensions monitoring. The RPCU will prepare biannual reports on progress, on the current status of all indicators, on the implementation challenges, and on the financial status. Appendix 13 includes the initial design of the monitoring system, collecting data, preparing progress and evaluation reports, etc.

In addition, a project completion report will be prepared by the RPCU, on the achievement of the project outputs and outcome. This will include individual assessment and evaluation of each output, activities, and achievement of indicators; financial and procurement performance; safeguards performance; social, poverty and gender benefits achieved; lessons learned and best practices; evaluating and quantifying any change in interaction between government agencies and communities; and assessing pathways for scaling up. The project completion report will draw on data collected from surveys, annual knowledge management reviews, pilot project reports, and reflections. The final project review will follow submission of SBE pilot project completion reports, submitted by the pilot project partners.

Monitoring and Evaluation (M&E) activities and related costs are presented in the table below. and are fully integrated in the overall project budget (Component 4, Appendix 2). The project will comply with UNEP standard monitoring, reporting, and evaluation procedures. Reporting requirements and templates are an integral part of the legal instrument to be signed by the Executing Agency and the Implementing Agency.

The project M&E plan is consistent with the GEF Monitoring and Evaluation policy. SMART indicators will be developed during project implementation as part of Component 2 and the planning of the SBE pilot projects.

The M&E plan will be reviewed and revised as necessary during the Project Inception Workshop to ensure project stakeholders understand their roles and responsibilities vis-?-vis project monitoring and evaluation. Indicators and their means of verification may also be fine-tuned at the inception workshop.

GEF funds will cover the costs of an inception workshop, as well as independent mid-term and terminal evaluations focussing on GEF and global environment requirements. An estimated 4?6-month input is anticipated, with a total cost to GETF of $208,450.

M&E Activity	Description	Responsible Parties	Timeframe	Indicative M&E Budget (USD)
Inception Workshop (IW)	Report prepared following the IW, which includes: ? A detailed workplan and budget for the first year of project implementation. ? An overview of the workplan for subsequent years, divided per component, output and activities. ? A detailed description of the roles and responsibilities of all project partners, and an organizational chart. ? Updated Procurement Plan, M&E Plan, and Gender Action Plan ? Minutes of the Inception Workshop	RPCU	IW organized within 6 months of project start-up. Report to be prepared following the IW, to be shared with participants within 4 weeks of the IW.	47,375 (National focal points travel)

M&E Activity	Description	Responsible Parties	Timeframe	Indicative M&E Budget (USD)
Project Implementation Review (PIR)	Analyzes project performance over the reporting period inclusive of M&E of GEF Core Indicators, Stakeholder Engagement Plan, Gender Action Plan, and Safeguards Frameworks and Action Plan. Describes constraints experienced in the progress towards results and the reasons. Draws lessons and makes clear recommendations for future orientation in addressing the key problems in the lack of progress. The PIRs shall be documented with the evidence of the achievement of end-of-project targets (as appendices).	RPCU	One report to be prepared on an annual basis, to be submitted by January 31st (latest).	All costs incorporated into PMC.
Quarterly expenditure reports	Detailed expenditure reports (in Excel) broken down per project component and budget line with explanations and justification of any change.	RPCU	Four (4) quarterly expenditure reports for any given year, submitted by January 31, April 30, July 31 and October 31 (latest).	All costs incorporated into PMC.

M&E Activity	Description	Responsible Parties	Timeframe	Indicative M&E Budget (USD)
Co-financing reports	Report on co-financing (cash and/or in-kind) fulfilled contributions from all project partners that provided co-finance letters.	RPCU	One annual repo rt from each co-finance partner, and one consolidated report, to be submitted by 31 July latest.	All costs incorporated into PMC.
Midterm review	At the midpoint, this reviews the progress towards impacts and sustainability of the results, including the contribution to capacity development and the achievement of global environmental goals. Corrections are proposed.	IA?s with support of RPCU	Initiated 2 years after activities commence.	80,537(International consultants)
Terminal Evaluation (TE)	Further review the topics covered in the mid-term evaluation. Looks at the impacts and sustainability of the results, including the contribution to capacity development and the achievement of global environmental goals.	IA?s with support of RPCU	Can be initiated within six (6) months prior to the project?s technical completion date.	80,538 (International consultants)

M&E Activity	Description	Responsible Parties	Timeframe	Indicative M&E Budget (USD)
Final Report	The project team will draft and submit a Project Final Report, with other docs (such end-of-project targets/achievements, project budget/financial audit). Comprehensive report summarizing all outputs, achievements, lessons learned, objectives met or not achieved, structures and systems implemented, financial management, etc. Lays out recommendations for any further steps to be taken to ensure the sustainability and replication of project outcomes.	RPCU	Final report to be submitted no later than three (3) months after the technical completion date	All costs incorporated into PMC.
			Total M&E Budget	208,450

General project monitoring is the responsibility of the Regional Project Coordination Unit (RPCU). It is the responsibility of the Regional Project Coordinator to inform the PEO and UNEP of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be taken.

ADB is responsible for implementing SBE pilot projects in three countries (Marshall Islands, Tonga, and Tuvalu) that are partly financed by GEF and heavily co-financed by ADB. In addition to the comprehensive M+E framework described above for the Pacific I2I region-wide monitoring, for each of the national SBE pilot projects the three Governments and ADB will establish a project reporting, monitoring, and evaluation framework, which will be implemented by the concerned project PMUs. For these activities, monitoring, evaluation, and reporting for the project will follow ADB?s Evaluation Policy and align with GEF policies on Monitoring and Evaluation (included a dedicated budget allocation). The PMUs will prepare biannual reports on progress, on the current status of all indicators, on the implementation challenges and on the financial status. The PMUs will, for example, appoint one staff

member as focal point for monitoring and evaluation (M&E). A project results framework (design and monitoring framework, DMF), agreed by ADB and government, will guide monitoring at the sub-project level, following ADB?s Evaluation Policy.

The ADB co-financing will cover the cost of the pilot project monitoring in the three countries. GEF funds will contribute to any GEF specific data collection or reporting. That is, using Pacific I2I funds, ADB will ensure the strong liaison between ADB sub-projects and the overall Pacific I2I project M+E and communications.

The Project Steering Committee (PSC) will receive periodic reports on progress and will make recommendations to UNEP and ADB concerning the need to revise any aspects of the Results Framework or the M&E Plan. Project oversight to ensure that the project meets UNEP and GEF policies and procedures is the responsibility of the UNEP Task Manager and the ADB Task Manager in the case of national pilot projects in Marshall Islands, Tonga, and Tuvalu. The respective Task Managers will also review the quality of draft project outputs, provide feedback to the project partners, and establish peer review procedures to ensure adequate quality of scientific and technical outputs and publications. Project supervision will take an adaptive management approach.

The UNEP Task Manager will develop a project Supervision Plan at the inception of the project, which will be communicated to the RPCU and the project partners during the Inception Workshop. The emphasis of the Task Manager?s supervision will be on outcome monitoring but without neglecting project financial management and implementation monitoring.

Progress vis-?-vis delivering the agreed project global environmental benefits will be assessed with the PSC at agreed intervals. Project risks and assumptions will be regularly monitored both by the RPCU, the project partners, UNEP and ADB. Risk assessment and rating is an integral part of the Project Implementation Review (PIR). The PIR will be completed by the Regional Project Coordinator and ratings will be provided by the UNEP and ADB Task Managers. The quality of project monitoring and evaluation will also be reviewed and rated as part of the PIR.

The Task Managers will have the responsibility of verifying the PIR and submitting it to the GEF. Key financial parameters will be monitored quarterly to ensure cost-effective use of financial resources.

Since this is a Full-Size Project (FSP), resources are set aside for a Mid-Term Review (MTR). The Task Managers will decide when the MTR shall be initiated. The purpose of the Mid-Term Review (MTR) is to provide an independent assessment of project performance at mid-term, to analyse whether the project is on track, what problems and challenges the project is encountering, and which corrective actions are required so that the project can achieve its intended outcomes by project completion in the most efficient and sustainable way.

In-line with UNEP?s Evaluation Policy and the GEF?s Monitoring and Evaluation Policy, the project will be subject to a Terminal Evaluation (TE) commissioned by the UNEP Evaluation Office (EOU) at the end of project implementation. The EOU will be responsible for the Terminal Evaluation and will liaise with the Task Managers and Executing Agency?s RPCU throughout the process. The TE will provide an independent assessment of project performance (in terms of relevance, effectiveness, and efficiency), and

determine the likelihood of impact and sustainability. It will have two primary purposes: (i) to provide evidence of results to meet accountability requirements, and (ii) to promote learning, feedback, and knowledge sharing through results and lessons learned among UNEP, ADB, the GEF, executing partners and other stakeholders.

The Terminal Evaluation will be initiated no earlier than 6 months prior to the operational completion of project activities and, if a follow-on phase of the project is envisaged, should be completed prior to completion of the project and the submission of the follow-on proposal. The draft Terminal Evaluation report will be sent by the Evaluation Office to project stakeholders for comments. Formal comments on the report will be shared by the EOU in an open and transparent manner.

The required resources for the Terminal Evaluation will be set aside from the project budget (Component 4 budget, Appendix 2).

10. Benefits

Describe the socioeconomic benefits to be delivered by the project at the national and local levels, as appropriate. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF)?

At the national level, the project will increase the technical and institutional capacity of government to address the negative effects of degradation and unsustainable use of ocean and coastal ecosystems and the overarching harmful impacts of climate change. The Pacific I2I project will demonstrate technologies, business processes, investment procedure, pathways, and financing mechanisms that promote the transition to a sustainable blue economy.

The direct consequence of this approach will be:
? enhanced capacity to integrate blue economy solutions, such as sustainable management of EEZ-scale multi-use marine parks, into policies, plans and fiscal cycles; and

? increased capacity to plan, finance and implement SBE investments as a means of adapting to / mitigating climate change, enhancing the resiliency of ecosystems and communities, and creating sustainable enterprises and jobs.

Major benefits associated with each of the components of this project is mentioned below:

Component 1:
The GEF grant will support the institutionalization of priority sustainable blue economy projects and initiatives into policies, planning and fiscal cycles of the 14 governments of the region. From a socio-economic perspective, benefits accrue by way of acceleration of investments by the public and private sectors in coastal fisheries, sustainable aquaculture, sustainable tourism, renewable energy, and sustainable transportation, among others, and the avoidance / reduction of damage to ocean and coastal ecosystems of the countries as a consequence implementing SBE pathways across ocean sectors. Quantifying the potential social, economic and environments benefits at the country and regional levels will be implemented as part of the SBE baseline assessment and analysis in Component 1, including a capacity

needs assessment to identify skills and experiences that are present in each country and the types of training and hands-on practice that will provide greatest return for national and local stakeholders.

Women in particular, will benefit from increased participation in project implementation, enhanced understanding of the social and economic potential of transitioning to SBE approaches in enterprise development and entrepreneurship (e.g., marketing, product quality), and opportunities to engage in inclusive corporate structures (e.g., cooperatives, social enterprises).

Component 2:

The GEF grant will assist in establishing 4 SBE pilot projects, sustainable financing mechanisms, and business models for productive use of energy (3), and sustainable management of a EEZ-scale marine park and MSP system. Each of the projects will have multi-area benefits ranging from improved management across marine parks, ocean sectors, and natural ecosystems, new skills and experiences in developing and managing SBE projects, reductions in pollutive discharges and GHG emissions, development of success templates and professional networks for upscaling SBE, and standardization of methodology for the entire SBE project development and management cycle. Comprehensive feasibility studies are the scheduled first activity of these pilot projects, at which time the projects will quantify the targeted socio-economic benefits and put in place a performance monitoring system to track progress.

Component 3:

The GEF grant will be used to development and implement a knowledge management and communication plan to disseminate the information, experiences and best practices that evolve from Component 2. In addition a decision support service will be developed and put into operation using the success templates and professional networks to kick-start investments in SBE upscaling in the 14 PICs based on action plans and priorities that were agreed to by government and non-government stakeholders in Component 1. These actions will generate socio-economic benefits, enhanced resiliency, and women?s empowerment as identified and quantified in the 14 SBE baseline assessments and analyses. Furthermore the experience of going through a full cycle of project development, financing, and implementation will reinforce local skills, products, professional networks, and stakeholder confidence beyond the life of the Pacific I2I project.

11. Environmental and Social Safeguard (ESS) Risks

Provide information on the identified environmental and social risks and potential impacts associated with the project/program based on your organization's ESS systems and procedures

Overall Project/Program Risk Classification*

PIF	CEO Endorsement/Approval	MTR	TE
Low	Medium/Moderate		

Measures to address identified risks and impacts

Elaborate on the types and risk classifications/ratings of any identified environmental and social risks and impacts (considering the GEF ESS Minimum Standards) and any measures undertaken as well as planned management measures to address these risks during implementation.

The Environmental and Social Management System (ESMS) is to provide a systematic approach to managing environmental and social risks and impacts. It is designed to incorporate the management of environmental and social risks and impacts into the business processes and procedures of UNEP / SPREP as the responsible Implementing Agency and Executing Agency for the Pacific I2I project, respectively, and of ADB as the co-Implementing Agency for Component 2 of the project and the implementation of national SBE pilot projects in Marshall Islands, Tonga, and Tuvalu.

The ESMP (Appendix 8) details the (i) environmental and social sustainability policies and standards; (ii) institutional arrangements; (iii) operational processes and procedures across the SPREP project cycle; (iv) accountabilities, responsibilities, and grievance mechanisms; and (v) monitoring and reporting processes. Annex 3 of Appendix 8 includes an initial ESS screening undertaken by SPREP for the Cook Islands SBE Pilot Project.

ADB responsibility and involvement in project implementation is for three in-country sub projects under Component 2 (i.e., national SBE pilot projects in Marshall Islands, Tonga, and Tuvalu), and to which ADB?s ESMS details and policies are applied. Environmental and social safeguards are a cornerstone of ADB's support to inclusive economic growth and environmentally sustainable growth. Accordingly, ADB's safeguard policy[1] aims not only to ensure safeguards associated with ADB projects, but also to help developing member countries (DMCs) address environmental and social risks in general in development projects and minimize and mitigate, if not avoid, adverse project impacts on people and the environment. The Safeguard Policy Statement (2009, amended from time to time) covers environment, involuntary resettlement, and indigenous peoples in a consolidated policy framework. It applies to all ADB-financed projects, including ADB-administered co-financing. The statement also provides a platform for participation by affected people and other stakeholders in project design and implementation. ADB has completed a preliminary screening of the pilot project proposals in Marshall Islands, Tonga, and Tuvalu, which may be found in Annex 3 of Appendix 8.

The provisions of the ESMP are applicable to all project activities as UNEP / SPREP is the entity legally responsible for the overall regional project, irrespective of the type of project implementation in place or entities involved in its execution. As such, the ESMP encompasses the national SBE projects implemented by ADB and executed in Marshall Islands, Tonga, and Tuvalu under this Pacific I2I project. Hence, environmental and social safeguards management for the three sub-projects will be monitored and reported by ADB within the framework and scope of Interagency Coordinating

Committee. In addition to the ESMP requirements identified in Appendix 8, ADB has supplementary requirements, which are identified in Annex 4 of Appendix 8.

The ESMP requires that all projects be screened for their environmental and social impacts, that those impacts be identified, and that the proposed project be categorised according to its potential environmental and social risks.

The scope of the environmental and social assessment shall be commensurate with the scope and severity of potential risks. The assessment should assess all potential environmental and social risks and include a proposed risk management plan, or in this case an Environmental and Social Management Plan.

All projects supported by the UNEP / SPREP or ADB shall be designed and implemented, as a minimum, to meet SPREP?s Environmental and Social Standards (ESS). The ESS have been developed to meet the intent of internationally accepted performance standards while also addressing the specific issues as appropriate. The ESS include overarching Principles and project level Safeguards.?

Appendix 8 contains the full SPREP ESMS screening tool applied to the national SBE pilot projects as described in Table 2 of the Project CEO Endorsement Request and illustrated in the Theory of Change (Appendix 1 of the CEO Endorsement Request). A precautionary approach has been taken to the application of screening questions.

The screening table shows that there are several items which cannot yet be determined as the pilot activities to be implemented have yet to be finalized. The items marked as ?TBD? are areas where impacts could be realized during activity design and where ongoing screening is required to ensure that risks and impacts are avoided or minimized. The process for this is described in Section 3 of this ESMP.

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[1] https://www.adb.org/documents/safeguard-policy-statement

Supporting Documents

Upload available ESS supporting documents.

Title	Module	Submitted
SRIF for UNEP and ADB at CEO ER	**CEO Endorsement ESS**	
Appendix 8b ESM Plan	**CEO Endorsement ESS**	

Title	Module	Submitted
Appendix 8a DRAFT SRIF for UNEP and ADB	**CEO Endorsement ESS**	
04 - Pacific I2I Regional Project - UNEP SRIF - signed by Yunae	**Project PIF ESS**	

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
To strengthen the capacity to preserve and safeguard the health of ocean ecosystems in Pacific Island countries by catalysing the development and growth of sustainable blue economies (SBE).	All PICs have a wide range of reasonably up to date strategies, plans, laws, and regulations covering governance and management of marine and coastal resources and related ecosystems, but most of these documents have been assisted by external parties and have rarely examined the national capacity to effectively implement and finance these measures. The combination of high costs, external reliance, and restricted national capacities means that generating the necessary seed funding to change the development paradigm towards a sustainable blue economy	GEF Core indicator 5: Area of marine habitat under improved practices to benefit biodiversity.	704,860 hectares (Marae Moana marine park, Cook Islands, and Tuvalu and Tonga coastal areas).	Documentation recognising the needs and benefits of SBE development and growth pathways (e.g., regional and country baseline assessments, technical and financial proposals, SBE business plans, decisions/ agreements, recommendations, meeting minutes). M&E reports (quarterly, annual) Mid-term and final evaluation reports Annual performance monitoring reports (year 3 to year 5 of project) of 6 national SBE pilot projects SBE pilot project case studies SBE pathways/ strategies and	Assumptions: The achievement of the project objective is contingent upon successful collaboration among project partners and key stakeholders, as well as the successful completion of SBE pilot projects as learning sites for regional and national coordinating bodies, local communities, resource managers, entrepreneurs, and investors, among others. Risks: Collaborative planning across regional, national, and local agencies/ coordinating bodies and non-government organizations in the Pacific Islands region is challenging and time-consuming. It will be important engage PICs, financial, and business leaders, private sector, and communities early in the process to ensure commitment and support to SBE objectives and approaches. Furthermore, good
		GEF Core indicator 6: Greenhouse gas emissions mitigated.	235,000 metric tons of CO_2e emissions mitigated via floating solar energy installations in Marshall Islands, Tonga, Tuvalu, producing at total 21MW of renewable energy (Outcome 2).		
		GEF Core indicator 7: No. of shared water ecosystems (fresh or marine) under new or improved cooperative management).	1 regionally defined ecosystem (Pacific Islands) with enhanced capacity and knowledge to improve cooperative development and growth of SBE (Outcomes 1 and 2).		
		GEF Core indictor 7.4: Level of engagement in IW: LEARN	On-line SBE regional		

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
	is severely constrained. The few domestic entrepreneurs who have embarked on SBE enterprises have often run into unexpected barriers, thus dissuading others from taking similar risks.	through participation and delivery of key products	knowledge platform and decision support system (compatible with IW: LEARN and other regional and national knowledge platform operations) contributing ensuring that all actors have access to project information, success templates (including at least 2 IW experience notes), and active participation of project staff and national representatives at IW conferences (Outcome 3).	implementation plans submitted to relevant organisations at the national and regional levels to engage with / upscale SBE development and growth.	communication, documentation, and well-prepared learning experiences and interactions with government and non-government stakeholders will build an essential core of regional SBE capacity and experience.
		GEF Core Indicator 11: Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment	The calculated number of direct beneficiaries disaggregated by gender is 80,666, 40,077 (49.7%) of whom are female. The calculation is based upon four factors, namely a) the number of direct beneficiaries in the four		

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
			pilot project countries with due consideration to pilot project location and scope; b) the number of beneficiaries in each country targeted for capacity building and learning events organized by the project (i.e., 100 participants per country); c) the percentage of females in each country; and d) the percentage of females in each country over the age of 15 and targeted for capacity building and learning events organized by the project. **Cook Islands**: Pilot project(10,900 - Rarotonga population; 49.8% female); Capacity building and learning events: (100; 47% female)). **Marshall Islands**: Pilot		

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
			project (500 ? population at pilot sites across Majuro and smaller islands; 50% female); Capacity building and learning events: (100; 50% female) **Tonga**: Pilot project (66,866 - Tongatapu (main island pilot site) population; 49.8% female); Capacity building and learning events: (100; 38% female). **Tuvalu**: Pilot project (1,000 - Nukufetau, Nukulaelae, Nui, and Vaitupu (outer island pilot sites) populations; 50.5% female)); Capacity building and learning events: (100; 47% female). **10 PICs**: Regional capacity building and learning		

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
			events: (1,000; 48% female)).		
Component 1: Enabling Environment for Sustainable Blue Economy					
Outcome 1	**Outcome Indicators**	**Baseline**	**Targets and monitoring milestones**	**Means of verification**	**Assumptions and Risks**
National and regional priorities, pathways, and financing mechanisms for SBE transformation incorporated into government planning and financing processes**.**	No. of Pacific Island Countries (PICs) incorporating sustainable blue economy (SBE) pathways and action plans, inclusive of gender specific components, into planning and budgetary instruments.	PICs have various policies and programs in place for sustainable development and management of ocean and coastal resources and ecosystem services. Technical and financial constraints to plan and implement the required investments to achieve the desired objectives and benefits have been identified during the project preparation process.	Midterm: National SBE baseline and capacity needs assessments completed in 14 Pacific SIDS, inclusive of gender baselines and gender analyses. End-of-Project: National SBE pathways and action plans, each with gender specific components, endorsed to 14 PIC governments for incorporation into planning and budgetary processes.	SBE baseline and capacity needs assessments reports National SBE pathways and action plans	Assumption: PICs are supportive of blue economy development and upscaling. Targeted PICs are also engaged in gender inclusive advocacy and capacity development activities to facilitate the advancement of national policies and programs. Risk: Collaborative planning across national and local governments and non-government organizations in 14 PICs is challenging and time-consuming. It will be important engage PIC leaders early in the process to ensure commitment and support.
Output 1	**Output indicators**	**Baseline**	**Targets and monitoring milestones**	**Means of verification**	**Assumptions and risks**
Output 1.1: Baseline assessment of blue economy priorities, opportunities,	No. of national SBE baseline assessments, inclusive of gender analyses.	There are no national SBE baselines and capacity needs assessment among the 14 PICs at present.	Mid-term: 14 national SBE baselines and capacity needs assessments, inclusive of gender analyses.	SBE baselines and capacity needs assessment reports Proceedings of national workshops and roundtables on the	Assumption: PICs recognize the importance of the ocean-based economy to economic development but also understand the

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
and challenges in 14 PICs.		Gender baseline and analysis undertaken as part of PPG phase (Appendix 11).		preparation and review of SBE baselines and capacity needs assessments	negative impacts that traditional business models have on ocean health and sustainability of natural assets. Agencies and organizations contributing to national SBE baseline assessments include women organizations and existing SBE enterprises led by women. Risk: There are limited data available on ocean-based industry, valuation of ecosystem services, and respective roles and challenges of men and women in ocean-based industries in some PICs. The use of proxy data may be necessary initially to prepare the first SBE baseline assessment.
Output 1.2: SBE transformation pathways, business models, and financing mechanisms supported by PICs, regional organizations, NGOs/CSOs, women's organizations,	Percentage of country focused SBE development pathways and action plans, incorporating gender inclusive attributes, endorsed to planning and economic development	There are no SBE development strategies and actions plans among the 14 PICs.	Mid-term: At least fifty percent (50%) of the 14 PICs have developed draft SBE development pathways and action plans with gender inclusive attributes. End-of-project: 100% of PICs have developed SBE development pathways and action plans with gender inclusive attributes and	Draft SBE development pathways and implementation plans. Proceedings of national workshops on development and endorsement of SBE pathways and action plans into national planning	Assumption: PICs are interested in innovative approaches and mechanisms for achieving a sustainable blue economy. Risk: There may be a reluctance among some governments and ocean-based sectors to ?change?

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
and other relevant stakeholders to accelerate investments in climate change mitigation/ adaptation, marine biodiversity protection and management, habitat restoration and management, and pollution reduction and management.	agencies among the PICs.		endorsed their incorporation into the respective national planning and budgetary processes. End of Project: A regional SBE pathway and action plan with gender inclusive attributes is endorsed by regional organizations (e.g., CROP) for integration into regional sectoral policies, strategies, and implementation plans.	and budgetary processes. Proceedings of a regional workshop on the incorporation of SBE pathway and implementation plan into regional sectoral policies, strategies, and implementation plans.	existing business models. The project will need to work with governments, priority ocean-based sectors, NGOs/CSOs, and women?s organizations to map out the transition process (pathway) within the context of each country and the concerned sectors.
Output 1.3: SBE action plans and financing mechanisms incorporated into the planning and financing processes / cycles of sectoral agencies and programs in 14 PICs.	Percentage of countries with priority ocean-based sectors applying innovative policies and financial and economic instruments for SBE development and upscaling.	There is an inconsistent approach to overarching Oceans Policy among PICs, with about half having a specific and reasonably up to date Oceans Policy. All countries have energy policies and targets for reductions in fossil fuel use. All countries have National Biodiversity Strategies and Action Plans, but most are outdated, lack sufficient coastal and marine data, and rely heavily on traditional community-based locally managed marine areas rather than adequately funded and resourced biodiversity management that could generate increased national	End of project: Priority ocean-based enterprises (e.g., renewable energy, coastal fisheries, sustainable aquaculture, eco-tourism, maritime e-vessels, marine resource protection and conservation) engaged in SBE development and upscaling in 50% of targeted countries.	PIR Project reports/ case studies inclusive of women participation in SBE innovations in the ocean sector Mid-term evaluation Terminal evaluation	Assumption: Governments and ocean-based sectors of the economy are willing to adopt SBE approaches and business models to build-back-better in a post-COVID 19 recovery period. Risk: Financial recovery takes precedence over a sustainable blue economy approach. Engagement of key sectors early and throughout the project is critical.

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
		income from tourism and other non-extractive ocean industries. National maritime transport policies are mostly outdated, with few countries opting for low carbon transport and/or alternative fuels.			
Component 2: Sustainable Blue Economy Investments					
Outcome 2	**Outcome indicators**	**Baseline**	**Targets and monitoring milestones**	**Means of verification**	**Assumptions and risks**
Four national sustainable blue economy pilot projects developed and implemented, providing success templates and on-the-ground learning centres for bolstering the protection of healthy ocean ecosystems, strengthening the resiliency of Pacific communities, and improving local / national economies..	No. of SBE pilot projects successfully developed and implemented demonstrating innovative policies, partnership arrangements, technologies, financing mechanisms, gender inclusive advancements, and success templates for upscaling among PICs.	There are several ongoing national, bilateral, and multilateral projects in the region that are targeting priority concerns such as climate change adaptation and mitigation, MSP development, renewable energy installations, sustainable fisheries, pollution reduction and waste management, etc. ADB has several associated regional baseline projects and investments in the Pacific Island Region, encompassing coastal and marine management, climate change adaptation,	Mid-term: Templates and guidance documents for planning, developing, and financing SBE projects prepared. End-of-project: Four (4) SBE pilot projects implemented successfully in Cook Islands, Marshall Islands, Tonga, and Tuvalu.	Templates and guidance documents disseminated and applied in pilot project planning and development. M&E reporting; knowledge products including case studies and best practices.	Assumption: There is interest and support among PICs, communities, and SMEs to be involved in the development and implementation of on-the-ground SBE pilot projects. Risk: Lack of financing to plan, implement, and sustain SBE investments. The project will provide support to develop and implement business plans, conduct market analyses, develop capacities, and engage incubation/ acceleration services for SBE

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
		renewable energy, urban development, and environmental infrastructure. UNEP and the ADB are also partnering to support the integration of poverty- environment into national planning, budgeting, and blue economy processes.			pilot projects to ameliorate the risk.

Output 2	Output indicators	Baseline	Targets and monitoring milestones	Means of verification	Assumptions and risks
Output 2.1: Comprehensive feasibility studies prepared covering technical, management, operating, and financing options for SBE pilot projects in [Cook Islands, Marshall Islands,, Tonga, and Tuvalu targeting GHG emission mitigation (235,000 metric tons of CO_2e and improved management of marine habitats (200 million ha).	No. of SBE pilot project feasibility studies completed and approved for implementation with the engagement of governments, private sector, NGOs/CSOs, women?s organizations, and communities.	Four SBE innovation proposals were developed with PICs during the PPG phase. The SBE proposals will undergo comprehensive feasibility studies and multi-stakeholder consultation and validation processes in the four host countries.	Mid-term: 4 SBE pilot projects approved for implementation.	SBE pilot project feasibility reports PIRs	Assumption: The SBE project proposals are supported by the host governments and stakeholders in the private sector, communities, and civil society, viable, and in line with the principles and objectives of SBE investments. Risk: The feasibility studies could identify additional challenges and barriers to the proposed pilot projects than were identified in the preparation phase. This could delay the start-up of the pilot projects. The project will engage international professionals in each of the countries to assist proponents complete the project planning and start-

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
					up process efficiently and effectively.
Output 2.2: Four SBE pilot projects set up and implemented in partnership with key partners from government and non-government sectors, , including local communities and women?s organizations.	No. of innovative SBE financing and partnership arrangements, inclusive of women-targeted access and engagement. Area of marine habitat under improved practices (hectares) GHG emissions mitigated (tons of CO_2e) Direct beneficiaries disaggregated by gender	Five (5) PICs have legislation and policies for the development and strengthening of SMEs and PPPs. However, there are few examples of these approaches being successfully put into operation.	Mid-term: 4 financing and partnership agreements, inclusive of women-targeted access and engagement, signed between government, private sector, communities, and investors for the implementation of the pilots. End-of-project: Cook Islands: Conservation fund and sustainable financing mechanisms for MSP/SBE. Upscaling in Marae Moana Marine Park (673,460 ha.) Marshall Islands: Piloting and roll-out on remote islands of floating renewable energy technologies that fully operationalise the sustainable blue economy, in-part based on the strategic and productive end uses of energy infrastructure (10,000 ha; 100,000 tons CO_2e avoided emissions). Tonga: Innovative development of the energy sector, notably of innovative business models and floating photovoltaic technology, driving transition to sustainable blue economy and	Signed agreements. Incubation service supporting PICs with the development and promotion of SBE investment projects.	Assumption: Commercially viable SBE projects are attractive to investors and the private sector (formal and informal) in PICs. Risk: Limited technical and legal experience in developing innovative financing mechanisms and corporate structures could result in resistance to the idea. The project will undertake a thorough review of legal requirements and gaps and provide technical and legal support to governments and project proponents.

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
			implementation of the Ocean Plan in Tonga. (20,000 ha; 135,000 metric tons of CO_2e). Tuvalu: Piloting and roll-out of technologies that fully operationalise the sustainable blue economy, in-part based on the strategic and productive end uses of energy infrastructure (1,400 ha of the outer island lagoons and coastal areas).		
Output 2.3 SBE pilot projects? success templates and on-the-ground learning experiences packaged and shared with public and private sector stakeholders (through Components 1 and 3).	No. of people, disaggregated by gender, directly benefiting from planning, developing, and implementing SBE pilot projects. No. of knowledge products from pilot projects a packaged and shared.	Lack of capacity at the national and local levels in planning, implementing, and managing projects.	Mid-term: 400 people (49.7% of whom are female) receive training in SBE development and implementation. End of Project: 80,666 people (49.7% of whom are female) benefiting from the management and implementation of SBE pilot projects in 4 countries. End of project: 4 success templates covering keys aspects of SBE development and implementation. 4 SBE pilot sites serving as learning and experience sharing centres for upscaling SBE across 14 Pacific Island nations through learning visits/hands-on training. 4 case studies on women?s participation, engagement, impacts on	M&E reporting systems integrated into the second round of SBE investment projects.	Assumption: M&E is seen by PICs an essential aspect of SBE pilot projects to determine benefits and impacts and the potential for upscaling. Risk: M&E may be viewed as an unnecessary and time-consuming activity by governments and project proponents. The project will integrate the M&E process into the daily operation of pilot plants to educate and reinforce the value of M&E in effective management and operation of an enterprise and for reviewing and refining SBE programs.

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
			and benefits from SBE pilots.		
Component 3: Upscaling SBE Development and Growth through Implementation of a Regional Knowledge Platform and Decision Support System.					
Outcome 3	**Outcome indicators**	**Baseline**	**Targets and monitoring milestones**	**Means of verification**	**Assumptions and risks**
Sustainable blue economy capacities enabled for SBE upscaling among governments, communities, NGOs/CSOs, women?s organizations, and the private sector.	No. of direct beneficiaries from regional SBE training and experience sharing initiatives of the project, disaggregated by gender. No. of SBE projects replicated and/or upscaled among targeted PICs using SBE knowledge products, decision support systems.	There is no baseline at present. However, the SBE pilot projects undertaken during the Pacific I2I project will provide PICs with knowledge and experience on the planning, development, and implementation of the second round of SBE investment projects.	Mid-term: 350 (41% of whom are female over the age of 15.) End of project: 1,400 (41% of whom are female over the age of 15.) End-of-project: At least 4 new SBE projects developed and initiated as viable SBE investment projects, 50% of which are women-led.	SBE investment proposals prepared and promoted.	Assumption: The successful implementation of SBE pilot projects will encourage governments and the private sector to replicate and upscale SBE investments and respond to the second-round call. Risk: There is limited awareness and interest in upscaling SBE investments. The project will promote and engage government and non-government interests in awareness building and a learning-by-doing process for SBE investments. This approach is designed to build confidence among concerned sectors and encourage upscaling of SBE approaches beyond the life of the project.
Output 3	**Output indicators**	**Baseline**	**Targets and monitoring milestones**	**Means of verification**	**Assumptions and risks**

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
Output 3.1: Knowledge Management and Communication Strategy developed and executed, raising awareness, and transferring core skills and enabling conditions to Pacific I2I project stakeholders, inclusive of governments, communities, women?s organizations, and the private sector.	Percentage of government and non-government personnel, disaggregated by gender, demonstrating / utilizing acquired new or enhanced skills in policy, program, and project planning and development for SBE upscaling.	There is no experience in SBE development and implementation in the region.	Mid-term: KMAC plan operationalized, with project web site, monthly press releases, etc. End-of-project: At least 50% of participants (41% of whom are women), directly benefiting from skills and experiences transferred during the project?s training and experience sharing activities and events.	Impact surveys conducted by the project 3 months after training workshops and knowledge sharing experiences.	Assumption: There is a high level of interest among government and non-government agencies and organizations to learn about SBE development and upscaling. Risk: Individuals attending training sessions do not have the opportunity to apply their new skills. The project will pay close attention to nominees/applicants for training and other capacity building activities to confirm future usage of new skills.
Output 3.2: Upscaling of at least four second round national SBE pilot projects through application of regional knowledge sharing, capacity building, and a professional decision support system.	No. of SBE projects replicated and/or upscaled among the 14 PICs using SBE gender inclusive knowledge products and decision support system.	There are several databases and knowledge management platforms available in the region. The project will review and assess available platforms and determine opportunities and benefits of integrating the SBE knowledge management/decision support system into available platforms.	Mid-term: Regional knowledge platform and DSS developed and field-tested in 14 PICs for accessibility, usability, and performance among men and women users. End-of-project: At least 4 new SBE projects developed and initiated as viable SBE investment projects, 50 % of which are women-led.	Regional SBE knowledge platform tested in PICs. , Monitoring report on the use of the regional SBE knowledge and decision-support system by PICs and other stakeholders in the development of SBE investment projects.	Assumption: PICs require continuing access to materials and professional support services beyond the life of the project when planning and developing SBE investments. Risk: The SBE knowledge platform will not be seen as a useful service by PICs. To avoid this situation, the project will initiate a second round of SBE investments, using the platform as the main source of information and professional support. This will help PICs and other

Project Objective	Baseline	Indicators	Key Project Targets	Sources of verification	Assumptions and Risks
					stakeholders familiarize themselves with the platform and its usage.
Output3.3: Knowledge sharing with regional and international organizations and their relevant programs and projects, including IWLEARN.	No. of men and women participating in knowledge exchanges with other SIDS and LDCs on the experiences and lessons learned from the Pacific I2I project.	PICs are actively engaged in several international fora focusing on climate change, biodiversity conservation, SDGs, SIDS, etc. This project will provide PICs with valuable information and experience that can be shared during such events.	End-of-project: Representatives from the project team and PICs, 50% of whom are women, participate in 2 international events to share information with other SIDS and LDCs. Four case studies prepared on SBE investment projects and upscaling transferred to IWLEARN network. Four case studies on women?s participation, engagement, impacts, and benefits on SBE investment projects and upscaling transferred to IWLEARN network.	Presentations by PICs to international fora. Eight case studies, 2 IW experience notes	Assumption: PICs value the opportunity to present information on experiences and progress toward SBE in the Pacific Island region.

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Comments	Agency Response
GEF SECRETARIAT:	

Comments	Agency Response
1. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized? Secretariat Comment at PIF/Work Program Inclusion ? 2nd of April 2021 (cseverin): Yes, however it is noted that the investment mobilized is high considering this investment is in the Pacific SIDS. ? 27th of April 2021 (cseverin): No, most of the co-financing originates from different donor-funded activities, and this should be properly reflected in table C (from: donor Agency, and the name of the donor). ? 29th of April 2021: Addressed satisfactorily at this time. Further, it is impossible to decipher which funding agency is behind all the national co-financing at this time. Therefore, please make sure to have this further detailed at the time of CEO Endorsement.	Agency Response: 15 April 2021 Based on a calculator spreadsheet sent to all PICs, the recurring expenditures and investments mobilised have been mapped out and recorded accordingly in the PIF. 28 April 2021 SPREP has been added as a donor instead of others. However, please note that the various programmes listed against government in-kind investment mobilised co-financing (as described below Table C) represent co-financing raised by the countries hence considered as country's co-financing per se. Also note, that while a couple of names might be reflected against those programmes and activities, none of those donors indirectly cited have given their consent to be listed as co- financier per se. Indeed, this in-kind mobilized investment will come through governments and is managed directly by them. The current listed in-kind government mobilized investments will be reviewed during PPG for confirmation by CEO endorsement. 29th April 2021 Done Confirmed in December 2023.

Comments	Agency Response
2. Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement? Secretariat Comment at PIF/Work Program Inclusion 5th of April 2021 (cseverin): Partly, please include confirmation that at the time of CEO endorsement there will be much more detail provided on national and regional stakeholder groups and engagement strategies and protocols will be provided. 21st of April 2021 (cseverin): The stakeholder engagement has been limited for this project due to the current COVID pandemic. Please include more elaborate information on the process that is planned, including mentioning core stakeholder groups that is to be engaged with regionally. 26th of April 2021 (cseverin): Addressed, but it is noted that considerable work remains during PPG (as it has not been possible to undertake due to the COVID pandemic) and that this will lead to a full gender analysis and engagement plan.	Full details of stakeholder involvement in the development of the Project are provided in Section II.2, including a table (Table 4) of stakeholders consulted, and Appendix 9, Stakeholder Analysis and Engagement Plan.
GEF Council	

Comments	Agency Response
1. Germany Germany welcomes this proposal, which aims to preserve and safeguard the health of ocean ecosystems while catalyzing the development and growth of sustainable blue economies (SBE) in Pacific Island Countries. Suggestions for improvements to be made during the drafting of the final project proposal: The participatory consultative process for this 5-year project should name regional organisations as well as national and local stakeholder groups (e.g. women?s and small scale fisher organisations). This is specifically important for the component 2 pilot activities that must be secured from other than the GEF-project funds. The ?taxonomy? list at the beginning of the PIF document could be restructured according to relevance for the project. As of now, gender is listed prominently, which is not mirrored in the proposal.	All relevant information can be found in Appendix 9a and 9b. The gender approach, based on comprehensive assessment, and in line with full policies of GEF, UNEP, ADB and SPREP, is set out in section II.3, and detailed in Appendix 11.

Comments	Agency Response
2. Norway/Denmark	
As the evaluation also notes, it would be beneficial to ensure some south-south (or SIDS:SIDS) learning between this project and the other GEF project in the Caribbean, as SIDS share some key characteristics in relation to the ocean.	Output 3.3 specifically refers to the important linkage with the Caribbean region, as follows: ?The project will connect the platform to the IW Learn platform to: a) share lessons learned and case studies, and b) promote SBE policy development and project planning and implementation, among SIDs and LDCs that are conducting similar GEF projects. A primary example is south-south (or SIDS:SIDS) learning between this project and two GEF projects in the Caribbean (i.e., Protecting and Restoring the Ocean?s natural Capital, building Resilience and supporting region-wide Investments for sustainable Blue socio-Economic development (PROCARIBE+); and the Caribbean BluEFin (Caribbean Blue Economy Financing Project).?
The National Blue Economy Frameworks and Implementation Plans in component 1 sounds fairly similar to the Blue Economy Development Frameworks that the World Bank has piloted through the PROFISH multi-donor trust fund, of which one was in Kiribati, so it would be good to ensure there is no duplication of work in this particular country at least.	Under Activity 1.1.1, the following statement has been incorporated into the planning and preparation of the National Blue Economy Framework and Road Map: ?The project team will also gather input from the World Bank Blue Economy Development Frameworks that were piloted through the PROFISH multi-donor trust fund, of which Kiribati was one of the pilot countries, to avoid duplication of work.?
The section on coordination is not very extensive, and more partners/initiatives should be identified/mapped when the project commences implementation, considering there is a lot going on in the ocean space in this region. The World Bank has for instance a large regional Pacific Ocean advisory program with 10 pacific islands, covering several aspects of the blue economy (particular focus on fisheries, tourism, green shipping/connectivity, biodiversity conservation, etc.). Coordination with this initiative would be beneficial for both.	Appendix 6, Regional and National Projects Contributing to SBE Transformation over the Next 5 Years has been developed during the course of project preparation. Two World Bank projects have been identified for coordination with the Pacific I2I project, namely: 1) Forum Fisheries Agency: Pacific Islands Regional Oceanscape Program - Second Phase for Economic Resilience; 2) Pacific Resilience Project II under the Pacific Resilience Program.

Comments	Agency Response
3. United Sates The proposal focuses on putting plans and strategies in place, yet does not seem to address maritime security and enforcement, including on environmental safeguards. We recommend the implementors develop ways to minimize this risk and make it more clear how the proposal meets the GEF minimum environmental and social safeguard policy. The proposal is insufficiently clear regarding how additional consultations will be undertaken with local communities, CSOs, the private sector, academia, and other organizations given current travel restrictions and the on-going impact of COVID-19. These engagements are critical for project success.	Full details of risk management and approach to safeguards has been provided. These are fully in line with of GEF, UNEP and ADB (respectively) policies and procedures. See notably Sections II.5 and II.11 and Appendices 8 and 12. Output 2.2 (Four SBE pilot projects set up and implemented in partnership with key partners from government and non-government sectors, including local communities and women?s organizations) provides further information on the consultation process as follows: ?SBE pilot project development, financing, negotiation, and implementation activities will be undertaken in close collaboration with, and endorsement by, national and local governments, local communities, CSOs, private sector, academia, women?s organizations, and other concerned entities. Consultations will occur at each stage of the pilot project development process, including consideration of gender balance and other stakeholder inclusion priorities: 1) identification of potential SBE activities and/or technologies that can lead to a combination of: (i) improved marine ecosystems, (ii) improved lives, and (iii) improvements in economic and social conditions including access to energy, transport, and support for increased economic activity. 2) identification of potential business models for SBE investments. 3) preparation of a comprehensive feasibility study of potential SBE activities and technologies and business models. 4) selection of priority SBE technologies. 5) establish partner commitments (national and local governments, communities, financial institutions, investors, private sector, CSOs, women?s organizations, etc.). This includes preparing and agreeing on the structural and financial package and investors, including due diligence. 6) secure financing from partners and investors. 7) prepare full detailed design of project and initiate project. 8) implement the project, which is designed to be economically viable, positive for the ocean environment, and contributing to local community resilience and livelihoods.

Comments	Agency Response
	9) support capacity building of public and private sectors, communities, women?s organizations, etc. to be able to make suitable use of identified opportunities.
STAP	
Very good articulation of risk mitigation measures. Appropriately high attention to climate change risks. In subsequent design steps, it would be appropriate to further detail climate adaptation aspects of the project design, given the vulnerability of SIDS to climate impacts.	The climate change risks have been further elaborated in the project description (Section II.1). The project approach to managing and adapting to climate risks, and climate change, are elaborated in Section II.5 and Appendix 12.
What activities will be implemented to increase the project?s resilience to climate change? Not specified (implied that SBE projects will increase climate resilience)	Each national sub-project will be submitted to a climate risk assessment, in line with standard procedures of UNEP/SPREP and ADB. This assessment, in addition to assessing risks, will set out the risk mitigation measures to be taken.
Have all the key relevant stakeholders been identified to cover the complexity of the problem, and project implementation barriers? Stakeholder section is very preliminary due to limited consultations resulting from COVID 19 restrictions. However, indicative stakeholder categories are provided which include resource users, government/management, civil society, NGOs which will be further developed during PPG phase. Good breadth of industries noted under resource users category, beyond those typically engaged in IW projects.	Full details of stakeholder involvement in the development of the Project are provided in Section II.2, including a table (Tables 4 and 5) of stakeholders consulted. Section II.2 also sets out the approach to stakeholder participation. Full details of organizations involved at the various project phases are elaborated in Appendix 9a), stakeholder mapping and engagement.

Comments	Agency Response
What are the stakeholders? roles, and how will their combined roles contribute to robust project design, to achieving global environmental outcomes, and to lessons learned and knowledge? TBD during PPG phase	The (draft) stakeholder engagement plan (Appendix 9a) sets out the roles and responsibilities of each partner and stakeholder group, including cross-sectoral capacity development to improve communication, collaboration, and cooperation among the key sector/stakeholder groups with an interest in SBE governance and management to explore opportunities for shared planning. This builds on existing partnerships and networks both nationally and regionally, including the participation of: ? National Ministries, Agencies and Services ? Regional organizations ? Local governments ? CSOs ? Women?s organizations ? Private sector ? Academe ? Communities The individual and combined roles of these different groups require further analysis during the inception phase. This will enhance the list and confirm their respective roles in the different components of the project and their potential interests. During project preparation, the process for developing and implementing national SBE pilot projects was developed in consultation with stakeholders and part of Output 2. The 9-step process has been identified inOutput 2.2 (Four SBE pilot projects set up and implemented in partnership with key partners from government and non-government sectors, including local communities and women?s organizations). The 9 steps have been articulated in a previous response in this table (United Sates comments). Such a process will ensure that the individual and combined interests and concerns of the diverse groups are identified, discussed, and prioritized, thereby contributing to a robust pilot project design for achieving local, national, and global environmental outcomes.

Comments	Agency Response
Have gender differentiated risks and opportunities been identified, and were preliminary response measures described that would address these differences? Important recognition of extreme rates of domestic violence, and very low rates of women?s representation in government. Intention is that gender considerations will be mainstreamed into the project interventions. Project will include gender sensitive indicators.	The gender approach, based on comprehensive assessment, and in line with full policies of GEF, UNEP, ADB and SPREP, is set out in section II.3, and detailed in Appendix 11. This includes consideration of high violence rates, gender mainstreaming, collection of gender sensitive data, development of gender sensitive policies and plans, and measures to ensure that stakeholder participation fully integrates any gender issues. Gender sensitive indicators have been identified on Appendix 11, and incorporated into the Project Results Framework (Annex A)
Do gender considerations hinder full participation of an important stakeholder group (or groups)? If so, how will these obstacles be addressed? Yes. Approaches to be developed.	See above response.
Are the identified risks valid and comprehensive? Are the risks specifically for things outside the project?s control? Are there social and environmental risks which could affect the project? For climate risk, and climate resilience measures: Very good articulation of risk mitigation measures. Appropriately high attention to climate change risks. In subsequent design steps, it would be appropriate to further detail climate adaptation aspects of the project design, given the vulnerability of SIDS to climate impacts. Separate COVID-19 risk analysis is exemplary regarding details of adaptive management envisioned during implementation.	Full details of risk management and approach to safeguards has been provided. These are fully in line with of GEF, UNEP and ADB (respectively) policies and procedures. See notably Sections II.5 and II.11 and Appendices 8 and 12. The climate change risks have been further elaborated in the project description (Section II.1). The project approach to managing and adapting to climate risks, and climate change, are elaborated in Section II.5 and Appendix 12. Although significantly lower than at time of STAP review, the Covid-19 risk analysis is covered in II.5 and Appendix 8.

Comments	Agency Response
Are the project proponents tapping into relevant knowledge and learning generated by other projects, including GEF projects? Yes. However, it should be noted that there are 5 projects in the current work program that focus on Pacific SIDs. There is a vague reference in the baseline section to the ADB project in Tuvalu (#10788) that will develop a floating solar power plant. However, there is no reference to the BD,LD project in Niue (10769), the BD, LDCF project in Kiribati (10775), and the BD project in Cook Islands (10780). As many of these issues tend to be integrated ? particularly in small islands ? it will be important and beneficial to coordinate the execution of these 3 national projects with this regional umbrella program.	Appendix 6 identifies a number of SBE related projects in the region. Section 6. Institutional Arrangement and Coordination, highlights projects at the regional and national levels that the Pacific I2I will collaborate with for the development and implementation of Components 1, 2, and 3.
Have specific lessons learned from previous projects been cited? Clearly builds upon prior efforts. Additional attention to citing explicit lessons would strengthen the case.	Background information on the SBE pilot projects (Component 3) explicitly identifies lessons and recommendations from previous projects in the region that provided the background for the proposed subprojects.

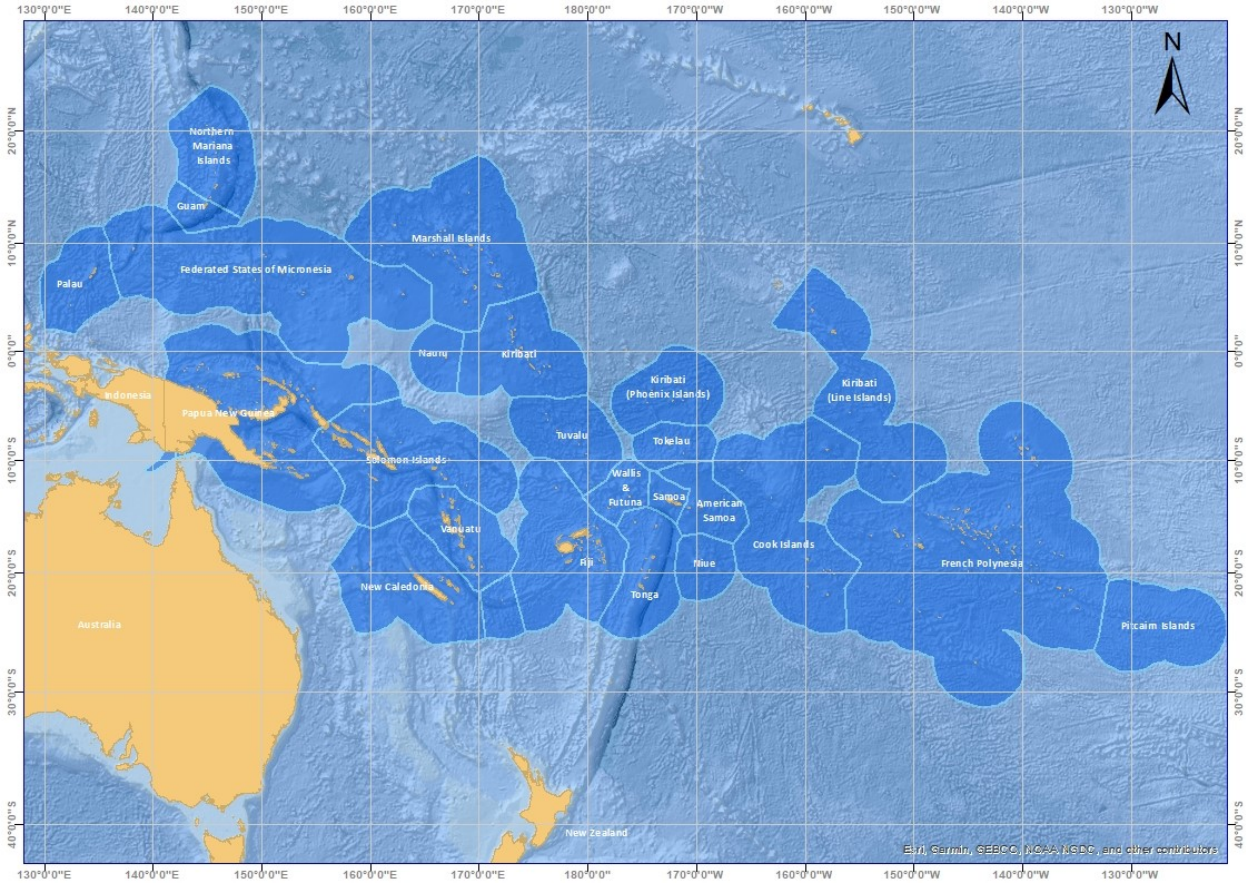
ANNEX C: Status of Utilization of Project Preparation Grant (PPG). (Provide detailed funding amount of the PPG activities financing status in the table below:

PPG Grant Approved at PIF: $300,000			
Project Preparation Activities Implemented	***GETF/LDCF/SCCF Amount ($)***		
	Budgeted Amount	***Amount Spent to date***	***Amount Committed***
Senior Project Development Specialist	48,431	30,322.09	18,108.91
Project Development and BE Technology and Business Specialist	120,000	120,000	
Environmental & Social Safeguards Specialist	21,050	21,050	
Gender and Social Inclusion Specialist	23,600	23,600	
Monitoring & Evaluation Specialist	42,750	42,750	

Subtotal	**255,831**	**237,722.09**	**18,108.91**
Uncommitted PPG Funds per IA			
ADB	20,569		
UNEP	23,600		
Subtotal	**44,169**		
Total Budget	**300,000**		

ANNEX D: Project Map(s) and Coordinates

Please attach the geographical location of the project area, if possible.



Cook Islands	-21.2367? S, -159.7777? W	Palau	7.5150? N, 134.5825? E

Federated States of Micronesia	7.4256? N, 150.5508? E	Papua New Guinea	-6.000000? S, 147.000000? E
Fiji	-17.7134? S, 178.0650? E	Samoa	-13.7590? S, -172.1046? W
Kiribati	1.421? N, 172.984? W	Solomon Islands	-9.6457? S, 160.1562? E
Marshall Islands	7.1315? N, 171.1845? E	Tonga	-21.1790? S, -175.1982? W
Nauru	-0.5228? S, 166.9315? E	Tuvalu	-7.1095? S, 177.6493? E
Niue	-19.0544? S, -169.8672? W	Vanuatu	-15.3767? S, 166.9592? E

The overall project area map with coordinates is included in the main text as Figure 2, Section 1.b.

Appendix 4 includes maps of the proposed SBE pilot project locations.

Appendix 15 includes maps of the 14 participating countries.

GEO LOCATION INFORMATION

The Location Name, Latitude and Longitude are required fields insofar as an Agency chooses to enter a project location under the set format. The Geo Name ID is required in instances where the location is not exact, such as in the case of a city, as opposed to the exact site of a physical infrastructure. These IDs are available on the GeoNames? geographical database containing millions of placenames and allowing to freely record new ones. The Location & Activity Description fields are optional. Project longitude and latitude must follow the Decimal Degrees WGS84 format and Agencies are encouraged to use at least four decimal points for greater accuracy. Users may add as many locations as appropriate. Web mapping applications such as OpenStreetMap or GeoNames use this format. Consider using a conversion tool as needed, such as:https://coordinates-converter.com Please see the Geocoding User Guide by clicking here.

Location Name	Latitude	Longitude	Geo Name ID	Location & Activity Description
Cook Islands	-21.2367	-159.7777	1,899,402	
Federated States of Micronesia	7.4256	150.5508	2,081,918	
Fiji	-17.7134	178.0650	2,205,218	
Kiribati	1.421	172.984	2,201,260	
Marshall Islands	7.1315	171.1845	2,080,205	
Nauru	-0.5228	166.9315	2,110,421	
Niue	-19.0544	-169.8672	4,036,284	
Palau	7.5150	134.5825	4,038,405	
Papua New Guinea	-6.000000	147.000000	2,088,628	
Samoa	-13.7590	-172.1046	4,034,894	
Solomon Islands	-9.6457	160.1562	2,106,073	
Tonga	-21.1790	-175.1982	4,032,400	
Tuvalu	-7.1095	177.6493	2,110,378	
Vanuatu	-15.3767	166.9592	2,134,648	

ANNEX E: Project Budget Table

Please attach a project budget table.

		BUDGET ALLOCATION BY PROJECT COMPONENT+M&E+PMC						ALLOCATION BY CALENDAR YEAR (Project Components + M&E+PMC)					
		C1	C2	C3	C4 (M&E)	PMC	Total	Year 1	Year 2	Year 3	Year 4	Year 5	T
BUDGET LINE/OBJECT OF EXPENDITURE		US$	US$	US$	US$		US$	US$	US$	US$	US$	US$	
10	**Staff & Personnel (Including Consultants)**												
	Professional Staff												
	Project Manager / Coordinator	222,317	349,029	251,469	0	105,716	**928,531**	188,768	184,015	183,996	183,995	187,757	92
	Communications & Web Officer	0	0	476,161	0	0	**476,161**	0	125,965	109,721	109,721	130,755	47
	Administrative & Financial Management Offic	0	0	0	0	387,707	**387,707**	77,541	77,542	77,542	77,540	77,542	38
	Consultants & Experts	684,454	416,270	1,058,358	0	0	**2,159,082**	467,095	318,134	541,093	503,009	329,751	2,1
		0	0	0	0	0	**0**	0	0	0	0	0	
	Other	0	0	0	0	0	**0**	0	0	0	0	0	
	Component Total	**906,771**	**765,299**	**1,785,989**	**0**	**493,423**	**3,951,482**	**733,405**	**705,657**	**912,352**	**874,265**	**725,805**	**3,9**
120	**Contract services**												
	Tonga	0	652,381	0	0	54,674	**707,055**	0	203,527	503,528	0	0	70
	Tuvalu	0	1,795,238	0	0	54,674	**1,849,912**	480,129	875,368	494,415	0	0	1,8
	Marshall Islands	0	652,381	0	0	54,673	**707,054**	0	203,527	503,527	0	0	70
	Cook Islands	0	1,395,982	0	0	0	**1,395,982**	0	701,149	694,833	0	0	1,3
	Pilot project upscaling (4 pilot sites)	0	0	2,791,978	0	0	**2,791,978**	0	0	1,402,301	1,389,677	0	2,7
	Design services, editing, translation, printing	180,025	58,519	213,188	0	0	**451,731**	23,688	123,321	162,598	94,750	47,375	45
	Data collection, processing and data manager	128,417	0	212,675	0	0	**341,092**	103,417	90,000	77,675	60,000	10,000	34
	Venue hire, catering	110,763	26,667	218,209	0	0	**355,639**	16,013	94,933	80,158	90,061	74,474	35
	Midterm and Terminal Evaluation	0	0	0	123,175	0	**123,175**	0	0	61,587	0	61,587	12
	Accounting audit	0	0	0	0	28,417	**28,417**	5,000	5,000	5,000	5,000	8,417	2
	Component Total	**419,204**	**4,581,168**	**3,436,050**	**123,175**	**192,438**	**8,752,035**	**628,247**	**2,296,825**	**3,985,623**	**1,639,488**	**201,853**	**8,7**
125	**Operating and other costs**												
	Freight	18,950	0	0	0	0	**18,950**	0	9,475	9,475	0	0	1
	In-country costs	0	0	0	0	0	**0**	0	0	0	0	0	
	Rental & Maintenance of Premises	0	0	0	0	0	**0**	0	0	0	0	0	
	Rental of Furniture & Equipment	0	0	0	0	0	**0**	0	0	0	0	0	
	Utilities	0	0	0	0	0	**0**	0	0	0	0	0	
	Other	0	0	0	0	0	**0**	0	0	0	0	0	
	Component Total	**18,950**	**0**	**0**	**0**	**0**	**18,950**	**0**	**9,475**	**9,475**	**0**	**0**	**1**
130	**Supplies, Commodities & Materials**												
	Operational Equipment Supplies	0	0	0	0	10,000	10,000	5,000	0	5,000	0	0	1
	Stationery & Office	0	0	0	0	18,425	18,425	9,425	0	9,000	0	0	1
	Data Center for hosting data during project	0	0	0	0	0	0	0	0	0	0	0	
	Component Total	**0**	**0**	**0**	**0**	**28,425**	**28,425**	**14,425**	**0**	**14,000**	**0**	**0**	**2**
135	**Equipment, Vehicles & Furniture**												
	Premises including improvements	0	0	0	0	0	**0**	0	0	0	0	0	
	Vehicles & Other Transport Equipment	0	0	0	0	0	**0**	0	0	0	0	0	
	Communications Equipment	0	0	0	0	0	**0**	0	0	0	0	0	
	Office Automation Equipment (Computers etc)	0	0	0	0	0	**0**	0	0	0	0	0	
	Office Furniture & Equipment	0	0	0	0	0	**0**	0	0	0	0	0	
	Other	0	0	0	0	0	**0**	0	0	0	0	0	
	Component Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
140	**Transfers & Grants to Implementing Partners**												
	Agreements	0	0	0	0	0	**0**	0	0	0	0	0	
	Component Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
145	**Grants Out**												
	Grants Out to End Beneficiaries	0	0	0	0	0	**0**	0	0	0	0	0	
	Grants Out - Fellowships	0	0	0	0	0	**0**	0	0	0	0	0	
	Component Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
150	**Implementing Partners Programme Support Costs**												
	Costs	0	0	0	0	0	**0**	0	0	0	0	0	
	Component Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
160	**Travel**												
	Staff Travel on Official Business	22,400	56,850	132,650	0	0	**211,900**	16,971	50,132	50,132	50,132	44,533	21
	Travel of Consultants & Experts	123,460	38,721	234,206	37,900	0	**434,287**	105,581	81,229	124,160	61,730	61,587	43
	Travel of Meeting Participants (Study tours, rou	211,983	112,986	506,240	47,375	0	**878,584**	145,761	330,909	168,903	162,785	70,227	87
	Component Total	357,843	208,557	873,096	85,275	0	1,524,771	268,312	462,270	343,195	274,647	176,347	1,5
170	**Trainings, Meetings, Workshops**												
	Meeting costs	175,000	125,000	424,348	0	0	**724,348**	129,999	198,688	180,579	128,688	86,395	72
	Component Total	**175,000**	**125,000**	**424,348**	**0**	**0**	**724,348**	**129,999**	**198,688**	**180,579**	**128,688**	**86,395**	**72**
	PROJECT TOTALS	**1,877,768**	**5,680,024**	**6,519,483**	**208,450**	**714,286**	**15,000,011**	**1,774,388**	**3,672,914**	**5,445,223**	**2,917,087**	**1,190,399**	**15,**

ANNEX F: (For NGI only) Termsheet

Instructions. Please submit an finalized termsheet in this section. The NGI Program Call for Proposals provided a template in Annex A of the Call for Proposals that can be used

by the Agency. Agencies can use their own termsheets but must add sections on Currency Risk, Co-financing Ratio and Financial Additionality as defined in the template provided in Annex A of the Call for proposals. Termsheets submitted at CEO endorsement stage should include final terms and conditions of the financing.

ANNEX G: (For NGI only) Reflows

Instructions. Please submit a reflows table as provided in Annex B of the NGI Program Call for Proposals and the Trustee excel sheet for reflows (as provided by the Secretariat or the Trustee) in the Document Section of the CEO endorsement. The Agencys is required to quantify any expected financial return/gains/interests earned on non-grant instruments that will be transferred to the GEF Trust Fund as noted in the Guidelines on the Project and Program Cycle Policy. Partner Agencies will be required to comply with the reflows procedures established in their respective Financial Procedures Agreement with the GEF Trustee. Agencies are welcomed to provide assumptions that explain expected financial reflow schedules.

ANNEX H: (For NGI only) Agency Capacity to generate reflows

Instructions. The GEF Agency submitting the CEO endorsement request is required to respond to any questions raised as part of the PIF review process that required clarifications on the Agency Capacity to manage reflows. This Annex seeks to demonstrate Agencies? capacity and eligibility to administer NGI resources as established in the Guidelines on the Project and Program Cycle Policy, GEF/C.52/Inf.06/Rev.01, June 9, 2017 (Annex 5).