

**United Nations Development Programme
Country: Tuvalu
Project Document**

UNDAF Outcome(s): 4.0 - Sustainable Environmental Management

Expected CP Outcome(s): Environmental sustainability and sustainable energy are mainstreamed into regional and national policies, planning frameworks and programmes

Expected CPAP Output(s): Improved country capacity, practices and participation in environmental policy making and data collection and analyses with strengthened capacity at all levels improves implementation of environment programmes, conservation, sustainable use and equitable sharing of benefits from natural resources, including biodiversity, fisheries (marine and freshwater) and the promotion of sustainable renewable energy

Implementing partner: Tuvalu Aid Coordination Unit

Responsible Parties: UNDP Fiji Multi-Country Office (MCO)

Description


This proposed project will assist the Government of Tuvalu to identify, develop and implement effective coordination mechanisms within formal government agencies that will establish a coherent environment sectoral approach. This will assist Government in the long term to execute more effective aid management and monitoring practices; to continue to work on the Pacific Aid Effectiveness Principles as well as to meet its Paris Declaration commitments. The effectiveness of the project outputs will be judged through increased incorporation of environment and energy in national planning and budgeting processes leading to effective service delivery and equitable access of island councils to environment and energy programme funds.

Programme Period:	2008 - 2012
CPAP Programme Component:	Outcome 4.1.1.1
Project Title:	Tuvalu Environment Programme Mainstreaming and Coordinated Framework for improved service delivery
Atlas Award ID:	TBA
Start Date:	20/06/08
End Date:	20/06/09
PAC Meeting Date	April 2008

Estimated annualized budget:	US\$20,000
Total resources required	US\$20,000
Total allocated resources:	US\$20,000
• Regular	US\$20,000
• Other:	
○ Donor	N/A
○ Donor	N/A
○ Donor	N/A
○ Government	N/A
Unfunded budget:	N/A
In-kind Contributions	N/A

Agreed by: _____ *Not applicable since Govt. has signed CPAP.* _____ Date: _____
 Department of Foreign Affairs: _____

Agreed by: _____ *[Signature]* _____ Date: _____
 Aid Coordination Unit: _____



Agreed by: _____ *[Signature]* _____ Date: 15 July 2008
 UNDP: _____

Narrative

Part I. Situation Analysis

Tuvalu, like most Pacific Island Countries (PICs), is challenged with a high dependency on limited natural resource base for economic growth and poverty reduction, poor management of these resources due to competing demands on the environment, vulnerability to climate change, increasing waste management problems and limited capacities to deal with increasing global impacts on small island developing states environment. Given the current donor environment for global challenges such as climate change, small islands such as Tuvalu are inundated with offers of competing donor assistance which in itself creates issues of inequalities in resource access and distribution, unemployment and related hardships, particularly for the outer islands. In reality, concerted capacity development at various levels is critical if optimum use is to be made if quality results are to be realized if Tuvalu is to avail itself of present and future opportunities.

Proper integration of environment and energy into national planning and budgetary processes as well as coherent coordination and management of aid and sectoral strategies and plans are lacking and indicate capacity challenges faced by the Government of Tuvalu. Improved aid management and coordination and a coordinated sectoral approach for environment and energy, building on past and ongoing efforts would ensure translation of policy and programming interventions to improved implementation and delivery of quality environment actions at the national and local levels. Thus, the pivotal role of proper environmental management and the higher impact that can eventuate from more synergistic programme planning, design and implementation is yet to be fully acknowledged. This includes building on former UNDP assistance in developing the capacity of institutions involved in outer island planning and development with the Ministry of Home Affairs and Rural Development (MHARD) and the Island Councils to better plan and manage resources to upgrade living standards, as well as various capacity assessments of institutions in addressing environmental priorities.

Tuvalu's National Strategy for Sustainable Development report recognizes the importance of sustainable development and the necessity of stewardship. Exploration of renewable and clean energy sources have been highlighted in recent years, and increased rural to urban migration indicates the attraction to basic social services and facilities. These migratory shifts have brought with them problems of solid waste management to densely populated areas and that requires urgent attention given the limited availability of land and high dependency on coastal fisheries. There is little incorporation or promotion of environmental sustainability however, as a priority issue. The Plan acknowledges poverty and hardship as issues and intends to address it through MDG-based monitored evaluations.

Sectoralised administration of external funds and environment and energy interventions characterize the nature of developments to date resulting in limited integration of environment and energy into sectoral strategies and national planning and budgetary processes. This translates to limited implementation of quality environment interventions at the national and local levels.

Part II. Scope and Strategy

A two phased approach is envisaged, with key outputs as follows:

Phase 1: Convening of Forum for Environment Dialogue

The expected output will be the convening of an Environment Sector round table meeting between Government, donors, and development agencies and identified stakeholder partners that will focus on the following:

- Consolidation of baseline information on environment donor programmes and status of pre-investment activities
- Establishment of a forum for dialogue to address coordinating mechanisms;
- Discussion on Tuvalu's response to the Climate Change debate and planned assistance gaps; and identify critical gaps in Tuvalu's capacity to address environment priorities
- Agreement on road map for sequential changes and improvement to processes to progress key decision points;
- Mobilization of Resources for Phase 2 implementation.

Baseline information collected in past and ongoing GEF-funded projects as well as other relevant studies on country level priorities and needs, in particular relating to CBD, UNFCCC and UNCCD, and their areas of impact will be built upon to catalyse actions that integrate local priorities to international requirements in a coordinated manner.

The success of the forum would depend on consensus to follow up actions on key decision points and further securing of commitment by donors and development agencies to work with UNDP and the Government of Tuvalu in developing a coordinated framework for environment programme funding. Based on such agreements, UNDP would proceed to develop a detailed project document that will progress the establishment of a coordinated system.

Phase 2: Tuvalu Environment Programme Mainstreaming and Framework for Coordinated Support and improved service delivery

Review and transformation of policies in support of national development plan and alignment with MDG goals as well as with the principles of equal and effective participation will be observed at relevant stages in mainstreaming of environment and energy and towards building of capacity for coherent national aid management and coordination that minimizes duplication. Phase 2 will require contribution of a share of the project resources to support emerging regional knowledge networking and coordination priorities that will support national leadership in the management of external funds for environment. Key activities will include:

Mainstreaming:

1. Review of current aid management and coordination policies and organization to assess alignment of donor assistance with national strategies and development programmes in environment and energy, including recommendations of incorporation of cross-cutting issues of gender and human rights;
2. Incorporation of identified environment and energy capacity assessment studies and recommendations, including resource mobilization strategies, in key policy interventions and programmes
3. Identification and implementation of capacity development needs/gaps for Government, Island Councils and CSO institutions,

Effective Coordination and Reporting

4. Development and implementation of mechanisms linking and aligning island council planning and budgetary systems to national planning and budgeting processes
5. Development of user-friendly policy tools and harmonized reporting mechanisms that are nationally-owned and cost-effective.
6. Development of programmes to address priority areas that need to be strengthened, including capacity challenges .
7. Establish/enhancement of system for collection, processing and dissemination of information to monitor development cooperation and aid.
8. Formal arrangements or partnership agreements with identified key partners
9. Exploration of adoption of principles of Managing for Development Results and mutual accountability based on national priorities in Tuvalu's NSDS
10. Securing of high level support and initiate implementation and monitoring.

Regional Alignment

11. Knowledge Management & Networking with other PICs,
12. Reporting & Monitoring Frameworks for donor results monitoring

Part III. Management Arrangements

A Project Executive Group (PEG) will be responsible for making executive management decisions for the project and will comprise of the Permanent Secretary for Finance as the Executive to chair the group, the Director for Planning as Senior Supplier to provide guidance on the technical feasibility of the project, and the Director for Environment as the Senior Beneficiary to ensure the realization of project benefits from the beneficiaries' viewpoint. This group shall provide guidance to the Project Manager, a senior executive of the Aid Coordination unit when needed including project revisions. Reviews by this group to ensure quality programming is undertaken are to be made at designated decision points during the running of the project, or as necessary when raised by the Project Manager. This group is consulted by the Project Manager for decisions when project tolerances have been exceeded.

The Aid Coordination Unit of the Ministry of Finance and Planning will be the executing agency for the project and will have responsibility for facilitating project coordination with other relevant departments, agencies and organizations in Tuvalu. The Aid Coordination Unit of the Ministry of Finance and Planning will ensure the timely and effective delivery of project outputs and the proper use of project resources.

The Project Manager will be responsible to the UNDP and to the Project Assurance body (PEG), for the effective implementation of the project. The Aid Coordination Unit will appoint its Director as the National Project Coordinator (NPC) who will be largely responsible for the overall planning and implementation of the project, coordination with the Project Manager and other stakeholders and for the preparation of reports (including financial reports) to UNDP and the PEG. As far as possible, consideration of previous assessment, studies and reports relating to aid coordination and effectiveness as well as environment thematic assessments will be considered.

Audit Arrangements

An annual audit of project resources will be carried out by the government auditor who shall, in addition to local government requirements, pay particular attention to the UNDP financial regulations, policies and procedures that apply to projects; the project document and work plans, including activities, management arrangements, expected results, monitoring, evaluation

and reporting provisions; and the key considerations for management, administration and finance. The audit by the government auditor shall not cover expenses incurred by UNDP.

Part IV. Monitoring and Evaluation

Quarterly and Annual Monitoring

The project will be monitored and evaluated according to UNDP rules and procedures. The executing department (Aid Coordinating unit) will prepare annual work plans, Quarterly Operational Reports (QORs) and Annual Progress Reports (APRs) and Project Implementation Reports (PIRs) on the technical and substantive progress of the project. The PEG will meet regularly to review these reports and to resolve any issues constraining implementation. Tripartite Review (TPR) meetings involving the CPAP Board, Project Executive Group (including NEC) and UNDP will be held at the end of the first 12 months and at the completion of the project.

The Aid Coordination Unit will ensure that progress reports are submitted by all consultants involved in project activities. These include surveys, trainings, workshops, meetings and field activities.

The PEG together with the Aid Coordination unit will monitor the activities of the project by assessing progress at all stages, analyzing situations to determine the cause for any major deviations from the plan and deciding necessary action to remedy the situations as appropriate.

Final Evaluation

A Final Impact Evaluation will be conducted at the end of the project to provide an overall assessment of the project process and to consider opportunities for implementing and supporting the Work Plan and Resource Mobilization Strategy. This evaluation will be carried out in accordance with UNDP procedures and requirements and will be undertaken by an independent evaluator with the help of a local expert.

UNDP Fiji, with inputs from key partners and the Government of Tuvalu, will prepare and finalize the Terms of Reference for the Final Evaluation. UNDP will also contribute to the evaluation by providing nominations for consultants and agreeing to the final selection, participating in the final evaluation if necessary, providing input to the evaluation as appropriate, reviewing and providing comments on the draft evaluation report, and supporting UNDP Fiji, Government of Tuvalu and the Aid Coordination Unit in addressing the recommendations and applying lessons learned.

Part V. Legal Context

This Project Document shall be the instrument referred to as such as I Article 1 of the Standard Basic Assistance Agreement between the Government of Tuvalu and the United Nations Development Programme, signed by the parties. The host country implementing agency shall, for the purpose of the Standard Basic Agreement, refer to the government co-operating agency described in this agreement.

The following types of revisions may be made to this Project Document with the signature of the UNDP Resident Representative only, provided he is assured that the other signatories to the Project Document have no objections to the proposed changes:

- a) Revisions in, or addition of, any of the annexes to the Project Document;
- b) Revisions which do not involve significant changes in the immediate objectives, outputs or activities of the Project, but are caused by the arrangement of inputs agreed to or by cost increases due to inflation; and
- c) Mandatory annual revisions, which re-phase the delivery of, agreed project inputs or increased expert or other costs due to inflation or take into account agency expenditure flexibility.

PROJECT RESULTS AND RESOURCES FRAMEWORK

<p>Intended Outcome as stated in the Multi-Country Programme Document (MCPD) Results and Resource Framework:</p> <p>4.1. Environmental sustainability mainstreamed into regional and national policies and planning frameworks</p> <p>Outcome indicators as stated in the Multi-Country Programme Document (MCPD) Results and Resources Framework, including baseline and targets: 4.1.1.1: # of national development strategies, policies, plans of PIC's incorporating environmental sustainability issues; and 4.1.2.1: # of PICs with strategic environmental action plans implemented and monitored.</p> <p>Indicator:</p> <p>Baseline: Target:</p> <p>Applicable MYFF Service Line:</p> <p>Mainstreaming Environment and Energy and Mobilizing environmental financing; promoting inclusive growth, gender equality and the achievement of the MDGs</p> <p>Partnership Strategy: Partnerships are central to the success of this country programme outcome. They provide new opportunities for joint advocacy, programming and evaluation, knowledge-sharing, resource mobilization. UNDP will strengthen the co-operation with the government to promote mechanisms and for dialogue and interaction among national, regional, bilateral, multilateral and international development partners.</p> <p>Project title and ID (ATLAS Award ID): To be decided</p>				
<p>Intended Output</p>	<p>Output Targets for 18 months</p>	<p>Indicative Activities</p>	<p>Responsible parties</p>	<p>Input and Budget (US\$)</p>
<p>1. Environment Sector Round Table for key donors and partners convened</p> <ul style="list-style-type: none"> o Environment Sector round table o Consolidation of baseline information o Support and commitment by donors and key stakeholders o Roadmap for Change o UNDP project document for Phase 2 	<p>Environment Programme Coordination Action Plan and Resource Mobilization Plan based on agreed priority areas of previous assessments; List and status of ongoing and pipeline projects & deliverables; List of Tuvalu Government donor and partnerships for environment interventions; Partnership arrangements finalized; Project Document signed by relevant parties.</p>	<p>1.1 Develop TOR and recruit consultant; 1.2 Assessment and consolidation of baseline information & Capacity Assessment; 1.3 RT meeting to discuss report & agree on actions and timeframes; mobilize support 1.4 Finalization of project document</p>	<p>Tuvalu Ministry of Finance, Aid Coordination and Planning, UNDP Fiji</p> <p>Partners: Tuvalu Department of Environment, Consultant</p>	<p>Consultant Fees, travel and DSA costs: 10,000; Travel Budget 3,000; Round Table & Consultations/Meeting Expenses 5,000; Documentation costs 2,000.</p>

<p>2. National: Coordinated Framework for Donor Funds and follow up activities:</p> <ul style="list-style-type: none"> o Review of aid management and coordination policies for environment; o Endorsed capacity development interventions; o Partnership agreements and work plan. o Implementation and monitoring of project. <p>Regional:</p> <ul style="list-style-type: none"> o Knowledge and networking o Reporting and Monitoring frameworks 	<p>Review Assessment Report; Partnership agreements; Action Plan for policy development and capacity interventions; annual work plan for implementation and monitoring.</p>	<ul style="list-style-type: none"> o Review of current aid management and coordination policies and organization o Incorporation of relevant capacity assessment studies and recommendations to be addressed (eg. NCSA Action Plan and Resource Mobilization Strategy). o Discussion and endorsement of key interventions to address priority policy development areas and capacity challenges o Policy tools & reporting frameworks (national and regional) o Partnership agreements established. o Secure high level support and initiate implementation and monitoring o Knowledge and networking products 	<p>UNDP Fiji, Tuvalu Finance, Aid Coordination and Planning, Department of Environment</p>	<p>Consultant fees, travel and DSA costs: 10,000; Capacity Development interventions: 20,000; Database development 20,000 Regional component: 15,000; Audit: 3,000; Communications: 2,000 M & E: 5,000</p>
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Budget (to input in ATLAS)

- a. Phase 1: Environment Sector Round Table: US\$20,000 - UNDP TRAC 1
- b. Phase 2: Tuvalu Environment Programme Framework for Coordinated Support and Mainstreaming - US\$75,000 - UNDP TRAC 2

Annex 1 - Terms of Reference for Consultants (2)

The United Nations Development Programme and the Government of Tuvalu

Terms of Reference for the Review of Donor Funds Management for Environment and Energy and Design of the Tuvalu Environment Programme Coordinated Framework of Support to improved service delivery

Background

Tuvalu is committed to the Pacific Aid Effectiveness Principles which guides the Pacific Island Countries (PICs) to more effective aid management and opens up avenues for improved monitoring of performance of development outcomes that had been initiated by their commitments to the Paris Declaration on aid effectiveness. Key principles from these commitments include the harmonization of donor funding and the alignment of development partners' programmes with existing country and regional programmes through national and regional mechanisms. Weaknesses with regards to institutional and social capital within the national planning and aid coordination bodies of PICs necessitate the support which UNDP is committed to providing through: 1) building and enhancement of capacities at the national level to manage foreign assistance and minimize duplication or misuse of donor funds, reduce aid management burdens on national governments and budgets, empower national planning and aid coordination institutions through development of policy tools and improved planning infrastructures and support national mechanisms for better coordination.

Objectives of TOR

Establish a round-table forum for discussion to address the following and to finalize UNDP project document as the end product:

Consultant 1

- o Undertake assessment of existing information, studies, reports for consolidation of baseline information on environment donor programmes and status of pre-investment activities;
- o In close liaison with relevant departments, establish a forum for dialogue to address coordinating mechanisms;
- o Facilitate preparation and organization of round table for dialogue to include discussion on Tuvalu's response to the Climate Change debate and areas requiring assistance;
- o Undertake analysis to identify critical gaps in Tuvalu's capacity to address environment priorities;
- o Facilitate process towards agreement on a road map for sequential changes and improvement to processes to progress key decision points; and
- o Facilitate mobilization of resources for Phase 2 implementation.

Reports and Documentation for Consultant 1:

- o Report on consolidated baseline information and pre-investment activities;
- o Report on round table discussions; and
- o Report on analysis of critical gaps in institutions required for improved aid coordination.

Duration: 6 weeks

Consultant 2

Undertake policy, programme and organizational reviews to identify priority areas of interventions that address capacity challenges identified at the systemic, organizational and individual levels; and establishment of regional interface for effective aid coordination and management for environment and energy: An action strategy and a resource mobilization strategy are to be endorsed by stakeholders that address the following:

Mainstreaming:

1. Review of current aid management and coordination policies and organization to assess alignment of donor assistance with national strategies and development programmes in environment and energy, including recommendations of incorporation of cross-cutting issues of gender and human rights;
2. Incorporation of identified environment and energy capacity assessment studies and recommendations, including resource mobilization strategies, in key policy interventions and programmes;
3. Identification and implementation of capacity development needs/gaps for Government, Island Councils and CSO institutions;

Effective Coordination and Reporting

4. Development and implementation of mechanisms linking and aligning island council planning and budgetary systems to national planning and budgeting processes;
5. Development of user-friendly policy tools and harmonized reporting mechanisms that are nationally-owned and cost-effective;
6. Development of programmes to address priority areas that need to be strengthened, including capacity challenges;
7. Establish/enhancement of system for collection, processing and dissemination of information to monitor development cooperation and aid;
8. Formal arrangements or partnership agreements with identified key partners;
9. Exploration of adoption of principles of Managing for Development Results and mutual accountability based on national priorities in Tuvalu's NSDS;
10. Securing of high level support and initiate implementation and monitoring;

Regional Alignment

11. Knowledge Management & Networking with other PICs; and
12. Reporting & Monitoring Frameworks for donor results monitoring.

The consultant will facilitate the process towards a forum to agree on the Action Strategy and Resource Mobilisation strategy, and results in 1) formal arrangements or partnership agreements with identified key partners; 2) Secures high level support and initiate implementation and monitoring of project activities.

Reports and Documentation (Consultant 2)

1. Report on reviews undertaken on policies, programmes and organizations and Action Strategy for priority capacity development interventions and incorporation of points 13-20 above; and
2. A Resource mobilization strategy for implementation of interventions.

Duration: 6 weeks

Qualifications and Background for Consultants

- 1. Post graduate qualification in economics, development planning, administration, finance and Information system with sound knowledge on International Aid Effectiveness agreements and guidelines (DAC practice on Aid Delivery, Rome Declaration on Harmonisation, Paris Declarations and the Pacific Aid Effectiveness principles);**
- 2. A minimum of 5 years experience in managing operations of Aid Management Information System or working in the area of aid management and coordination, preferably in PICs; or a minimum of 5 years experience working with developing countries | finance and economic management preferably in PICs; and**
- 3. Sound knowledge and understanding of environment and energy practice areas, gender, conventional aid mechanisms, familiarity with the planning and budgeting process in the PICs. Working experience in Tuvalu would be an asset.**

UNDP Annual Work Plan – TUVALU COUNTRY PROGRAM ACTION PLAN Annual Work Plan 2009

AGENCY OUTPUT 2012 or BIENNIUM EXPECTED RESULT with annual indicators and targets against planned activities	PLANNED ACTIVITIES <i>List all activities including M&E to be undertaken during the year towards stated Agency 2012 output or Biennium Expected Result</i>	TIMEFRAME				IMPLEMENTER (government or NGO partner)	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Source of Funds	Amount
Output 1: Environment Sector Round Table for key donors and partners convened <ul style="list-style-type: none"> Environment Sector round table Consolidation of baseline information Support and commitment by donors and key stakeholders Roadmap for Change UNDP project document for Phase 2 	1.1 Develop TOR and recruit consultant;					Tuvalu Ministry of Finance, Aid coordination and Planning, UNDP Fiji	UNDP	10,000
	1.2 Assessment and consolidation of baseline information & Capacity Assessment;					Partners: Tuvalu Department of Environment, Consultant		3,000
	1.3 RT meeting to discuss report & agree on actions and timeframes; mobilize support							5,000
	1.4 Finalization of project document							2,000
	2.1 Review of current aid management and coordination policies and organization					UNDP Fiji, Tuvalu Finance, Planning and Aid Coordination	UNDP	10,000;
Output 2: National Coordinated Framework for Donor Funds and follow up activities: <ul style="list-style-type: none"> Review of aid management and coordination policies for environment; Endorsed capacity development interventions; Partnership agreements and work plan. Implementation and monitoring of project. Regional: <ul style="list-style-type: none"> Knowledge and networking Reporting and Monitoring frameworks 	2.2 Incorporation of relevant capacity assessment studies and recommendations to be addressed (eg. NCSA Action Plan and Resource Mobilisation Strategy).					Department, Tuvalu Department of Environment		20,000;
	2.3 Discussion and endorsement of key interventions to address priority policy development areas and capacity challenges							20,000
	2.4 Policy tools & reporting frameworks (national and regional)							15,000;
	2.5 Partnership agreements established.							3,000
								2,000
								5,000

AGENCY OUTPUT 2012 or BIENNIUM EXPECTED RESULT with annual indicators and targets against planned activities	PLANNED ACTIVITIES <i>List all activities including M&E to be undertaken during the year towards stated Agency 2012 output or Biennium Expected Result</i>	TIMEFRAME				IMPLEMENTER (government or NGO partner)	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Source of Funds	Budget Description Amount
	2.6 Secure high level support and initiate implementation and monitoring							
	2.7 Knowledge and networking products							

Approved By:
On Behalf of Implementing Partner

Approved By:
On Behalf of CPAP Coordinating Agency

Approved By:
On behalf of UNDP

Ms. Sunema Simati
Director, Planning and Budgeting Department

Mr. Aunese Simati
Permanent Secretary, Ministry of Finance and Economic Planning

Mr. Knut Osby
Resident Representative