

Scientific and Technical Advisory Panel

The Scientific and Technical Advisory Panel, administered by UNEP, advises the Global Environment Facility
(Version 5)

STAP Scientific and Technical screening of the Project Identification Form (PIF)

Date of screening: November 07, 2017
Screener: Virginia Gorsevski
Panel member validation by: Brian Child; Michael Anthony Stocking
Consultant(s):

I. PIF Information *(Copied from the PIF)*

FULL-SIZED PROJECT	GEF TRUST FUND
GEF PROJECT ID:	9668
PROJECT DURATION:	5
COUNTRIES:	Maldives
PROJECT TITLE:	Enhancing National Development through Environmentally Resilient Islands (ENDhERI)
GEF AGENCIES:	UNEP
OTHER EXECUTING PARTNERS:	Ministry of Environment and Energy (MEE)
GEF FOCAL AREA:	Biodiversity

II. STAP Advisory Response *(see table below for explanation)*

Based on this PIF screening, STAP's advisory response to the GEF Secretariat and GEF Agency(ies):
Major issues to be considered during project design

III. Further guidance from STAP

Overall

STAP welcomes this project proposal that seeks to enhance the national capacity to manage the important marine biodiversity in the Maldives through the introduction and mainstreaming of accounting methods that will more persuasively reveal the value of the coral reefs in their ecosystem services provided to various sectors of the national economy. STAP finds the PIF, as it currently stands, confusing, illogical and unfocussed, as well as lacking in scientific and technical evidence to support the proposed activities in meeting their objectives. At the heart of the Project Framework is the use of Natural Capital Accounting (see below). STAP suggests that the project be re-framed to lead on NCA methods and capacity-building, and to apply this as a pilot in Laamu Atol to assess the effectiveness of NCA as a means of leveraging reef protection. In other words, the project should lead with Components 2 and 3, undertake a pilot assessment in Component 1, and include the development of a convincing Knowledge Management System in order to provide the lessons and evidence-base for upscaling and replication.

1. Project Objective, Outcome, Outputs and Indicators. As currently worded the Objective appears to confuse two long-term outcomes for the project – (1) reef protection, resilience and recovery; (2) an enabling environment to upscale marine protection to a wider area - with means and methods to influence national policy. This overall objective is further confused by so-called Outcomes in the Project Framework that are primarily indicators of project impact, and Project Outputs that are a mix of more indicators and changes to national marine policy. STAP urges the project proponents to (1) simplify the Project Objective to a single clear statement on reef protection, resilience and recovery OR on piloting novel accounting and valuation methods, and (2) clarify and differentiate project activities, outputs and outcomes, along with proposed indicators for Outputs (project deliverables) and indicators for Outcomes (downstream measurable impacts of the delivery of project outputs). Furthermore, the text of the PIF appears to be dominated by testing and developing economic accounting and valuation of reef ecosystem services, which is rather different from the

emphasis of the Project Components. The current Project Framework is, therefore, confusing as to whether this project is (a) primarily about reef protection or (b) about developing valuation and accounting methods to feed into national policy on conservation. As it stands, the project will be difficult to implement in any logical integrated sequence, other than as a set of piecemeal activities.

2. Natural Capital Accounting (NCA). NCA is a new yet compelling tool towards determining the value of ecosystem services. It is not without its critics – see Sullivan, S (2014). The natural capital myth or will accounting save the world? Preliminary thoughts on nature, finance and values. LCSV Working Paper Series No.3, Leverhulme Centre for the Study of Value, Manchester UK <http://thestudyofvalue.org/wp-content/uploads/2013/11/WP3-Sullivan-2014-Natural-Capital-Myth.pdf> Incorporating NCA into national planning is, however, a GEF objective in order to build upon the Millennium Ecosystem Assessment, the main weakness of which was a lack of economic or financial calculations and hence an inability to examine important elements of conservation such as economic rationality and incentives. STAP supports careful but selective use of NCA, examining particularly assumptions and methods of accounting. This critical approach to NCA should be built into the project, rather than just a simple embracing of economic data that might give totally spurious results.
3. Theory of Change. The project lacks a ToC, without which development and uptake pathways are impossible to map or to predict. This, in turn, has a knock-on effect of disconnecting the Component 1, 2 and 3 specifications from the proposed activities under each component (see below). For advice on constructing a ToC, there are many templates for creating a logical project structure – see, for example, a recent guidance document from Conservation International (2013) on the steps needed to construct a ToC for ecosystem-based adaptation and biodiversity interventions at https://www.conservation.org/publications/Documents/CI_IKI-ToC-Guidance-Document.pdf
4. Activities to support delivery of GEBs and Project Components. The barrier analysis is compelling with a good understanding of the challenges to the marine ecosystems in the Maldives. It might logically be expected that the barrier analysis would lead to broad measures to overcome the problems and to specify convincing Project Components. However, as noted above the disconnect between project components and activities leading to project Outputs is stark and will be difficult to manage, let alone to evaluate.
5. Governance. In the absence of a theory of change it is unclear how the specific GEBs itemized will be realized beyond the designation of 100,000ha as a Marine Management Area (MMA). The PIF asserts that MMAs can be effective alternatives in the absence of well-managed Marine Protected Areas (MPAs). No evidence is provided to support this assertion which in principle would demand effective governance that is at present clearly lacking across 42 MPAs. Published experience of effective MMA performance (e.g. Samonte, G. et al. 2014 [full reference provided at the end]) indicates necessary enabling conditions of effective community governance and early economic incentives, both of which are long term endeavors, and represent considerable risk to the project's main goal of testing NCA at a strategic level. The key barrier is recognized as the "tragedy of the commons", complicated by unclear roles, responsibilities and capacities in cross-scale governance. Thus in STAP's view, the specific biodiversity targets identified in the PIF are not likely to be achieved unless the outcomes and outputs address governance.
6. Traditional knowledge. Component 2 seeks to address the barrier of lack of awareness of Maldivian dependence on Natural Capital. However, the justification for this component and focus on the 'people in Laamu and national population' lumps together two likely very different societal groups. On the one hand, the more traditionally minded communities will be well-aware of their dependence on the environmental services and potentially be fully capable of informing the more urban-based communities of their knowledge. On the other hand, the tourism development, government and commercial fishing sectors are more likely to require exposure to convincing evidence for Natural Capital Accounting. Why not explicitly empower and harvest traditional knowledge and build capacity to train trainers?
7. Incentivizing change through multi-stakeholder engagement. The PIF mentions empowering of community-based monitoring and reporting of biodiversity change, but there is no mention of accompanying incentives that relate to real world change. The final report of a previous project (2015 Final Report, Wetland Conservation and Coral Reef Monitoring for Adaptation to Climate Change, World Bank, P128278), noted that little positive management action was taken without: a) rigorous and repeated training for monitoring inadequate data; and, b) sufficient feedback to the private sector tourism sector. Clearly if citizen science does not connect effectively with the private sector to cooperate on management then little will have been achieved regarding the three principal sectors of development, tourism, and fisheries.
8. Stakeholders. The text of the PIF claims that a multi-stakeholder approach will be adopted, and the Stakeholder section (2, pp.17-18) lists what the project proponents say are the principal stakeholders.

Stakeholder analysis needs to be a key part of a complex project such as is proposed, with an emphasis on indigenous people and users of the resources (that currently feature in the Stakeholder list as the last of 12 'stakeholder' groups). The approach appears to be top-down, with local people, the ultimate guardians of marine biodiversity in most instances, relegated to part of one complex stakeholder group. STAP strongly urges that the project embraces a more rigorous approach to stakeholder analysis, identifying the power relationships between stakeholders as well as key beneficiaries. Stakeholder analysis templates are freely available – for advice see Reed M.S. et al (2009) Who's in and why? A typology of stakeholder analysis methods for natural resource management. *Journal of Environmental Management*, Volume 90, Issue 5, April 2009, Pages 1933-1949.

9. Social Network Analysis. STAP also suggests that Stakeholder Analysis be supplemented in complex projects such as this with Social Network Analysis – see <https://www.ecologyandsociety.org/vol11/iss2/resp2/main.html> SNA should help to structure and inform a KM system that would assist with upscaling and replication of project outputs.

Reference:

Samonte, G. et al. 2014. Governance is critical to managing coastal and marine resources: Effects of marine management areas. In: *Handbook on the economics of ecosystem services and biodiversity*. Eds. Nunes, Pald, Kumar, P. and Dedeurwaerdere, T. Edward Elgar Publishing.

<i>STAP advisory response</i>	<i>Brief explanation of advisory response and action proposed</i>
1. Concur	In cases where STAP is satisfied with the scientific and technical quality of the proposal, a simple “Concur” response will be provided; the STAP may flag specific issues that should be pursued rigorously as the proposal is developed into a full project document. At any time during the development of the project, the proponent is invited to approach STAP to consult on the design prior to submission for CEO endorsement.
2. Minor issues to be considered during project design	<p>STAP has identified specific scientific /technical suggestions or opportunities that should be discussed with the project proponent as early as possible during development of the project brief. The proponent may wish to:</p> <p>(i) Open a dialogue with STAP regarding the technical and/or scientific issues raised. (ii) Set a review point at an early stage during project development, and possibly agreeing to terms of reference for an independent expert to be appointed to conduct this review.</p> <p>The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.</p>
3. Major issues to be considered during project design	<p>STAP proposes significant improvements or has concerns on the grounds of specified major scientific/technical methodological issues, barriers, or omissions in the project concept. If STAP provides this advisory response, a full explanation would also be provided. The proponent is strongly encouraged to:</p> <p>(i) Open a dialogue with STAP regarding the technical and/or scientific issues raised; (ii) Set a review point at an early stage during project development including an independent expert as required.</p> <p>The GEF Secretariat may, based on this screening outcome, delay the proposal and refer the proposal back to the proponents with STAP’s concerns.</p> <p>The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.</p>