



Strengthening and Enabling the Micronesia Challenge 2030

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10740

Countries

Regional (Marshall Islands, Micronesia, Palau)

Project Name

Strengthening and Enabling the Micronesia Challenge 2030

Agencies

WWF-US

Date received by PM

11/18/2020

Review completed by PM

8/12/2021

Program Manager

Christian Severin

Focal Area

International Waters

Project Type

CEO Approval Request

Part I ? Project Information

1. Focal area elements. Is the project aligned with the relevant GEF focal area elements as indicated in Table A and as defined by the GEF 7 Programming Directions?

Secretariat comment at CEO Endorsement Request

23rd of November 2020 (cseverin): The proposal discussed were to focus on improving management of shared transboundary marine resources, which would be in line with the IW FA GEF 7 Strategy. The current proposal does not have this strongly enough presented in its objective or proposed activities. Please revise.

13th of May 2021 (cseverin): Addressed, but it is important to continue to stride towards delivering towards supporting transboundary management of shared marine resources, as a direct impact of the increased national capacity.

Agency Response

ProDoc Sections 1.1 ? 1.5 and similar CEO Endorsement document sections now contain additional details regarding the project's alignment with the GEF IW Focal Area and a focus on improving management of shared transboundary marine resources. More specifically, more detail has been added to explain the project's connection with the Western Pacific Warm Pool Large Marine Ecosystem (WPWP LME) and the associated Strategic Action Program (SAP) and the explicit priority transboundary concerns identified in the SAP and the more recent SPREP State of the Environment (SOE). The project objective and project framework have also been updated to better highlight the alignment?particularly within Outcome 1.1.

5/30/2021

Noted with thanks. The Project Management Unit will ensure that delivering transboundary management of shared marine resources is a core focus.

2. Project description summary. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat comment at CEO Endorsement Request

23rd of November 2020 (cseverin): No, please address following points:

- 1) Please ensure that objective makes it possible for the reader to understand what will be achieved through this proposed investment. Eg. the objective need to focus on safeguarding the transboundary marine resources.
- 2) This investment is among others to address issues on and around coastal fisheries in the three nations. This is not clear when reading the results framework, nor the output indicators. Eg. the results framework is too broad, by mentioning natural resource management, instead of specifically focusing on the regional aspects of small scale, coastal fisheries.
- 3) the output indicators need to be much clearer in what the project will deliver of quantifiable outputs.
- 4) earlier concepts had a focus of including private sector stakeholders, such as the fishers and the fishing industry. It is not clear what role this plays in the concept. Especially the private sector section of the submission should be extended upon as well as private sector activities should be included in the RF of the project. Without including PS in the proposed activities, it is questionable if it will be possible for reach long term sustainability in the small-scale fisheries sectors of the three countries.
- 5) Please ensure that all relevant GEF 7 Core indicators are reported upon. Eg, indicator 2 and 8 seems to be relevant. Further, please reevaluate if the project will not directly benefit more than 250 people in the three countries. If proposed investment only benefits 250 persons, it may be more cost efficient to find other ways to support them than through the proposed project activities.

13th of May 2021 (cseverin): Partly addressed. It is good to see that the project will be delivering stress reduction on fisheries, as indicated in core indicator 8. However, please also insert this targeted amount into the results framework in the PRODOC as well as in RF in the portal, to let the reader understand under which components this will be achieved.

Further, please identify a revised starting date, as the one inserted has been passed.

2nd of June 2021 (cseverin): Addressed

16th of August 2021 (cseverin): please address following comments:

1. Expected implementation start which is already past ? please amend
2. On co-financing: Government of CNMI & US Territory of Guam, change from ?Recipient Country Government? to ?Other?.

18th of August 2021 (cseverin): Addressed

Agency Response

- 1) Additional detailed text was added to emphasize the project's relevance to transboundary marine resources, aligned with the WPWP LME TDA-SAP and the transboundary primary concerns it has identified as well as the transboundary recommendations from the 2020 MC evaluation and 2020 SPREP State of the Environment report. Specific changes were made to the project objective and the project framework to the Component 1 output level, along with enhanced resolution within the project results framework. Project outputs and anticipated activities and deliverables are presented in detail in the project description text (ProDoc Section 2.2 and associated section of CEO Endorsement Document).
- 2) Protection of coastal fisheries and their role in transboundary marine ecosystem health is a primary focus of the project as one of the primary targets of the MC 2030 goals. Additional text has been added to make this connection more explicit throughout the documents, including in the Project Background and Project Execution sections, to more specifically describe the relevance of the national working groups to enhanced coastal fisheries management. In addition, the results framework has been refined with additional details for Indicators 8 and 11.
- 3) The project outputs have been updated with further detail to note the major outputs from each partner nation, particularly under Outcome 1.1. These adjustments present quantifiable outputs that feed into the results tracking presented in the project results framework and project monitoring plan. Detail on anticipated quantifiable outputs are provided in the project description text (ProDoc Section 2.2) as well as associated indicators added to the project results framework (ProDoc Appendix C).
- 4) Private sector actors, especially coastal fishers and associated fishing industry are a key project stakeholder for long-term sustainable marine resource management. The primary entry point for private sector actors in the project has been highlighted throughout the document, most notably their participation in national-level working group dialogues with a targeted focus on MC priority planning, including integration of coastal fisheries with MPAs. Clarifying information for the role of private sector stakeholders has been included in multiple locations, specifically: Sections 2.2, 2.4, 3.6, and in Appendix C (Results Framework). Further, the CEO

Endorsement document includes expanded private sector engagement details in the PSE section.

- 5) The GEF Core Indicators have been updated. GEF Core Indicator 11 has revised to 506 women and 576 men based on an expansion of additional categories that measure the project's direct impact. A new Core Indicator 8 on sustainable fisheries has also been included with a project target of 281,947 metric tons. Appendices L and M have been added to provide detailed methodologies for these indicators. As noted in the Core Indicator comment below (Part 1 #8), the project focus is on policy enhancement at the protected area network level and not directly addressing individual MPAs or METT scores and so is not tracking progress against GEF Core Indicator 2.

5/30/2021

GEF Core Indicator 8 will be achieved through Output 1.3.1 focused on strengthening national coastal fisheries policies through integration with marine protected areas networks. The Results Framework (Appendix C of the ProDoc) has been updated to better reflect this approach with the replication of Core Indicator 8 information under Component 1, disaggregated by nation. This revision has also been reflected in Table B in the Portal.

The project starting date has been updated to August 1, 2021.

GEF Agency Response: August 17, 2021

1. The implementation start date has been revised to November 1, 2021 and end date has been altered to reflect this change.
2. Thank you for your comment. The co-financing from the Government of CNMI and US Territory of Guam have been changed from "recipient country government" to "other."

3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?

Secretariat comment at CEO Endorsement Request NA

Agency Response

4. Co-financing. Are the confirmed amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-

financing was identified and meets the definition of investment mobilized, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat comment at CEO Endorsement Request

23rd of November 2020 (cseverin): Yes, co-financing has been confirmed via co-financing letters. However, it is not possible to see in the detailed budget how the co-financing will be allocated. Please include a full budget.

13th of May 2021 (cseverin): Please provide a more detailed full budget

2nd of August 2021 (cseverin): addressed

Agency Response

The full budget has now been provided including Budget notes in Section 2. This information provides additional details beyond the ProDoc content from Section 2.7, as well as Appendices H and I.

5/30/2021

The full detailed project budget has been provided within the ProDoc in Section 2.7 as well as in ProDoc Appendices H & I.

Section 2.7 (?Budget and Budget Notes?) includes the budget summary narrative, a table summarizing the allocation by partner (distilled and updated with more detailed descriptions), the cofinancing table, the summary project budget table by component, the budget summary table by outcome and output, as well as a Project Budget Notes subsection.

Appendix H in the ProDoc reflects the project budget summary as well as the full Indicative Project Budget. Appendix I in the ProDoc includes the budget narratives and tables for all four subgrants as well as budget narrative for the PMU budget.

A budget excel has been uploaded to the Portal (as well as pasted into the portal submission) and has been revised with more detail.

5. GEF resource availability. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

Secretariat comment at CEO Endorsement Request

23rd of November 2020 (cseverin): Yes, the financing is available.

However, please provide a full budget it is not possible to acquire a full overview of the budget, by reading through the enclosed budget. The budget should include budget notes that explains how funding will be utilized.

13th of May 2021 (cseverin): Please provide a more detailed full budget

2nd of June 2021 (cseverin): No,

1) Please provide a more detailed budget, especially the one that is uploaded as annex E to the portal entry itself, need to be have more detail pertaining to the different budget lines. The four "bulk" budget lines that grabs all country activities and present them as one budget line is not a viable option. Instead the budget needs to be presented in a way so that columns present Components (perhaps avoid including outcomes to facilitate the table to fit within the margins of the portal format), M&E, PMC, Totals and Responsible entity, and the Rows the different budget items (goods, consultants, etc.)

2) "Overhead", is not a valid budget line.

3) Further to better understand what the different persons involved in the project will do, please provide TORs for the different positions.

2nd of august 2021 (cseverin): Addressed

Agency Response

The full budget table has been provided with the revised submission. This includes additional paragraph that explains the high-level budget details added to the budget tables in Section 2.7 as well as higher resolution information included Appendix H. Budget notes have also been included under ProDoc Section 2.7. Additional budget detail is also provided in Appendix H and subgrants budget notes are included in ProDoc Appendix I.

5/30/2021

Please see response regarding a full detailed budget above.

7/1/21

1) A more detailed budget has been provided, with the 'bulk' subgrant lines now presented as a series of rows by activity/expense. In the portal entry, the budget is now presented by Component rather than Outcome.

2) 'Overhead' has been removed from the budget table. The project will provide budget for some operational assistance to PMC activities (HR, legal, accounting support to the project).

3) Terms of Reference documents have been compiled and added to the ProDoc - please see Appendix N. In addition, a short description of the roles and responsibilities of each PMU member has been updated with more detail in the ProDoc (Section 2.3: Institutional Arrangement).

STAR allocation?

Secretariat comment at CEO Endorsement Request

Agency Response

Focal Area allocation?

Secretariat comment at CEO Endorsement Request

Agency Response

LDCF under the principle of equitable access?

Secretariat comment at CEO Endorsement Request

Agency Response

SCCF (Adaptation or Tech Transfer)?

Secretariat comment at CEO Endorsement Request

Agency Response

Focal Area Set Aside?

Secretariat comment at CEO Endorsement Request

Agency Response

Impact Program Incentive?

Secretariat comment at CEO Endorsement Request

Agency Response

6. Project Preparation Grant. If PPG is requested in Table E.1, has its advanced programming and utilized been accounted for in Annex C of the document?

Secretariat comment at CEO Endorsement Request 23rd of November 2020 (cseverin): Yes

Agency Response

7. Non-Grant Instrument. If this an NGI, are the expected reflows indicated in Annex D?

Secretariat comment at CEO Endorsement Request

Agency Response

8. Core Indicators. Are the targeted core indicators in Table E calculated using the methodology in the prescribed guidelines? (GEF/C.54/Infxxx)

Secretariat comment at CEO Endorsement Request

23rd of November 2020 (cseverin): No, please revise core indicator 11 and include core indicator values for indicator 8 and potentially indicator 2

13th of May 2021 (cseverin): Partly addressed, please ensure that the delivery according to the core indicator table, is also reflected on in RFs in the prodoc and in portal submission.

2nd of June 2021 (cseverin): Addressed

Agency Response

GEF Core Indicator 11 has been revised following the prescribed GEF guidelines and now includes additional categories that capture a better reflection of the direct project beneficiaries. The new target amounts are at least 1,082 direct project beneficiaries, including 506 women and 576 men. The project further stresses that there will be several tens of thousands more indirect project beneficiaries within the three Micronesia countries due to policy improvements and strengthened Micronesia Challenge 2030 coordination. An additional Appendix M has been included in this revision that details the methodology for tracking Core Indicator #11.

GEF Core Indicator 8 has also been added by capturing the project's existing focus on addressing sustainable management of coastal fisheries by integration with marine projected areas per one of the MC 2030 Process Targets (see Appendix J). The new

target amount is 281,947 metric tons of nearshore overexploited fish stocks moved to more sustainable levels. An additional Appendix L has been included in this revision that details the methodology for tracking Core Indicator #8.

GEF Core Indicator 2 targeting new and improved management of Marine Protected Areas was not included. The rationale for this decision is based on the project's support on policy for the MPA networks, and not on specific individual MPA or their improve management (via METT score tracking).

5/30/2021

Please see response regarding Core Indicator 8 above.

This revision has also been reflected in the information updated to the Portal.

9. Project taxonomy. Is the project properly tagged with the appropriate keywords as in Table G?

Secretariat comment at CEO Endorsement Request

23rd of November 2020 (cseverin): No, under core indicator values, the project includes the Pacific Warm Pool, however, the in the tags, LME SAP implementation is not tagged. Please also include marine protected area, if this tool is to be utilized during the project implementation towards supporting the small scale fisheries in the three countries.

13th of May 2021 (cseverin): Addressed

Agency Response Table G : Project Taxonomy has been updated in the CEO Endorsement document with the tagging of "Strategic Action Plan Implementation" and "Large Marine Ecosystems" and "Marine Protected Area", as recommended.

Part II " Project Justification

1. Project Description. Is there sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat comment at CEO Endorsement Request

21st of December 2020 (cseverin): No, please include a clearer line of argumentation that links the proposed activities to the shared marine resources that the project will be addressing. This also needs to be reflected upon in the objective. This connection may be implicit, when referring to the Micronesia sub targets, but GEF 7 IW eligible subtargets that the investment will further delivery towards needs to be much more front

and center of the proposal, compared to merely stating the project will "Strengthen the enabling environment for successful implementation of the 2030 Micronesia Challenge".

13th of May 2021 (cseverin): Addressed.

Agency Response Additional text has been added to the Project Background (specifically Sections 1.1?1.5 of the ProDoc and similar sections in the CEO Endorsement document) to note the connections between national working group efforts and enhanced protected area management as well as coastal fisheries management for more explicit alignment with eligible GEF-7 IW subtargets. In addition, these connections were expanded upon in the project objective (Section 2.1) and the project outcome narratives (Section 2.2). Additional text has also been added to the project objective to specifically link the project theory of change to priority transboundary concerns identified by the WPWP LME SAP.

2. Project Description. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?

Secretariat comment at CEO Endorsement Request 21st of December 2020 (cseverin): Yes, the elaboration on the baseline is well substantiated.

Agency Response

3. Project Description. Is there an elaboration on the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there more clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat comment at CEO Endorsement Request

21st of December 2020 (cseverin): As indicated under review question two, there is a need for making a clearer connection between project delivery of results that are aligned with the GEF 7 IW strategy, from project objective and then cascading throughout project activities. This connection need to be much clearer.

13th of May 2021 (cseverin): Addressed.

Agency Response Following on the responses above, additional clarifying text has been added to the Project Objective, Theory of Change, Project Framework, as well as the project component narratives (presented in detail in Section 2.2 of the ProDoc and similar sections in the CEO Endorsement document).

4. Project Description. Is there an elaboration on how the project is aligned with focal area/impact program strategies?

Secretariat comment at CEO Endorsement Request

21st of December 2020 (cseverin): No, this needs to be clearer, as alluded to above

13th of May 2021 (cseverin): Addressed.

Agency Response

The elaboration on how the project is aligned with the GEF-7 IW focal area has been significantly improved with additional text?primarily in Section 3.2 of the ProDoc and similar sections in the CEO Endorsement document ?now explaining how the project has been specifically designed to address transboundary marine resource management, including the project?s focus on addressing policy gaps and weak enabling environment to promote sustainable management of overexploited coastal fisheries integrated with marine protected areas.

5. Project Description. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?

Secretariat comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes, but as noted in multiple review questions above, the objective and associated deliverables should be clearly describing what the project will be working towards.

13th of May 2021 (cseverin): Addressed.

Agency Response

The project incremental reasoning (Section 3.1 of ProDoc and similar section of the CEO Endorsement Document) has been updated to more clearly reflect the project design stressing the strengthening of transboundary marine management, including a more direct project focus on project deliverables addressing coastal fisheries management integrated with marine protected areas. These changes are carried through the revised project framework and reflected in updated project outputs and associated deliverables and the corresponding project results framework.

6. Project Description. Is there a better elaboration on the project?s expected contribution to global environmental benefits or adaptation benefits?

Secretariat comment at CEO Endorsement Request 21st of December 2020 (cseverin): Yes

Agency Response

7. Project Description. Is there a better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes

Agency Response

8. Project Map and Coordinates. Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes. for a regional MSP investment, the maps are adequate. However, if national demo investments will be taking place, please provide geo references for these, ones identified.

Agency Response There will not be any national demonstration investments. No additional maps have been included at this time.

9. Child Project. If this is a child project, an adequate reflection of how it contributes to the overall program impact?

Secretariat comment at CEO Endorsement Request NA

Agency Response

10. Stakeholders. Does the project include detailed report on stakeholders engaged during the design phase? Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?

Secretariat comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes

Agency Response

11. Gender equality and women's empowerment. Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities? If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?

Secretariat comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes

Agency Response

12. Private sector engagement. If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?

Secretariat comment at CEO Endorsement Request
21st of December 2020 (cseverin): Yes, please work diligently towards including private sector stakeholders in project activities where it will be important for project outcomes, such as identified in the case of Palau.

13th of May 2021 (cseverin): Addressed.

Agency Response

Additional text has been added within the ProDoc and CEO Endorsement document to clarify the intended mechanisms to engage private sector stakeholders in the national working group activities as well as through regional activities. This includes the addition of a new outcome level indicator has been added to the project results framework to track national private sector engagement within inter-agency working groups. Further, revised language in the ProDoc Stakeholder Engagement Section (2.4) and the Sustainability Section (3.6) with additional information emphasizing engaging the private sector for securing long-term sustainability of value from the project investment.

13. Risk. Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes, the project includes a risk matrix, including mitigation measures. Furthermore, the project has also included COVID risks and opportunity analysis.

Agency Response

14. Coordination. Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes

Agency Response

15. Consistency with national priorities. Has the project described the consistency of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes

Agency Response

16. Knowledge management. Is the proposed ?Knowledge Management Approach? for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes

Agency Response

17. Monitoring and Evaluation. Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat comment at CEO Endorsement Request
21st of December 2020 (cseverin): No, Please move the cost of Audits to the PMC budget. It can not be part of the M&E budget.

13th of May 2021 (cseverin): Addressed.

Agency Response The financial audit is confirmed to be removed from budgeted M&E and to be included within the PMC budget. Clarifying text has been added to the PMC narrative within ProDoc Section 2.7: Budget & Budget Notes, in the detailed budget table (Prodoc Appendix H), and Subgrant Budget Narratives (Appendix I).

18. Benefits. Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes

Agency Response

**19. Annexes:
Are all the required annexes attached and adequately responded to?**

Secretariat comment at CEO Endorsement Request

21st of December 2020 (cseverin): No, Please make sure to upload a budget that includes budget notes, that makes it possible to understand how each budget line will be spent.

13th of May 2021 (cseverin): No, Please upload a detailed budget

2nd of August 2021 (cseverin): Addressed

Agency Response

The full budget file has been included. In addition, a clarifying paragraph that presents a high-level overview of the subgrant allocations has been added to Section 2.7 and Appendix H. In addition, the budget narratives from Appendix I have been updated to reflect all adjustments.

5/30/2021

Thank you for your comment, a detailed budget has been uploaded to the Portal.

20. Environmental and Social Safeguard (ESS):

Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?

Secretariat comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes

Agency Response

Project Results Framework

Secretariat comment at CEO Endorsement Request

21st of December 2020 (cseverin): Partly okay. Please do refer to the comments above, which indicates the need for better alignment between objective, component output indicators and the GEF 7 IW strategy.

13th of May 2021 (cseverin): Partly, please add the core indicator 8 target to the Result Frameworks

2nd of June 2021 (cseverin): Addressed

Agency Response

The Project Results Framework (Appendix C) has been revised to reflect the improvements to the project design. There are now additional and improved indicators tracking GEF Core Indicator 8 and 11 (see also Appendices L and M, respectively). There are also additional indicators tracking the project progress on strengthening coastal fisheries management and private sector engagement.

5/30/2021

Core indicator 8 is included in the Results Framework.

GEF Secretariat comments

Secretariat comment at CEO Endorsement Request

Agency Response

Council comments

Secretariat comment at CEO Endorsement Request

Agency Response

STAP comments

Secretariat comment at CEO Endorsement Request

Agency Response

Convention Secretariat comments

Secretariat comment at CEO Endorsement Request

Agency Response

Other Agencies comments

Secretariat comment at CEO Endorsement Request

Agency Response

CSOs comments

Secretariat comment at CEO Endorsement Request

Agency Response
Status of PPG utilization

Secretariat comment at CEO Endorsement Request **21st of December 2020**
(cseverin): Yes, PPG utilization matrix included.

Agency Response
Project maps and coordinates

Secretariat comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes, see above comment

Agency Response
Part III ? Country and Agency Endorsements

1. Country endorsements. Has the project/program been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF data base?

Secretariat comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes

Agency Response
Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)

Secretariat comment at CEO Endorsement Request

Agency Response

Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)

Secretariat comment at CEO Endorsement Request

Agency Response

Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

Agency Response
GEFSEC DECISION

1. RECOMMENDATION.

Is CEO endorsement/approval recommended?

Secretariat comment at CEO Endorsement Request

21st of December (cseverin): No, please address above comments and resubmit

13th of May 2021 (cseverin): No please address few remaining comments above and resubmit.

2nd of June 2021 (cseverin): No, please address above comments

2nd of August 2021 (cseverin): Yes project is being recommended for CEO Approval

16th of August 2021(cseverin): No, please address above comments and resubmit

18th of August 2021 (cseverin): Yes, project is recommended for CEO Approval

Review Dates

	1SMSP CEO Approval	Response to Secretariat comments
First Review		4/5/2021
Additional Review (as necessary)		5/30/2021
Additional Review (as necessary)		8/17/2021
Additional Review (as necessary)		

**Additional Review (as
necessary)**

CEO Recommendation

Brief reasoning for CEO Recommendations

The Micronesia large ocean states of the Republic of the Marshall Islands (RMI), Federated States of Micronesia (FSM), and the Republic of Palau (Palau) host high levels of biodiversity, including many endemic marine and terrestrial species. Collectively, their ocean and land area span over 3 million km² of the tropical north Pacific Ocean, or roughly similar to the area of the continental United States. Comprised of volcanic, rock, and coral atoll islands, the region is home to many species of flora and fauna found nowhere else in the world. Over 1,400 plant species, 1,300 fish species, 535 coral species, and hundreds of birds, amphibians, insects, reptiles, and mammals are found within the Micronesia region.

The Micronesia region is situated within the Western Pacific Warm Pool Large Marine Ecosystem (WPWP LME). While occasionally not recognized as a Large Marine Ecosystem due to its extreme size, the Western Pacific Warm Pool Large Marine Ecosystem (WPWP LME) exhibits many of the key characteristics of Large Marine Ecosystems, especially the relatively consistent biophysical marine environment and the connectivity of coastal and marine ecosystems across the region. The WPWP LME includes 14 Pacific island countries over approximately 40 million km² or 8% of the entire Earth's surface. The WPWP LME host the world's largest stocks of tuna and related pelagic species that provide approximately one third of the world's tuna and related species catches and over half of the world's supplies for canned tuna. The WPWP LME is also home to globally important stocks of sharks, turtle, billfish and other large pelagic species, and whales and other marine mammals.

For Micronesia, a sustainable blue economy is the foundation for achieving overall national development agendas and the United Nations Sustainable Development Goals (SDG), especially SDG 14: Life Below Water. Yet while the region shares similar blue economy aspirations, the economy of each Micronesia country is dominated by varying marine-based sectors. Where marine-based tourism is a key sector of Palau's economy, fisheries is a major part of the economy in the Marshall Islands. To promote a regional blue economy will rely on strong regional collaboration to collectively strengthen natural resource management across Micronesia.

The project objective is to strengthen transboundary integrated marine resource management for healthy marine ecosystems and sustainable coastal fisheries in Micronesia through the 2030 Micronesia Challenge.

At the regional level, the project is directly designed to support the recently expanded Micronesia Challenge 2030 conservation and community benefit targets and process targets, as an avenue to delivering progress on healthy marine ecosystems and sustainable fisheries. At the national level, the project leverages important national baselines that support national priorities linked with marine resource primary transboundary concerns whilst developing strategic plans for making national progress towards Micronesia Challenge 2030.

COVID analysis:

The Project has undertaken a full COVID risk and opportunity analysis. The Risk analysis includes four different risk categories 1) Availability of technical expertise and capacity and changes in timelines, 2) Stakeholder engagement process, 3) Future risk of similar crises and 4) Impacts on project strategy. Each of these have a number of specific risks and identified mitigation plans. Even though the COVID pandemic has primarily been posing risks to normal ways of doing business, the pandemic has also opened up for some opportunities. The project has identified three of these, namely 1) Can the project do more to protect and restore natural systems and their ecological functionality? 2) Can the project promote circular solutions to reduce unsustainable resource extraction and environmental degradation? **And 3)** Can the project innovate in climate change mitigation and engaging with the private sector?. Each of these opportunities have been described in some detail while also having a plan for how to benefit from these opportunities.