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REPORT OF THE PORTFOLIO MONITORING MISSION IN JAMAICA

I. Background

1. This report presents a discussion on the monitoring mission undertaken by representatives of the secretariat to the direct access programme financed by the Adaptation Fund (the Fund) and implemented by the Planning Institute of Jamaica (PIOJ). The purpose of the mission was to continue collecting lessons learned from the direct access experience; learn how the programme has been integrated within the national adaptation planning process; have a better understanding of the steps taken to engage with and involve the private sector in the programme activities in the Negril area and in the agricultural sector; and to collect information on the management of environmental and social risks at the national, institutional and programme level. The gathered information was used to synthesize lessons learned on these different topics. The methodology used for the monitoring mission comprised qualitative semi-structured interviews with key stakeholders from communities, local government, non-government entities, academia, ministries and the PIOJ, as well as visits to programme sites. The set of guiding questions prepared for this mission are provided in Annex I.

II. Objectives of the Mission

2. The portfolio monitoring mission was included in the secretariat's work plan for FY14 which was approved by the Board at its twentieth meeting (Decision B.20/14). The selected programme, titled "Enhancing the Resilience of the Agricultural Sector and Coastal Areas to Protect Livelihoods and Improve Food Security", was the second direct access programme funded by the Board, and is currently implemented by the Planning Institute of Jamaica (PIOJ) which is the National Implementing Entity (NIE) for Jamaica. A map of the country including the project locations is provided in Figure 1 below.

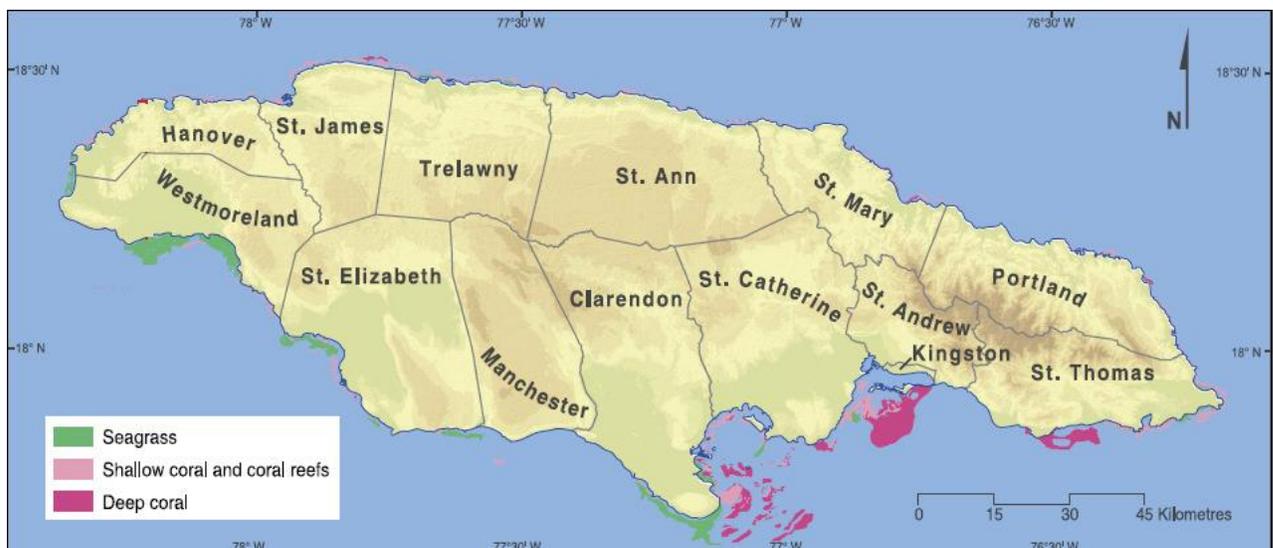


Figure 1 – Map of Jamaica showing 14 parishes (Source: UNEP, 2010)

3. This mission has targeted this programme for a number of reasons including:
- a) It will help consolidate lessons on the direct access experience;

- b) It will enable explore how the programme fits within the national level programmatic approach to adaptation initiated by the government of Jamaica through its Strategic Programme for Climate Resilience which identified priority investment activities to be funded by multiple donors;
- c) It may allow drawing lessons from the involvement of the private sector in adaptation actions, as one of the programme intervention sites is the location of very important economic activities;
- d) An Environmental Impact Assessment (EIA) process is currently under way, related to the establishment of breakwater structures in one of the programme areas, and the implementation of the EIA could provide insights to other NIEs on how to internalize the Environmental and Social Policy of the Fund.

4. Based on the four aspects mentioned above, four objectives of the mission were established:

Objective 1: to collect lessons learned from the direct access experience, at different levels:

- At the institutional level, on the role of direct access in catalyzing transformational change, i.e. in terms of internal procedures, institutional structure, visibility etc.
- At the stakeholder level (partner CSOs, communities, private sector), on the impact of direct access in enhancing the level of involvement, awareness, and ownership of climate change adaptation and risk reduction processes, and the impact of direct access on the adaptive capacity of these stakeholders;
- At the government level, on the impact of direct access on the level of ownership and opportunities for developing scaling up strategies, particularly in the context of the programmatic approach to adaptation taken by the government of Jamaica.

Objective 2: to learn how the programme has been integrated within the national adaptation planning process:

- How the programme design has taken national level adaptation planning into account at the programme design stage and during implementation;
- How coordination of the programme with other different interventions has been arranged, with a particular focus on the Strategic Programme for Climate Resilience (SPCR).

Objective 3: to have a better understanding of the steps taken to engage with and involve the private sector in the programme activities in the Negril area and in the agricultural sector, including through:

- An overview of the level of involvement of those stakeholders in the identification of the programme activities and related adaptation options;
- Assessing capacity building efforts towards the private sector for their increased understanding of climate risks and adaptation solutions to address those risks, including making the business case on the cost effectiveness of immediately addressing climate risks;
- Assessing existing or planned strategies to reach out to the private sector;

- Assessing the level of awareness of those stakeholders of the programme activities.

Objective 4: to collect information on the management of environmental and social risks at the national, institutional and programme level, particularly:

- An overview of existing national environmental and social regulations that are relevant to the programme and an assessment of how the programme is complying with them;
- Following the Environmental Impact Assessment process under way for the breakwater works in the Negril area, assessing the potential challenges and mitigation options to be dealt with by the implementing entity;
- The level of readiness (and related capacity building needs) of PIOJ to effectively implement the Environmental and Social Policy of the Fund.

III. Methodology

5. The mission was undertaken by the Adaptation Fund Board secretariat, represented by Mr. Mikko Ollikainen and Mr. Daouda Ndiaye. It was carried out from 30 June to 4 July 2014 in Kingston, with field visits to the programme sites. The methodology used for the monitoring mission comprised qualitative semi-structured interviews with key stakeholders from communities, local government, non-government entities, academia, ministries and the PIOJ, as well as visits to programme sites in Long Bay (Negril), Clarendon and Manchester. The mission was practically unable to directly interact with private sector representatives, and the sections related to the private sector have drawn on some exchanges Mr. Ollikainen had with relevant private sector representatives in Jamaica before the mission, and on secondary reports and media articles. The set of guiding questions prepared for this mission are provided in Annex I.

IV. Presentation of the Programme

1. Objectives of the programme

6. The programme “Enhancing the Resilience of the Agricultural Sector and Coastal Areas to Protect Livelihoods and Improve Food Security” was the third direct access programme approved by the Adaptation Fund Board, at its eighteenth meeting in June 2012. With an approved funding of US\$ 9,965,000, is implemented by the Planning Institute of Jamaica, which is the NIE for Jamaica, and executed by the National Environment and Planning Agency (NEPA), the National Works Agency, the Ministry of Agriculture and Fisheries and the Ministry of Tourism.

7. Jamaica is vulnerable to climate related hazards, in particular hurricanes, floods, storm surges and droughts, due largely to its geographical location and the exposure of social and economic assets in coastal areas. This situation is made worse by the country’s low adaptive capacity especially in the climate sensitive sectors of the economy. The agriculture sector and coastal resources are among those at greatest risk, given their significant contribution to the country’s GDP and to the labour force. Vision 2030 Jamaica – National Development Plan articulates climate change adaptation as a priority for not only a healthy, natural environment, but also for achieving developed country status by 2030.

8. The activities identified in the programme are drawn from the adaptation priorities that were identified in the vulnerability and adaptation assessments for the agriculture and coastal resources sectors. The programme focuses on environmental and natural resource management activities; namely, coastal rehabilitation, inland flood and erosion control, and land and water management. Its overall objective is to protect livelihoods and food security in vulnerable communities by:

- Improving land and water management for the agricultural sector;
- Strengthening coastal protection; and
- Building institutional and local capacity for Climate Change Adaptation and Natural Resources Management.

9. The Programme has 3 Components:

- Component 1 - Increasing the climate resilience of the Negril Coastline: Hard engineering structures (breakwaters) will be installed to control coastal erosion in the most vulnerable sections of the Negril coastline to protect the beaches from climate related hazards such as sea-level rise and intense storms.
- Component 2- Enhancing climate resilience of the agricultural sector by improving water and land management in select communities: This component will improve adaptation measures in several vulnerable communities. The measures include the establishment of a micro dam and implementation of small scale irrigation facilities which are intended to improve water storage and soil conservation.
- Component 3 - Improving institutional and local level capacity for coastal and agricultural adaptation and awareness raising for behaviour modification: Activities under this component are aimed at building community awareness on climate change adaptation and enabling beneficiaries to understand the need to adapt in order to safeguard against CC hazards and promote sustainability.

2. Progress to Date

10. Following approval of the programme in June 2012, PIOJ entered into an agreement with the Adaptation Fund Board in August 2012. An inception workshop was held in Kingston on 2 November 2012 and marked the commencement of the programme implementation. Therefore the monitoring mission was held 18 months within the implementation of the programme which has an expected duration of four years. In line with the performance-based grant financing used by the Fund, PIOJ had already submitted one annual programme performance report (PPR) to the Adaptation Fund Board. To date, the Board has released the amount of US\$ 5,980,360 or 60% of the US\$ 9,965,000 approved for the programme. As at 31 October 2013 (period covered by the first PPR), the following notable measures had been achieved:

- Memoranda of Understanding (MOU) were signed with Executing Entities (EEs) in January 2013 in order to formalise the operating modalities and institutional arrangements between the NIE and the EEs. Assistance was provided by the Programme Management Unit (PMU) to EEs in the preparation of implementation

plans for all the Components and the Programme Inception Phase was successfully completed by the end of February 2013.

- The TORs were developed and a Programme Steering Committee (PSC) established to serve as the main mechanism for the provision of technical advice and oversight during the implementation of the programme. The PSC is comprised of members from a cross-section of stakeholders with technical interest in and knowledge of natural hazards, risk and climate change issues, including community representatives, relevant government Ministries, Departments and Agencies, the Private Sector Organization of Jamaica, academia, and NGO partners. The first meeting was convened in February 2013 where work plans were reviewed and budgets approved for Executing Entities, thereby paving the way for disbursements to be made by the NIE.
- Monitoring visits were made by the PMU to all Executing Entities to verify reported expenditure and confirm that work and results conform to requirements. Four (4) field visits were also undertaken by the PMU to meet with proposed beneficiaries in target communities (Manchester, Yallahs, Morant Bay, and Negril). The PMU initiated a series of regular team meetings (with 6 such meetings during the reporting period) with executing partners to support the implementation process. The meetings provided a platform for knowledge sharing while fostering inter and intra-agency collaboration and team building by highlighting how the different components will interact with and support each other. This mechanism also serves as a framework for systematically identifying and helping to resolve operational bottlenecks. The NIE, through the PMU, organized needed training, mentoring and capacity building initiatives to improve team members' project management skills and assist the programme in achieving its outputs. These included Risk Management Training as well as Procurement Training.
- A national stakeholders' consultation was held for the expressed objectives of (i) involving major stakeholders in creating linkages and synergies, (ii) raising awareness of the wider climate change agenda and what this programme is seeking to contribute to the country's adaptation efforts, and (iii) creating/enhancing a sense of ownership among stakeholders. The event was very well supported with participation of beneficiaries from all the target communities and representatives of the Executing Entities/ other implementing partners, including NGOs and local government institutions. The workshop received high-level support from the government as the keynote address was given by the State Minister in the Ministry of Water, Land, Environment and Climate Change.
- The communications strategy and action plan was developed through a highly participatory process involving literature review, needs assessment, individual and focus group discussions, with strong input from representatives of all Executing Entities and other key stakeholders.

11. In addition, the following achievements have been communicated to the members of the mission:

- The Environmental Impact Assessment of the breakwater structures to be built in Negril was published and opened for comments by the public, for a period of four weeks. A public hearing was scheduled to take place in the weeks following the

mission, as the penultimate stage of the process. The final stage would be a review by the Natural Resources Conservation Authority of the EIA report and responses to the public's comments and questions, to determine whether a license will be granted;

- Due to land tenure and geo-technical issues and following several attempts to identify potential alternative location sites, the establishment of a micro-dam in Northern Manchester, which was one of the programme expected outputs, had been dropped by the executing entity, the Ministry of Agriculture, and the team is exploring alternatives in Manchester, including small water retention structures;
- All five demonstration plots for land husbandry practices have been established and farmers have started to be trained in diversion and hillside ditches techniques, continuous mounds, ballasted water ways, etc.;
- Five community hazard maps have been digitized and a Risk Atlas is being developed for the Negril area.

V. Site visits and Findings of the mission

12. The mission met with a number of stakeholders during the week of the mission. The agenda of the mission along with a list of stakeholders visited is provided in Annex 2 of this report. This section summarizes the visits of the mission to the programme sites and presents the main findings of the mission, against the set of four objectives established.

1. Site visits

1.1. Negril

13. The mission visited the general location which was identified under Component 1 of the programme to establish breakwater structures, which aim at addressing coastal erosion in this area of great economic importance for the country because of its well-developed tourism industry. The visit took place while the some tourism stakeholders had strongly mobilized people against the establishment of the breakwaters.

14. A discontinuity in the consultation process had been partly responsible for that situation. During the finalization process of the fully-developed programme document before its approval, a consultation meeting was held in Negril, with the presence of thirteen community representatives including the hotel sector, NGILPA, Parish Council, JHTA, JTB, Fishing Cooperative and NCRPS. The mixed method approach was used for consultations, including structured and unstructured discussions and expert consensus. For each consultation an overview of the project was presented, followed by questions and an open discussion when all concerns of the participants were discussed. This was followed by a period of discussion in which answers were sought to specific questions. The group was randomly divided into sub-groups which were asked to arrive at a consensus on the specific questions and then to record the group's position in writing.

15. At the end of the consultation, the programme reported that participants agreed on the following issues:

- The focus of the intervention should be on central and northern Long Bay;
- The extension to the current reef is acceptable;
- The elevation of the proposed barrier could be at sea level;
- Sea-grass replanting could be undertaken by NGOs and community efforts;
- The available funding could be directed to the erection of the barriers;
- The community should be afforded the opportunity to provide input to and monitoring of the project.

16. As a result of the consultations, some adjustments were made to aspects of the project. The placement of breakwaters in Negril was modified further from the shore. However, it seemed that following the approval of the programme, there had been some discontinuity in the communication between the programme proponents and the stakeholders and a deficit of awareness-raising about the breakwaters and the issues they are aiming at addressing¹. This had led to a situation of misunderstanding and mistrust that the Government of Jamaica was trying to resolve at the time of the AF secretariat's mission and visit to Negril. Some alternative, short-term solutions had been suggested by some hotel owners, including beach nourishment, to substitute the proposed breakwaters. However, that solution was estimated to be quite expensive and unsustainable, with costs way above the funding provided by the Adaptation Fund. Because of the heightened tensions between the project team and the private sector stakeholders, a special consultation meeting was held during the mission on 2 July 2014, convened by the Hon. Minister of Tourism and Entertainment, Dr. Wykeham McNeill, to find a solution to this issue. However, the mission was unfortunately not able to join this meeting.

¹ In this context, however, the PIOJ pointed out that attempted communication (e.g. meeting held with hoteliers and other stakeholders in Negril on May 28, 2013 with the Ministry of Tourism and Entertainment, ODPEM, NEPA, etc.) was not well received due to the confluence of the project with prior environmental issues in the community. Further, although there are two representatives from Negril on the Programme Steering Committee, PIOJ noted that the information shared at meetings did not appear to have been shared with the community by these representatives.



Image 1 – The Negril area the programme is aiming at protecting

1.2. *Manchester*

17. The mission first visited a programme site in Bushy Park, Manchester, where water storage units and drip irrigation systems were established. The site included a tank with a capacity of 16,100 gallons which was insufficient to cover the whole area but could supply 10 to 15 agricultural systems. This infrastructure was part of the ones superseding the micro-dam which was supposed to be built in the area. The tank supplied several small reservoirs which were in turn connected to drip irrigation systems (see photo 2 below).



Image 2: Drip irrigation unit

18. The costs of such equipment were borne by the programme; however the beneficiaries were responsible for building the base of the tanks. The initiative helps extending water availability by bringing a “new” technology to the area and to this category of farmers selected among the most vulnerable. It will also serve as demonstration for other farmers which would be attracted by the expected increase in productivity in this drought-prone area where most of the vegetables and fruits consumed in the parish are grown.

1.3. Clarendon

19. The mission visited two sites in Thompson Town and Orange Hill, Clarendon, which were selected as land husbandry demonstration plots. In these plots, several land husbandry techniques aiming at reducing soil erosion, improving soil nutrient content, infiltration and soil permeability, and helping to control runoff and land slips within the Rio Minho watershed were deployed. These techniques included planting trees such as lychee, breadfruit and avocado on steep slopes, diversion ditches with ginger between ditches, yam on continuous mounds which helps increase yields significantly, digging ballasted water ways to collect and drain water from the road, planting species like *Moringa* and pineapple as live barriers. Demonstration plots are usually one acre in size and an average of 15 to 20 neighboring farmers are visiting on a normal day. The farmed crops include corn, banana, plantain, capsicum, peas, ginger, and pumpkin.

20. Small grants of up to J\$ 300,000 are available through the programme for individual farmers to transform their field into a demonstration plot from which other farmers in the area could learn. There is a farmer field school in the area and the extension services of the Ministry of Agriculture are available to train farmers. The latter are organized and trained farmers are expected to lead other farmers in their areas, applying for a grant and creating their own demonstration plot, hence promoting these soil management techniques. In Thompson Town, 25 farmers had organized themselves into “Thompson Town Achievers Farmers Club” to jointly manage the community plots.

21. The mission met with a group of women who were visiting the plots, some of whom identified themselves as farmers and heads of household.



Image 3: Land husbandry demonstration plots

2. Findings of the mission

a) The direct access experience in Jamaica

22. From the meetings of the mission with the NIE and its partners from government bodies, bilateral and multilateral institutions as well as private sector and NGOs, the following findings were made on the direct access experience in Jamaica:

- The NIE has strengthened its fiduciary and accountability systems, which are now more stringent, thanks to the accreditation process. Specific areas which have been strengthened include its business processes, risk management system and transparency;
- By its mandate at the national level, PIOJ has acquired a culture of project cycle management. This has helped the NIE in the development of the programme and its role of coordination with the executing entities;
- The NIE status has given more visibility to the institution and increased trust from partners. It is seen as potential candidate NIE for the Green Climate Fund (GCF) by some authorities;
- The NIE's partners have benefited from the process, with PIOJ working with them to ensure they get up to its standards in areas such as procurement, records management policies and procedures;

- From a stakeholder's perspective, working with PIOJ as the implementing entity of the programme increases the ability to leverage synergy across projects. In addition, the entity has a better reading of national context and working relationship with the relevant government branches. All of this increases the prospect for sustainability of the programme outcomes.

b) Integration of the programme in the national adaptation planning process

23. By its mandate at the national level, PIOJ plays a central and cross-sectoral role in the national planning process, including on issues related to climate change. The institution has a responsibility for aligning government and donor projects with national policies, including climate change adaptation. In some cases, mitigation measures can be suggested to ensure that policy alignment. PIOJ plays also the role of secretariat for the Thematic Working Group on Climate Change and Hazardous Risk Reduction, which is composed of representatives of State and non-State institutions.

24. PIOJ has been involved in drafting a Green Paper, the Climate Change Policy Framework and Action Plan, which was under community consultation at the time the mission occurred, before its final submission to the Parliament. However, that document is not elaborated enough to allow for immediate, targeted actions to address all the climate issues identified in Jamaica.

25. To complement the Policy, there are a number of sector plans, under Jamaica Vision 2030, which have been developed and another number to be developed with support of USAID and with funding from the Pilot Program for Climate Resilience (PPCR), which is part of the Strategic Climate Fund (SCF), a multi-donor Trust Fund within the Climate Investment Funds (CIFs). PIOJ has been designated as the main implementer of the programme funded by the PPCR in the country. The newly created Climate Change Division under the Ministry of Water, Land, Environment and Climate Change will ensure that climate change adaptation issues are integrated in the sector plans.

26. The first component of the PPCR in Jamaica was a climatological data assessment and the development of projections specific to Jamaica, which formed the basis of the report *State of the Jamaican Climate: Information for Resilience Building*. The main climate information and projections used in the AF programme document were based on the report. The issues identified in the Negril area, induced by climate change as well as human activities, require a holistic and cross-sectoral approach combining broad consultation, planning and investment to address climate, environmental, economic and social issues, including pollution, threats to the tourism sector, farming and encroachment in the Great Morass area.

27. The programme will develop local adaptation plans as well as climate risk atlas in the region. The National Environmental Protection Agency will be responsible for combining the hard measures (breakwaters) proposed by the programme with soft measures, i.e. watershed management mechanisms and local adaptation plans, covering the 5 or 6 watersheds in the area. Other institutions such as the Office of Disaster Preparedness and Emergency Management (ODPEM) will be involved through the development of community hazard maps, climate risks atlas, training and awareness-raising. Such holistic approach requires therefore a multi-stakeholders collaboration including local government and end-users such as the hotel owners, fishermen and other local groups. The role of coordination of the different initiatives in the area does not seem to be devolved to a single entity neither at the local level nor at the national one.

28. A Negril Green Island Area Local Planning Authority (NGIALPA) was established to ensure the orderly and progressive planning and development of land described in the Negril and Green Island Development Order which includes portions of Westmoreland and Hanover. Its Board is constituted with representatives of parishes as well as citizens national government agencies. The Authority deals with development applications, enforces measures for planning breaches and assists with the preparation/or revision of the Development Order for the area. However, its resources and influence seem to be very limited.

29. The agricultural component of the programme built on existing and previous initiatives, aligned with the National Agricultural Policy, extending support to small scale farmers through increasing their water storage capacity and investing in new technologies such as drip irrigation, promoting sustainable soil management techniques through demonstration plots and providing training through farmer field schools. The Climate Change Division and PIOJ will ensure that climate adaptation is integrated into those activities through the sector plan and the future sectoral strategy and action plan.

30. The Programme Steering Committee (PSC) informed the mission that as the funds of the programme run through the government budget process, there are limitations to the allowed spending posed by government-wide ceilings due to fiscal measures agreed with the International Monetary Fund (IMF). PIOJ explained that it had tried to ensure that climate change projects are among priority activities.

c) Involvement of the private sector

31. Apart from few exchanges with the private sector representative in the PSC, the mission was not able to interview key private sector representatives. Before the mission, one of the members of the secretariat had informal discussions with two members of the group of private sector stakeholders that had taken a critical view of the planned breakwater investment but these discussions cannot be seen to be representative, and it should be noted that the findings are mostly based on secondary information from discussions with the PMU and other stakeholders, and from media. Due to the consistency of this secondary information, it is likely to be mostly correct but nevertheless may represent bias in individual areas.

32. It is unclear what kind of understanding of climate issues the private sector generally has in the two target intervention areas, as the mission was not able to interview representatives directly. The private sector representative in the PSC, based in Kingston, has a comprehensive and insightful understanding of these issues. Of the two main investment components of the programme, the coastal protection component in Negril has significantly more substantial links with the private sector, and private sector objectives have been key in shaping the programme. However, the scarce information that was available on private sector views indicated that risks related to climate change are seen in the context of environmental problems rather than as something that could pose an existential risk to the coastal businesses. Some respondents pointed out to their observation that the private sector may perceive timescales differently, and not take the risk to their businesses seriously. In the agricultural component, market considerations are present but the main focus of the component is on making production more resilient rather than enhancing market access. However, there has been an attempt to link the farmers with marketing activities.

33. Based on discussions with the PSC and other stakeholders, it had been **difficult to engage with the private sector in the Negril area** on coastal protection issues in the past. Previously, there had been discussion on sourcing funds locally through room taxes but that had been met with fierce opposition by hotel owners. This is also politically a contentious topic, as it could have nationwide implications as a precedent. According to one respondent, earlier projects had found that the local private sector wanted “quick fixes” to the problems, and NEPA noted that some local businesses in Negril had proposed building their own structures for coastal protection but NEPA had not approved such ad hoc measures. Drawing on international experience, ill-planned and poorly coordinated spot protection measures often only redirect rather than mitigate problems of coastal erosion. The group of big hotel owners had been interested in beach restoration. Previous projects had sought to establish public-private partnerships, which had been a delicate process, as care had to be taken not to favor any of the hotel owners over others. Help from persons who were thought to be neutral had been used in liaison between different sides.

34. Development professionals interviewed during the mission opined that the Negril site was sociologically and economically complex, so a specialized sociologist might be needed to understand the community dynamics. At the same time, it is a bread basket of the region, and successful solution to the issues could promise huge opportunities.

35. As mentioned above, local stakeholders in the Negril area, including the private sector, had been **comprehensively involved** during the development of the programme concept and the fully-developed programme document. However, during the mission the different sides had different views of how informed and comprehensive that consultation had been, and how solid the agreement on proposed measures had been. According to PIOJ and the consultant who coordinated the design stage consultations with Negril Coral Reef Protection Society, the private sector stakeholders had at that time endorsed the programme’s objectives and works, together with other stakeholders such as parish councils and fisherfolk. The hotel owners, in particular, had been clear that they did not want such breakwaters that were near the shore, so the design was changed so that they were located offshore, at 1.5 km distance, and the breakwaters would be submerged so that their top would align with the water level. Also the specific location of the breakwaters, aligned with the existing fragments of reef, was concluded at the same time. Also a source for the boulders to be used in the construction was proposed through the consultations. All in all, the project team and the responsible consultant expressed that when the consultations had been concluded, they were under the impression that there was broad agreement. In afterthought, they said, perhaps the consultations had not reached some of the stakeholders who had later turned out critical, or they had for some reason changed their position.

36. Many respondents confirmed that after programme had started, a vocal group of private sector stakeholders had **taken a negative view** of the planned breakwater activities and indirectly, of the whole programme. This had resulted in that “opposition” launching a full-blown PR campaign against the programme, including their own meetings, and utilizing different media such as newspaper op-eds, flyers and bumper stickers. Many respondents lamented that while constructive criticism was welcomed, the campaign had taken shades of fearmongering and spreading misinformation. The mission observed some of the flyers being circulated by the opposition and could confirm that some of the statements made in them were obviously not based on balanced assessment of the programme outcomes.

37. The main reason for the change in private sector views and the resulting problems that came up during the mission was that, in afterthought, consultation had not been continuous enough, which had allowed a vacuum to fill up with discontent. This may be a partial explanation

but it does not fully address the reasons for the discontent in the first place, and the question arises whether the initial consultation was adequately informed by the previous projects' difficulties with engaging with the complex community, and whether it took the necessary measures to ensure comprehensiveness of consultation.

38. At the time of the mission, the project team was evidently making tremendous efforts towards finding an amicable solution to the Negril issues but the situation was difficult, as the relationship was already heavily overshadowed by the lack of trust that had developed on the side of the private sector.

39. The programme involves the private sector "broadly" and the PSC has active participation of the private sector, through a representative of the umbrella Private Sector Organization of Jamaica, and two representatives of the Negril Resort Board which is a broad stakeholder grouping including the hoteliers.. It built on the work done for the Jamaican Vision 2030, which had 22 task forces that were open to all segments of the society. The representatives of PIOJ mentioned that involving private sector participants in **higher-level planning processes** was useful but the custodians of such processes had to be mindful not to share such inside information that might create disproportionate advantage for the involved private sector entities. This posed some limitations for their participation.

d) Management of environmental and social risks at the national, institutional and programme level

40. When PIOJ was accredited as NIE, the management of environmental and social (E&S) risk was not explicitly included in the accreditation criteria. As a national planning coordinating body, it is **well versed in impact assessment** but does not typically undertake them itself, rather it relies on the government specialist body, the National Environmental Protection Agency (NEPA). During the mission PIOJ indicated, however, that as it is going to apply for reaccreditation as NIE in 2015, it will have to address capacity to manage E&S risk explicitly, which requires some rearrangement of duties.

41. In the development of the programme, PIOJ made use of a wide array of partners with specific experience in the areas such as the Negril Coral Conservation Society, expertise in coastal simulations such as the University of Delaware and skills in E&S assessments, such as NEPA.

42. As mentioned above, PIOJ had commissioned and supervised an independent EA study for the Component 1 breakwaters, to be submitted to NEPA. The EA study was prepared by the company CL Environmental and it compared a total of 10 different options for technical design, including different solutions for the breakwaters and for the logistics of handling the building material, as well as completely separate solutions such as a no-project scenario and beach nourishment. The EA found that in principle the solution proposed in the project was preferable, however it made some recommendations in terms of de-silting of the river mouth to improve barging and access by fisherfolk. The no-project scenario was rejected by the EA as it would allow coastal erosion of ca. 1 m per year, and the beach nourishment option, considering barging suitable sand from the Bahamas, was rejected as orders of magnitude more expensive than the solution proposed by the project.

43. In accordance with national regulations, the EIA had been posted on the website and in library for the public to peruse. All comments submitted to the EIA have to be noted verbatim and

explicitly addressed. Natural resource valuation (NRV) will be built into the EIA. NRV is not legally required but it would help pre-empt problems.

44. The reaction of the Negril stakeholders to the EA was mixed. Though the mission was not able to interview the most critical representatives of the “opposition” first-hand, according to the project team the critics had rejected the findings, and countered them with arguments for which they did not provide the original source, or that were sourced from commercial actors with their own business interests. As noted above, those stakeholders had launched a comprehensive PR campaign against the breakwaters, and the goal of that campaign seemed to be to substitute the breakwaters with beach nourishment.

45. During the mission the project team stressed they would not consider the beach nourishment option for the reasons outlined in the EIA study and also because of the agreement between the AF and the NIE. The project team noted that they could not simply divert the project resources away from the approved activities.

46. While a comprehensive environmental assessment had been carried out, some stakeholders suggested that due to the nature of the Negril community which was both complex and had a history of difficult relations with earlier projects, it might be useful to hire a sociologist to look into the internal dynamics of the community. In retrospect, perhaps a social impact assessment (SIA) would have been a useful tool to complement the EIA.

47. In **the agricultural Component 2**, environmental and social risks are considerably smaller than in the Negril Component 1. In that component, feedback from consultations with stakeholders had resulted in some minor changes in project design. The selection of beneficiary farms had been done by the communities themselves in a participatory manner using criteria such as vulnerability of the communities and their members, which had led to smooth process with no grudges raised.

48. As noted above, Component 2 was originally supposed to build a micro-dam among other interventions, and draft Terms of Reference were developed for an EIA for that activity. However, the micro-dam activity was omitted due to difficulty of finding a suitable location on government land, and because of government policy of not constructing such structures on privately owned land. Instead, after discussions with farmers, it was agreed that other types of resources would be provided to farmers in the specific location (Manchester).

VI. Lessons learned

1. Direct access

49. The mission to Jamaica was the second of its kind undertaken by the secretariat to visit a project implemented through the direct access modality. As in the case of the other country visited,

i.e. Senegal, it appears clearly that ***the direct access experience has been beneficial in terms of country ownership. The fact that a government (or semi-public, under the umbrella of the Ministry of Environment in the case of Senegal) entity is responsible for the implementation of the project ensures smooth communication among central and extension technical services, and allows better consideration of previous initiatives in order to build from those and ensure synergies among existing ones.*** The programme in Jamaica has for instance greatly built from the Risk and Vulnerability Assessment Methodology Project (RiVAMP), as an example. The direct access experience has also been positive for the executing entities of the programme, which have improved their standards in areas such as procurement, records management.

50. A comparison of the experiences in Senegal and Jamaica suggests that ***the short-term impact of direct access may be more visible in countries that are considered as of low-income and with low capacity.*** In the case of Senegal, which is an LDC, giving the responsibility of project implementation to a national institution has been a groundbreaking decision which has positively challenged the NIE to demonstrate its capacities to play a role that was usually taken by multilateral and bilateral institutions. In the case of Jamaica, the NIE is a strong institution, involved in the planning process at central government level and with experience in managing projects and handling substantial resources.

2. Integration in national adaptation planning process

51. As the Planning Institute of Jamaica, the NIE plays a key role in the preparation of national development and sectoral plans, as well as ensuring that relevant issues such as climate change or gender are mainstreamed in such plans. Hence, this programme has been designed in the framework of an emerging national climate change planning process, through the Climate Change Policy Framework and Action Plan. ***To facilitate integration of AF projects in the national adaptation planning process, the experience of Jamaica suggests that the official “mandate” of the selected NIE in a country can make a difference when its core activities are relevant to planning and implementation of concrete adaptation actions.***

52. A potential contribution of the programme to the local adaptation planning process could be materialized in the Negril area. The various actors and initiatives aiming at addressing the serious environmental and climate issues identified in that area would require a coordination system that this programme could help put in place. This is especially relevant given the complexity of the area in terms of land use planning and diversity of interest groups. Indeed, ***some of the issues faced during the implementation of the programme could be explained by the lack of existence of an adequate multi-stakeholder forum within which existing initiatives could be monitored, supported and discussed at the local level.*** Such forum could be built through strengthening the existing Negril Green Island Area Local Planning Authority (NGIALPA), in coordination or consortium with other local and national stakeholders.

3. Private sector involvement

53. In the Negril component of the Jamaica programme, relations with the private sector had deteriorated since the time of initial project design. The increase in dissatisfaction had happened largely undetected by the implementing entity, and had had the time to take the form of a coordinated campaign against one of the planned activities, the breakwaters. In light of this

experience, ***engaging with private sector stakeholders in adaptation projects requires special attention that goes beyond what is needed from normal stakeholder community engagement.*** There are several reasons for this: The private sector is, by its very nature, focused on profitability, the “bottom line”, and messages on climate change risks and adaptation measures need to be formulated in a way that is compatible with that focus. Incentives can take different forms, though. Private sector actors often operate on timescales that are shorter than those of e.g. city planners, and priority setting would need to reconcile between different expectations. Business owners may still underestimate the direct and indirect effects of climate change even on their own business and because of that, awareness raising may be needed before practical activities can be agreed upon. Public-private partnerships e.g. in safeguarding natural assets that are also assets for tourism has been successful in the past.

54. It is crucial to engage with private sector stakeholders early enough, comprehensively and continuously, to maintain support and momentum. The private sector often has a lot of influence on other groups of stakeholders, and alienating it may have consequences on the support from other stakeholders, too. In the case of project areas where the private sector is an important employer or has otherwise established strong influence in the community, it is especially important to understand the dynamics of the private sector within the community. Lessons from previous project interventions can offer valuable insights to the functioning of and interaction with such communities.

4. Management of environmental and social risks

55. In the Negril component of the programme, an Environmental Impact Assessment was built into the programme design to address risks related to the large-scale infrastructure works, particularly breakwaters. Based on the experience of this programme, the National Implementing Entity had the capacity to commission and to supervise the independent EIA study that was prepared by an independent consulting firm and submitted to NEPA. The EIA study was important in independently comparing the proposed approach with other alternatives, and in suggesting minor improvements. Also, the national procedures for consultation in the EIA process proved an efficient way for highlighting areas where stakeholders had reservations or objections.

56. At the time of the mission, the process of consultation with stakeholders was underway, and it is not possible to conclusively assess lessons learned from management of such consultations. It turned out that the complexity of stakeholder dynamics and the severity of the initial backlash from some of the stakeholders had, however, surprised the programme management team. Therefore, it can be observed that ***in complex communities, specific analytical effort may be needed during project design to understand stakeholder dynamics.*** Social Impact Assessment may be a useful tool to identify possible risks to help prepare a management plan. The Implementing Entity can play a pivotal role in ensuring that understanding of such dynamics is shared among project partners.

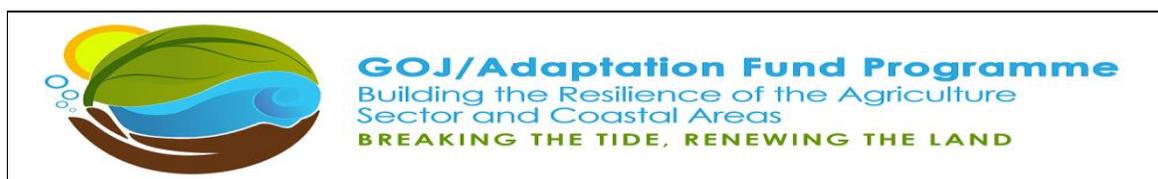
Annex 1: Key questions

A set of questions was prepared for the objectives of the mission, which were applied for the mission.

Key guiding questions in the targeted learning plan	
Mission objectives	Key questions for the mission
<p><u>Objective 1</u>: to collect lessons learned from the direct access experience, at different levels:</p> <p>At the institutional level, on the role of direct access in catalyzing transformational change, i.e. in terms of internal procedures, institutional structure, visibility etc.</p> <p>At the stakeholder level (partner CSOs, communities, private sector) , on the impact of direct access in enhancing the level of involvement, awareness, and ownership of climate change adaptation and risk reduction processes, and the impact of direct access on the adaptive capacity of these stakeholders;</p> <p>At the government level, on the impact of direct access on the level of ownership and opportunities for developing scaling up strategies, particularly in the context of the programmatic approach to adaptation taken by the government of Jamaica.</p>	<p>What are the capacities that the NIE has built during its accreditation process? Which of the 3 main competencies required as fiduciary standards by the AF was (were) the weakest and how has it (they) improved:</p> <p>During the accreditation process?</p> <p>During the programme implementation?</p> <p>What are the post-accreditation specific capabilities that the NIE has been able to build during programme implementation?</p> <p>How did the accreditation and programme implementation experience change the way the NIE is now doing business? Did this help in improving the NIE's fundraising capacity? Did the NIE improve its revenues as a result? Did this improve the NIE's visibility at the national level?</p> <p>What is the bilateral/multilateral partners' perception of the direct access experience of the NIE in Jamaica? Are they aware of it? Are they following it?</p> <p>What capacities (institutional, technical, financial...) have been or are expected to be built within the country as a consequence of the direct access experience of Jamaica? Would these capacities be built equally if the programme was implemented by a multilateral entity?</p> <p>Which stakeholders have benefitted or are expected to benefit the most from this capacity building?</p> <p>Direct executing partners?</p> <p>Beneficiaries (communities, private sector, local governments)?</p> <p>Indirect stakeholders (other ministries, agencies, municipalities, private sector...)?</p> <p>What is the perception, at the government level, of the NIE accreditation to the Fund? Was it seen as an opportunity? Are there plans for replicating the NIE experience with other entities, including in the context of the GCF? Have there been interactions with governments of other countries regarding the experience of the NIE?</p> <p>What are the new initiatives developed/funded as a direct</p>

	<p>consequence of this programme? Would they have been identified if the NIE had not been accredited?</p> <p>What is the level of ownership, at the government level, towards the NIE implemented programme? Was this ownership enhanced by the direct access modality of implementation? Is there any replication or scaling up strategy under development or implementation? If yes, how did the direct access provide added value in developing this strategy?</p> <p>Under the Strategic Programme for Climate Resilience in partnership with the CIF, was there any added value of PIOJ being an NIE in the development of the Strategy?</p>
<p><u>Objective 2:</u> to learn how integration of the programme within the national adaptation planning has taken place:</p> <p>How the programme design has taken national level adaptation planning into account at the programme design stage and during implementation;</p> <p>How coordination of the programme with other different interventions has been arranged.</p>	<p>How was the programme designed within the broader climate change adaptation programme of the country, including the Strategic Programme for Climate Resilience (SPCR)?</p> <p>What is the current level of coordination among institutions involved in the national adaptation planning process? How is it affecting the programme implementation?</p> <p>How have the linkages to the broader national climate adaptation programming developed during the implementation of the programme? Have there been any problems or positive lessons in this respect?</p> <p>How is the coordination between the programme and other initiatives within the broader national adaptation programme arranged?</p>
<p><u>Objective 3:</u> to have a better understanding of the challenges (and opportunities) to engage with and involve the private sector in the programme activities in the Negril area and in the agricultural sector, including through:</p> <p>An overview of the level of involvement of those stakeholders in the identification of the programme activities and related adaptation options;</p> <p>Assessing the level of awareness of those stakeholders of the</p>	<p>What is the level of understanding by the private sector stakeholders of climate change issues and more particularly the climate risks identified in the programme and their potential impacts of those stakeholders' economic activities?</p> <p>Prior to programme start, what was the level of engagement of those stakeholders in addressing flood, drought, storm and coastal erosion risks identified in the programme target sites?</p> <p>What was the level of involvement of those stakeholders in the identification of the programme activities and related adaptation options?</p> <p>What is the current level of engagement of the programme towards those stakeholders? Please describe any challenges or opportunities encountered.</p> <p>At the national level, were there any efforts made towards involving the private sector in addressing the climate change agenda in general and more particularly adaptation? Is there any relevant policy, law or strategy to support such efforts?</p> <p>) Are you aware of any study at the national level on the economics of adaptation? If yes, what is the level of awareness of the private</p>

<p>programme activities;</p> <p>Assessing capacity building efforts towards the private sector for their increased understanding of climate risks and adaptation solutions to address those risks, including making the business case on the cost effectiveness of immediately addressing climate risks;</p> <p>Assessing existing or planned strategies to reach out to the private sector.</p>	<p>sector on the results of such study?</p>
<p><u>Objective 4</u>: to collect information on the management of environmental and social risks at the national, institutional and programme level, particularly:</p> <p>An overview of existing national environmental and social regulations that are relevant to the programme and an assessment of how the programme is complying with them;</p> <p>Following the Environmental Impact Assessment process under way for the breakwater works in the Negril area, assessing the potential challenges and mitigation options to be dealt with by the implementing entity;</p> <p>The level of readiness (and related capacity building needs) of PIOJ to effectively implement the Environmental and Social Policy of the Fund.</p>	<p>What is the current capacity of PIOJ to manage environmental and social risks? Please describe the relevant unit(s) involved, the relevant policies and procedures in place at the institutional level and/or their linkage with the national policies and procedures;</p> <p>In the programme design, how were those policies and procedures applied and what were the challenges faced?</p> <p>Did the institution make any change to its normal procedures on environmental and social safeguards to accommodate with the Fund programme during its preparation and/or during its implementation?</p> <p>How did the programme ensure gender inclusion? Was there any constraint in its implementation?</p> <p>What are the challenges faced in managing the environmental and social risks identified by the programme? Were there mitigation measures developed in relation to those risks during the programme preparation phase? Were those mitigation measures adequate when the identified risks arose?</p>

Annex 2: Agenda of the mission and list of institutions/stakeholders met by the mission**Portfolio Monitoring Mission by the Adaptation Fund Secretariat****June 30 - July 4, 2014**

AGENDA			
DATE	TIME	ACTIVITY	FACILITATOR/PARTICIPANTS
MONDAY June 30, 2014	9:30 AM - 11:00 AM	Opening Meeting/ Briefing with PIOJ Representatives Venue: Don Mills Training Room, PIOJ	Claire Bernard / Kirk Philips/ Barbara Scott PMU team; ECMD; SDRPD
	11:15 AM – 1:00 PM	INTRODUCTION OF PSC AND PMG TEAMS – Summary Update on Components	Claire Bernard Programme Manager
	2:30 – 4:30 PM	Meeting with Partner Institutions – Group 1 (see attached)	NIE
TUESDAY July 1, 2014	8:00 AM	Visit To Water Harvesting Facility - Manchester	MOAF/PMU
	PM	Visit To Demonstration Plots Clarendon	MOAF/PMU
WEDNESD AY July 2, 2014	9:00 – 11:00 AM	Meeting with Group 2 Stakeholders – Climate Studies Group/DRRC at UWI, Mona	PMU
	1:00 PM	Meeting with Climate Change Division, MWLECC	NEPA/NWA
THURSDAY July 3, 2014	11:00 AM	Meeting with Negril/Westmoreland stakeholders (Group 3)	MTE/ODPEM
	PM	NEGRIL Site visit: Proposed site for breakwater structure	PMU
	PM	Travel back to Kingston	
FRIDAY July 4, 2014	AM	Meeting with Panos	PMU/Panos
		Closing Meeting at PIOJ	Claire Bernard / Kirk Philips/ Barbara Scott PMU team; ECMD; SDRPD
	PM	Depart for airport	

List of institutions/stakeholders met by the mission

Group 1 – NIE/Executing Entities/Partner Ministries, Departments and Agencies

- Planning Institute of Jamaica (Government)
- Ministry of Agriculture and Fisheries – National Irrigation Commission (NIC), Rural Agricultural Development Authority (RADA) (Government)
- Ministry of Tourism & Entertainment (Government)
- Ministry of Finance and Planning (Government)
- Ministry of Water, Land, Environment and Climate Change (MWLECC) – Climate Change Division, Meteorological Service of Jamaica (Government)
- National Environment and Planning Agency (NEPA) (Government)
- Office of Disaster Preparedness and Emergency Management (ODPEM)

Group 2 – Local authorities

- Parish of Manchester
- Parish of Hanover
- Parish of Westmoreland
- Negril Green Island Area Local Planning Authority (NGIALPA)

Group 3 – Academia/ UN Agencies

- University of the West Indies, Climate Studies Group & Disaster Risk Reduction Center
- United Nations Environmental Programme (UN Agency)
- United Nations Development Programme Country Office (UN Agency)
- Inter-American Institute for Cooperation on Agriculture

Group 4 – CSOs, Private Sector

- Panos Caribbean (NGO)
- Clarendon community: Thompson Town Achievers Farmers Club
- CEAC Solutions Co. Ltd (Private sector)
- Private Sector Organization of Jamaica (PSOJ)