



ADAPTATION FUND

AFB/B.34-35/13
17 March 2020

Adaptation Fund Board

**REQUEST FOR EXTENSION OF PROJECT COMPLETION
DATE: UNITED NATIONS DEVELOPMENT PROGRAMME
(SEYCHELLES)**

Background

1. The Adaptation Fund Board (the Board) at its twenty second- twenty third intersessional meeting, approved a five- and half--year project titled “Ecosystem-based Adaptation to Climate Change in Seychelles”, submitted by the United Nations Development Programme (UNDP) for a requested amount of US\$ 6,455,750 (decision B.22-23/3).
2. The overall objective of the project is to reduce the vulnerability of the Seychelles to climate change, focusing on two key issues—water scarcity and flooding. The project is addressing these vulnerabilities by spearheading ecosystem-based adaptation as a climate change risk management strategy aimed at restoring ecosystem functionality, enhancing ecosystem resilience and sustaining watershed and coastal processes in order to secure critical water provisioning and flood attenuation ecosystem services from watersheds and coastal areas.
3. As mandated by the decision, an agreement was prepared and signed between the Board and UNDP on 7 March 2014.
4. The first tranche of disbursement for the implementation of the programme was released following signature of the agreement in March 2014. The first project performance report (PPR) for the project was submitted in Oct 2015 and cleared by the Adaptation Fund Board Secretariat (the secretariat) in December 2015. The second PPR was received in July 2016 and cleared in August 2016, the third PPR was received in October 2017 and cleared in the same month and, the fourth PPR was received in July 2018 and cleared in October 2018.
5. In addition, the implementing entity submitted its fifth project performance report (PPR) on 16 December 2019 which was cleared by the secretariat on 28 February 2020.
6. As of 11 March 2020, a total amount of US\$ 5,818,313 had been disbursed so far to the programme by the trustee, corresponding to 90% of the project funding.
7. The expected project completion date of the project is 30 April 2020. On 5 March 2020, UNDP had submitted to the secretariat a request for an extension of the project completion date from 30 April 2020 to 30 October 2021 (Annex 1), being this is the first request for an extension for this project. As outlined in the Adaptation Fund Project/Programme Delay Policy (AFB/B.29-30/3/Rev.1) amended by the Board in October 2017 (Decision B.29-30/15) and updated in October 2019 (Decision B.34-35/12), a request for an extension of the programme completion date must be submitted by the implementing entity at least six months prior to the official completion date. However, the request was received only two months before the deadline aforementioned due to late processing of the request at the implementing entity level.
8. The reasons for the project completion date extension, as outlined in the memo shared by UNDP, include the fact that:
 - The project inception was delayed as the project had limited human capacity in a small country context and faced delays in appointing technical advisors after the resignation of an experienced Project Manager and Community Engagement Specialist;
 - The implementation of high quality technical and social evaluations to inform and refine interventions are time consuming;

- There were delays in the passage of policy and legislation, which is important to enable the project to achieve the social aspects of the project's outcomes, specifically related to participatory catchment management.
- The extension will permit additional but essential technical and social studies on forest and wetland adaptation and social engagement processes, to be undertaken and best practices to be captured and disseminated through the project's communication strategy.

9. In April 2018, the project went through a mid-term evaluation (MTE) process, the report of which was finalized and submitted to the Adaptation Fund Board secretariat (the secretariat) in January 2020. The MTE acknowledged the difficulty faced by the project implementation team to meet targets of certain indicators in the project log frame and recommended a new series of "shadow indicators" to be devised to be measured in addition to the existing indicators. Following the recommendations of the MTE, a series of Specific, Measurable, Achievable / Attainable, Realistic/Relevant/ Reliable and Timely (SMART) "shadow indicators" to capture project results with greater sensitivity were devised. These have been included in the project's monitoring and evaluation process alongside the original logical framework (Log frame) indicators to enable the project team to track the real impact of the project on the ground. The MTE also recommended greater emphasis on communications, influencing behavior change and empowering local communities to influence catchment management.

10. Despite the aforementioned issues, as highlighted by UNDP (Annex 1 and 2) and by the Executing Entity (Annex 3), good progress is being made in terms of forest restoration (output 1.1), wetland restoration and recreation (output 1.2), management of coastal wetlands (output 2.1 and output 2.2) as well as support of policy and social instruments under component 3. The extension request will enable the project to navigate through the initial delays in implementation experienced by the project and, enhance the quality of outputs to be achieved by the project by tracking SMART indicators recommended by the MTE in addition to the original set of approved indicators.

Secretariat's review of the request

11. Following a review of the request and considering the explanation provided by UNDP, the secretariat believes that this request of a further eighteen-month extension is justified. As evidenced by the memo provided by UNDP (Annex 1), it is noted that the project implementation was delayed due to delays in project management and community engagement specialist recruitment after turnover of essential personnel to perform these roles. Additionally, the project required extensive consultations with Government stakeholders and beneficiary communities to ensure buy in before interventions being initiated resulting in delays in the implementation of activities.

12. The extension request will enhance the quality and sustainability of the outputs related to: 1) Forest rehabilitation (Component 1, output 1.1.), targeting more sustainable rehabilitation of select sites, requiring additional steps such as research on forest function, establishing baselines for monitoring change, training contractors, repeated management interventions and statutory protection of rehabilitation sites, and a repeat of forest quality assessments undertaken as a baseline in 2016 to assess the impact and effectiveness of intervention on a 5-year time scale; 2) Wetland Creation and Enhancement (Component 1, output 1.2), where the complexity of working in Protected Areas with high biodiversity and social values has required additional safeguarding/technical studies and extension will allow the results of technical studies to be realized and facilitate the development of up to 4 further water retention structures in 3

catchments; 3) Shoreline Management (Component 2) where extensive technical studies were required before interventions were made causing delays and an extension will allow the completion of reprofiling works reconnecting isolated wetland units; without which, will not be effective in managing flood risk; and 4) Mainstreaming EBA into development planning and financing (Component 3), where the project will be able to support Government of Seychelles in completion of the Water Act, Land Use Plans and Protected Area Management Plans. Specifically, the extension period will also allow support of the delayed Water Act.

13. This extension will also ensure that technical and social studies undertaken by the project which include new scientific information and best practice to be captured and disseminated through the project's communication strategy for informing future EBA interventions.

14. Finally, the secretariat acknowledges that this no-cost project extension request has been agreed with the Executing Entity and endorsed by the Designated Authority, in accordance with the Adaptation Fund Policy for Project/Programme Delays, as specified in Annex 1.

Recommendation

15. The Board may consider and decide to approve the request for a further four-month extension of the project completion date from 30 April 2020 to 30 October 2021 for the project "Ecosystem-based Adaptation to Climate Change in Seychelles" as requested by UNDP.

Annex

1. Request for an extension of the project completion date from UNDP;
2. Letter from UNDP resident representative for Seychelles;
3. Letter from Executing Entity.

Annex 1: Request for an Extension of the Project Completion Date*Request for extension of project/programme completion date*

Implementing Entity Name: United Nation Development Programme			
AF Project/programme ID: 00089895 PIMS 4775			
Project/programme Title: Ecosystem Based Adaptation to Climate Change in Seychelles.			
Country: Seychelles			
Project/Programme Approval (date)	30 October 2014		
Expected Project/programme Completion (date)	30 April 2020	Proposed Revised Completion (date):	30 October 2021

Reasons/justifications for the extension of project/programme completion:

The Ecosystem based Adaptation in the Seychelles Project is an ambitious and complicated project, which seeks to implement a series of technical, policy and social interventions to reduce the risk of water scarcity and coastal flooding in a Small Island State environment. It is central to the implementation of the Seychelles National Climate Change Strategy (2009) and important by supporting policy reform in the water sector and the facilitation of novel participatory planning for catchment management.

Delays have occurred due to a number of reasons: 1) the limited human capacity available in a small country context resulted in delays at the start of the project when appointing technical advisors and with the retention of an experienced Project Manager and Community Engagement Specialist (both were replaced early in project implementation); 2) the project has had to implement time consuming high quality technical and social evaluations to inform and refine interventions; 3) delays in the passage of policy and legislation, which is important to enable social aspects of the work specifically participatory catchment management.

Whilst delays have occurred, the understanding of process and methodology for technical intervention and social innovation to support adaptation measures has been transformed. Accordingly following the recommendations of the MTE, a series of SMART “shadow indicators” to capture project results with greater sensitivity were devised. It is not intended that these should replace the approved indicators, but that they will be included in the project’s monitoring and evaluation process *alongside* the original Logframe indicators to enable the project team to demonstrate the real impact of the project on the ground. In addition, the MTE recommended and greater emphasis on communications, influencing behavior change and empowering local communities to influence catchment management and progress has been achieved but the mobilizing of community groups and formalizing CBO structures has taken time.

An extension of the project will greatly enhance the quality and sustainability of the outputs outlined below:

- Component 1.1. Forest rehabilitation: is targeting more sustainable rehabilitation of select sites, which required additional steps including: research on forest function, establishing baselines for monitoring change, training contractors, repeated management interventions and statutory protection of rehabilitation sites. The quality and sustainability of native dominated woodlands and establishment of community-based management will be

enhanced by the extension, particularly the sensitive protected area site. Given the relatively slow responses of native species when compared to aggressive non-native species additional time will greatly enhance the quality and sustainability of the output. The extension will allow a repeat of forest quality assessments undertaken as a baseline in 2016 to assess the impact and effectiveness of intervention on a 5-year time scale.

The rehabilitation work on Praslin required additional research to devise a new management methodology which has transformed the understanding of how to restore fire degraded lands; however, implementation is restricted by seasonality with only a short window for tree planting. Planting can only be undertaken in the wet season window and an extension will add 2 planting seasons, which will roughly double the area of rehabilitation

- Component 1.2. Wetland Creation and Enhancement: has progressed well in some sites with water reservoirs created using gabion weirs already operational. However, the complexity of working in Protected Areas with high biodiversity and social values has required additional safeguarding/technical studies. Based on these studies, solutions to refocus work with local communities on less sensitive parts of the National Park will have a greater social impact than envisaged but will benefit greatly by extended implementation time. The extension will allow the results of technical studies to be realized and facilitate the development of up to 4 further water retention structures in 3 catchments.

- Component 2. Shoreline Management: again extensive technical studies were required before interventions were made causing delays. Subsequently, good progress has been achieved with coastal wetland rehabilitation (reprofiling) underway; an extension would allow completion of works, participatory approach and support of community for shoreline management plans to be integrated in national plans to ensure sustainability. The unusual weather conditions in 2019 resulted in wetland restoration work on 1 site being halted when half completed and remaining work being postponed to 2020 and an extension will allow the completion of reprofiling works reconnecting isolated wetland units; without the reconnection the intervention as it currently stands, will not be effective in managing flood risk.

- Component 3. Mainstreaming of EBA by providing policy support, production of knowledge products and establishment of Community Based Organisations (CBOs). Extension will allow completion of studies to measure change against baselines and produce lessons learnt which in turn would be turned into knowledge products. Additional time will allow implementation of the Communications Strategy to support CBOs. Project will be able to support Government in completion of the Water Act, Land Use Plans and Protected Area Management Plans. Specifically an extension period will also allow support of the delayed Water Act (which is unlikely to be passed in 2020 due to Presidential elections).

Summary and Recommendation:

After some initial delays excellent progress is being made in terms of forest restoration (1.1), wetland restoration and recreation (1.2), management of coastal wetlands (2.1 & 2.2) and the support of policy and social instruments. These will all be greatly enhanced by the granting of an extension period.

Moreover, the extension will permit technical and social studies undertaken by the project which include new scientific information, best practice for forest and wetland adaption and social engagement processes to be captured and disseminated through the project's communication strategy and these will be vital for informing EBA interventions in the future nationally and internationally.

The revised Multi-Year Work Plan indicates that the proposed 18-month extension period is suitable for the completion of project activities and sufficient budget remains to complete activities under each component.

It is therefore recommended that an extension with no additional cost will enhance the quality of outputs and improve sustainability under all there project components and should be granted.

Implementing Entity certification

This request has been prepared in accordance with Adaptation Fund policies and procedures, has been agreed by participating executing entities, and the designated authority (DA) has been notified.

Ecosystem Based Adaptation to Climate Change in Seychelles, PIMS 4775



Penny Stock
Regional Technical Advisor

Date: 3 March 2020

Tel. and Email: penny.stock@undp.org

Annex 2: Letter from UNDP resident representative for Seychelles

United Nations Development Programme



Empowered lives.
Resilient nations.

Ref No: UNDP/SEY/MAR2020/013

4 March 2020

Dear Mr. Kurukulasuriya,

Subject: PIMS 4775 – Ecosystem-Based Adaptation to Climate Change in Seychelles

I refer to the above project, funded by Adaptation Fund to a total amount of US\$,6,500,000. This 5.5 years project is implemented by the Seychelles Ministry of Environment, Energy and Climate Change, through the Programme Coordination Unit (PCU) established by that Ministry. The project inception date is 30 October 2014, but effectively started around November 2014 and has an expected termination date of 30 April 2020.

I would hereby kindly request an extension of the project for an additional 1.5 years to cover the period May 2020 up to the 30 October 2021, with no modification in project log frame and no change in project budget.

The request for extension takes into account both the outcome of the Mid-term Review, held in February 2018 with the Final Report submitted in September 2018 and subsequent discussions at the level of the Steering Committee. One of the key findings of the MTR relates to the delays in project start-up as follows:

“The project experienced initial implementation delays during the initial start phase (2014-2015). These delays were identified as delays in project team recruitment, hampered by the initial Project Manager leaving after only 8 months, combined with a great deal of consultation with Government stakeholders and beneficiary communities in regard to project interventions to obtain buy-in prior to interventions being initiated (Section 2.3.3 -MTR Report).

Mr. Pradeep Kurukulasuriya
Executive Coordinator & Director-
Global Environmental Finance & Lead,
Natural Capital and the Environment
Bureau for Policy and Programme Support (BPPS)/
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Further to this, the project has had to implement time consuming, high quality, technical and social evaluations to inform and refine certain interventions. There have been a series of challenges and delays in the passage of policy and legislation, which is important to enable social aspects of the work specifically participatory catchment management.

Accordingly, the MTR acknowledged the difficulty that the project implementation team was experiencing to attain some of the more challenging indicators in the current log frame and recommended that a new series of “shadow indicators” be devised to be measured in parallel to the existing indicators. Both the current and the additional set of shadow indicators would allow the terminal evaluation to better assess the performance of the Project in the SIDS context of Seychelles. In reviewing the project M&E plan, the MTR consultant suggested that the alternate “shadow indicators” could set additional targets that the project can achieve and against which its actions can be measured. This has been completed after the management response to indicate at terminal evaluation stage how the project has adapted to the MTE recommendations in this respect, and to give the TE evaluators additional indicators against which project progress can be measured.

The Project Implementation Team has developed the set of shadow indicators (*attached for ease of reference*) which has been cleared by the Project Steering Committee in subsequent meetings held on July and September 2018 and March 2019 to review the MTR and complete the Management Response. During the PSC of September 2018, the Meeting specifically requested for a no-cost extension of 18 months based on the explanation provided above.

To expand upon the justification for an extension referred to in the Minutes of the Steering Committee, the 18 months extension is requested for the following reasons:

- a) The project has an expected start date of April 2014 and an actual inception date of October 2014. However, there was a long delay in finding a suitable Project Manager, and recruitment was not completed until November 2014. The initial Project Manager left after 8 months in the job and the Project had to proceed with a second recruitment process to find a second Project Manager. This is common in the Seychelles due to the small size of the country with limited human resources. The Project Implementation Team took a while to be recruited, and the Community Engagement Specialist (CES) recruited initially resigned after 12 months on the job. The Project had to recruit a new CES in January 2017.
- b) A formal request for extension was presented to the SC members, with a multi year workplan showing slow expenditure in the first years, characteristic of donor-funded projects. The project team discussed that since two project sites are located within protected areas (Mare Aux Cochons watershed on Mahe Island and Fond B’offay and Nouvelle Decouverte watershed on Praslin Island), the extent of forest and wetland rehabilitation are primarily confined to expert recommendations and approval from the Seychelles National Parks Authority. Moreover, it was discussed that project sites such as the Mont Plaisir water catchment are predominantly composed of privately owned lands restricting the rehabilitation work programmes of the EBA project. To this end, at the midterm stage of the project the implementation team resolved that a project extension of 18 months would help them navigate through these constraints that have consumed implementation time. The Steering Committee endorsed the proposed 18-month extension and recommended the new End Of Project date to 30 October 2021, as the project is in the course of implementing core

activities with positive impacts on the livelihood of the resident communities in the watersheds.

The budget has been reworked to allow for extension of activities for the additional 18 months. We attach the work plan for the extension of project activities up until the 30 October 2021, for your information. A detailed work plan for 2019-2021 is attached and below is the financial summary for the proposed extended project period with status of expenditure since the start of the project in late 2014.

Project Budget	5,950,000			
Project Current Balance				
Year	Allocation	Budget	Expenditure YR	Delivery Rate (Exp/Budget)
2014		301,000	124,736.67	41.44%
2015	1,017,999	454,000	426,776.70	94.00%
2016	1,081,999	827,740	824,738.89	99.64%
2017	1,117,499	1,093,035	957,010.43	87.56%
2018	1,122,499	1,018,221	987,402.82	96.97%
2019	Not yet disbursed for 2019	1,019,830	896,937	87.94%
Project current balance as of 1 January 2019		Proposed Planning of the remaining Budget		
	2019	2020	2021	Total
	1,019,830	1,183,079	426,925	2,629,835

In consideration of the above, we hereby request an extension of 18 months of the duration of the implementation of the project to a new termination date of 30 October 2021.

Our office and our partners in Seychelles stand ready to provide any additional information or clarification that you may need.

Yours sincerely,

 Amanda M. Serumaga
 Resident Representative
 Mauritius and Seychelles



c.c. Penny Stock, Regional Technical Advisor Biodiversity
 Mr. Wills Agricole, National Project Director,
 Ministry of Environment, Energy and Climate Change

Annex 3: Letter from Executing Entity



**MINISTRY OF ENVIRONMENT, ENERGY & CLIMATE CHANGE
ENERGY AND CLIMATE CHANGE DEPARTMENT**

Botanical Gardens, Mont Fleuri
P.O. Box 445 Victoria, Mahe, Republic of Seychelles
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Please address all correspondence to the Principal Secretary – Mr Wills Agricole

Date: 4th March 2020

Amanda Serumaga
UNDP Resident Representative
Mauritius and Seychelles
P.O. Box 253, Port Louis
MAURITIUS

Dear Mrs Serumaga,

Subject: PIMS: 4775 - Seychelles Ecosystem-based Adaptation to Climate Change in Seychelles (EBA project). No-cost extension

Further to the letter dated 20th May 2019 and in light of the recent communication from the Adaptation Fund (AF) Secretariat via the UNDP RTA, Mrs Penny Stock, the Seychelles Ministry of Environment, Energy and Climate Change (MEECC) is re-submitting its request for a no-cost extension on the above-mentioned project.

The EBA project is being implemented by MEECC, through the Programme Coordination Unit (PCU) established by our Ministry in 2008 to implement donor funded projects on behalf of MEECC. As per the AF Policy (Board Decision B.18/29), the start date of the 5.5-year long project is the date of the inception workshop, which was held on the 30th October 2014, making the end date 30th April 2020.

This is an ambitious and complicated project, which seeks to implement a series of interventions to reduce impacts of Climate Change, specifically the risk of water scarcity and coastal flooding, in a Small Island State environment. The project has 3 components:

- i) Ecosystem-based adaptation approach to enhancing freshwater security and flood control in Mahé and Praslin under conditions of climate change;
- ii) Ecosystem-based adaptation approaches along the shorelines of Mahé to reduce the risks of climate change induced coastal flooding; and
- iii) Ecosystem based adaptation mainstreamed into development planning and financing.

As previously explained, there have been a number of implementation challenges. The project was expected to start in June 2014, but the recruitment of the project team, specifically the Project Manager, was not finalised until November 2014. Implementation



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was further hindered when 2 staff resigned within 12 months, namely the Project Manager and the Community Engagement Specialist, and the new staff had to be recruited.

Implementation of project activities was additionally delayed by: 1) the limited human capacity available in a small country context; 2) the need for time consuming, high quality technical and social evaluations to inform and refine project interventions, and 3) the bureaucracy involved in passing national policies and legislations, which is important to enable social aspects of the work, specifically participatory catchment management. Whilst delays have occurred, the understanding of process and methodology for technical intervention and social innovation to support adaptation measures has been transformed.

Subsequently, the Mid-Term Review (MTR) recognised the difficulty experienced by the project implementation team to achieve targets for some of the challenging indicators in the current log frame and recommended that a new series of “shadow indicators” be devised to be measured in parallel to the current indicators. Both the current and the additional set of shadow indicators would allow the terminal evaluation to better assess the performance of the Project.


The Project Implementation Team has developed the set of shadow indicators (*attached for ease of reference*), which has been cleared by the Project Steering Committee and it not intended that these should replace the approved indicators. They will be included in the project’s monitoring and evaluation process alongside the original Log frame indicators.

While the Mid Term Review was conducted in February 2018, the MTR report and Management Response was only finalised in September 2018, and following the recommendations from the evaluator, the Ministry led the process of reviewing the project, in consultation with the Project Steering Committee, and has developed a detailed set of activities to complete the objectives of the project, to not only maximise impact, but also ensure the sustainability of the project results. As part of this process, the Ministry and its partners has concluded that the project will need to be extended for a period of 18 months, which the Committee felt would be sufficient to achieve the project’s objectives. Please note that, no additional funds are required and there are no changes to the project’s originally approved scope.

As previously mentioned, this 5.5 year long project is expected to end on 30th April 2020. On behalf of the Ministry, I would, therefore, kindly request an extension of the project for an additional 18 months, up to the 30th October 2021, with no change in the total project budget.

Assuring you of the support of our Ministry at all times and most particularly in reaching the goals of this important project for the Seychelles.

Yours Sincerely,



Wilis Agricole (Mr.)
PRINCIPAL SECRETARY/ENERGY & CLIMATE CHANGE
NATIONAL PROJECT DIRECTOR



c.c. Penny Stock, Regional Technical Advisor EBD

