



*Empowered lives.  
Resilient nations.*

**GOS-UNDP-GEF**

**SEYCHELLES PROTECTED AREA FINANCE  
PROJECT  
(PAF Project)**

**INCEPTION REPORT**

May 10<sup>th</sup> 2016

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## 1. INTRODUCTION

The GOS-UNDP-GEF Project “Seychelles Protected Area Finance Project” (“PAF project”), was CEO endorsed on 3<sup>rd</sup> December 2015. The GOS-UNDP-GEF programme coordination unit (PCU) immediately commenced with the recruitment of the Project Manager and International TA – both of whom were expected to play a part in the Inception process – and proceeded with the arrangements for the project inception, including holding an Inception Workshop. The Prodoc was eventually signed between Government of Seychelles (GOS) and UNDP on 17<sup>th</sup> March 2016.

Inception activities were started up in February 2016 with initial discussions with project partners and work planning. An Inception Workshop was held on 3<sup>rd</sup> March 2016 to introduce the project to stakeholders and the public (TV and radio reports were aired on the day of the workshop). The Inception Workshop served to assist the stakeholders to understand and take ownership of the project’s goals and objectives, and to discuss the project work plan on the basis of the project logframe. The proceedings and outcomes of the inception workshop, and participants list, are annexed to this report (Annex 1).

## 2. OBJECTIVE AND OUTCOMES

**The objective of the project** is: to improve the financial sustainability and strategic cohesion of Seychelles protected area system, while also dealing with emerging threats and risks to biodiversity in a shifting national economic environment.

The two outcomes are the following, each linked to a component:

- 1) Protected Area (PA) investment is fostered and capacity for PA management, at site, institutional and systemic levels, is improved for directing the long-term sustainable financing of the PA system and generating conservation benefits.
- 2) The overall ability of the PA system to generate reliable revenue is improved, both in view of improving

There is no comment at Inception concerning these central tenets of the project, which are held to be very valid at this point in time. During the Inception Workshop it was elaborated that the three key issues the project is designed to address are:

- a) That we should move away from viewing the PA estate as a lot of separately managed sub-systems, each managed to its own ends. We need to view the PA estate holistically, with an agreed overall vision, an agreed overall financing and investment plan, and with weaker institutions being supported by stronger institutions.
- b) We need to make the PA system pay for itself. The potential for this is very large and some PAs have already achieved financial sustainability. But most PAs do not realize their full potential and the project is designed to address this – to close the financing gap that at the moment is \$2.7 million per year to achieve even basic management of the existing PA system (let alone the expanded system).
- c) Closing the financing gap will require new and innovative approaches. Tourist numbers are increasing at a rate of 19% per year – we need to capture more of the revenue they bring with them. The project needs to look at new ways to capture revenue –particularly at diversifying and creating new revenue streams.

### **3. OUTPUTS AND ACTIVITIES**

#### **3.1 Implementation modalities**

The Prodoc was not entirely clear concerning the implementation modalities for implementation of various activities, proposing a number of candidate responsible parties (nine of them), each responsible for activities under component 2 of the project (one, MCSS, being responsible for an activity under component 1). At Inception this was rationalized as follows:

##### Responsible parties.

There are two responsible parties, SIF and Nature Seychelles, who have signed MOUs with the project for implementation of activities 2.2.11 Aldabra House (SIF: MOU signed 25<sup>th</sup> April 2016) and 2.2.12 Volountourism programme (Nature Seychelles: MOU signed 6<sup>th</sup> April 2016). These are for amounts in excess of US\$ 150,000. Due diligence was applied to the selection of these parties at PPG stage (institutional and financial capacity assessment), and the relevant paperwork is filed at PCU.

##### Grantees

Micro-capital grants (less than \$150,000) were awarded to implementing partners for the implementation of activities 2.2.13 Privately-managed PAs (GIF: SGA signed 5<sup>th</sup> April 2016), and 1.3.4 Temporal PAs (MCSS: SGA signed 5<sup>th</sup> April 2016). One SGA is pending concerning activity 2.3.1 SeyCCAT operationalized: see next section.

##### Direct implementation

The project will directly implement activities conducted by Government agencies (specifically DOE and SNPA). This is for the following reasons: a) it is not easy for MEECC to sign agreements with itself, which would involve shifting funds into centrally managed bank accounts; b) the implementation of the activities would place administrative burdens on the agencies concerned which could more easily be handled directly by PCU, and c) direct implementation is generally more efficient and avoids another layer of management costs. The Project Manager and International Advisor will take a specific role in supporting the implementation of these activities according to the work plan developed by the relevant Government units/staff.

##### Pending direct implementation or implementation by responsible party

Activity 2.2.10 Silhouette is envisaged in the ProDoc to be implemented jointly between SNPA and ICS. There are three issues to be resolved before activities can commence.

- a) The original proposal as presented in the ProDoc was not accepted by the Silhouette Foundation, which is the statutory body governing activities on the island, on the grounds that it needed more focus on supporting an SNPA presence and revenue generation from the reserve. (See additional comments under section 3.2.)
- b) At inception stage there is concern over the capacity in place at ICS, arising from significant delays in implementing another (larger) GEF project on the outer islands; basically it is considered preferable for ICS to focus on that other project for at least Q2 and Q3 of 2016, making sure that important baselines are in place, etc., prior to engaging with the implementation of another quite large project which then opens competition between projects for ICS staff time.
- c) There is not as yet a formal agreement in place between ICS and SNPA (and other stakeholders) for a partnership in the implementation of activities on Silhouette, which is a prerequisite for the implementation of activities. This is a long-standing issue that was not

highlighted in the Prodoc but which will need to be resolved during 2016 to allow for the implementation of activities.

It is expected that the above can be resolved and implementation may be able to commence in late 2016 or early 2017. It is undetermined at this time whether SNPA would be defined as the lead partner in implementing the activity and thus it will be under direct implementation modality, or ICS would lead and thus the activity would be under a MOU with ICS, but the former is more likely.

### 3.2 Comments and adjustments to activities

#### **Component 1. Enabling planning and legal framework for an improved use of existing and new PA finance**

Output 1.1 A PA System (PAS) Financing & Investment Plan for Seychelles is adopted at the national-level, along with subsidiary investment plans at the site or sub-system levels, and these become a key instrument for implementing the 2013 PA Policy

- *Activity 1.1.1 A PAS Financing & Investment Plan is developed nationally and a model and examples of PA Funding Plans at the site-level are also developed, in order to assess financial needs of the PAS and lay the ground for achieving the established PA finance goals.*
- *Activity 1.1.2 The PA System Financing & Investment Plan is submitted to the Cabinet of Ministers for approval, following a due consultation process, involving all relevant stakeholders through open and participative dialogue.*

This activity will be led by the International Advisor and will be an early priority. The new ‘National Parks and Reserves Act’ (title not yet fully agreed), based on the 2013 PA Policy, is likely to be passed in May 2016 and all national PAs will then need to be re-gazetted under the new categories of PA proposed in the Act. This gives an opportunity for adjustment and reconsidering the roles and inter-relationships of different PAs under different management agencies. It is noted that some PA management agencies will need to be convinced of the usefulness of the system planning approach, and that they will benefit financially in the long run, for them to agree to participate in the process. The new Act gives provision for a National Advisory Committee to be established, responsible to the Minister MEECC, whose functions would include national PA system planning, and this would be the forum for bringing the different management institutions together and developing a shared vision for the PA system, which would be the first step in coordinated planning.

Output 1.2 Site-level cost-effectiveness and conservation-effectiveness benchmarks are established to guide decisions on investment, co-management, delegation and cross-subsidization

- *Activity 1.2.1 PAS cost-effectiveness analysis, management-effectiveness analysis and conservation management plans are harmonized across the Seychelles and across institutions.*
- *Activity 1.2.2 Site-level cost-effectiveness, management-effectiveness, and conservation benchmarks are established across the entire PAS, and performance objectives are set for each PA.*

Management plans will be need to be revised and resubmitted for all PAs as part of the re-gazetting under the new PA Act. Some PA management entities, such as SIF, have up-to-date MPs for its areas and the re-gazetting of the areas can be expected to be rapid – as long as there is clear coherence between the regulations for new PA categories and the vision for the management of the PAs concerned. For other agencies, notable SNPA, the development of MPs will be a long process, with

limited capacity to develop the plans. SNPA will conduct the MP updating sequentially, commencing with Morne Seychellois and Curieuse (the latter with co-financing support).

Output 1.3 An adequate legal framework is emplaced for implementing the PAS-wide investment programme with a multi-funding approach, adaptable to each PA

- *Activity 1.3.1 Existing, traditional funding mechanisms are evaluated and strengthened, for instance the CSR tax and the entrance fees policy.*
- *Activity 1.3.2 Potential new resource mobilization options are reviewed, at the site- and system-levels, and specific legal and institutional constraints identified, with a plan for addressing them developed.*
- *Activity 1.3.3 Assess and develop the legal and regulatory framework for PES and impact mitigation / biodiversity offsetting in the context of Seychelles.*

This activity has a focus on SNPA, and the first step is proposed as the development of a Business Marketing Strategy for the institution. This needs to go alongside a process for transition of the SNPA to financial autonomy, without which there is little incentive to invest in business development for SNPA, which is to be discussed with Government under a process funded primarily by BIOFIN project (see notes under output 2.1). This activity will be led by an international consultant supported by national consultant/s as part of the overall strengthening of communications and marketing capacity of SNPA (see activity 1.4.2), and by the International Advisor. The development of the business marketing strategy can proceed alongside the national system planning which will identify the types of new financing instruments that can be included beyond increasing the profile of protected areas within current marketing strategies of the Tourism Department (and SHTA).

- *Activity 1.3.4 Identified innovative funding mechanisms are tested on case study sites for the operationalization of Temporal Protected Areas on Inner Islands supported by the Marine Conservation Society Seychelles (MCSS)*

The amount of funds available will only allow for MCSS to work on one TPA site, a turtle nesting beach and inshore area in the south of Mahe (either Anse Intendance or Police Bay). Other sites – being additional turtle beaches and potentially whale shark aggregation sites - will be covered under a parallel project (GEF6 project currently under development) from late 2017 or 2018.

Output 1.4 Institutional capacity-building of SNPA and other key PA managing entities for the implementation of the Seychelles PA System Financing & Investment Plan in enhanced

- *Activity 1.4.1 Capacity-building needs of selected PA entities for PA finance will be specified and strengthened.*

A capacity assessment and training needs analysis for PA management entities was carried out in 2014 under the GOS-UNDP-GEF PA Project. This has begun to be implemented under other projects in the GEF portfolio, and by partners. This project will contribute to this and will commence in 2016 with training of park rangers, park managers and supervisors to IUCN certification standard, an activity that is co-financed by WIOMSA (trainers are provided and the project has to cover only local expenses and costs incurred by the trainees). An additional training course is planned on stakeholder engagement and conflict resolution aimed at top managers (CEO level), which will follow up on a previous course held in 2015 that targeted mid-level management staff (these courses are designed and led by staff of the Durrell Conservation Training Institute based in Mauritius).

- *Activity 1.4.2 Communication and marketing capacities of SNPA will be strengthened in order to increase the attractiveness of the PAS and of specific sites.*

The initiation of most activities here are contingent on the completion of the Business Marketing Strategy (under 1.3). However, there are already some urgent actions defined as needing to start up in year 1, particularly printing and setting up of new information boards at some of the most popular sites used by visitors, particularly picnic beaches in the marine parks. Another urgent action is the revision of guides for trails used by visitors, primarily those in Morne Seychellois. This work can be done quite quickly by national consultants based on the existing guides, but also needs to be adapted, with the help of an international specialist consultant, into an App format that tourists can access via smart phone on payment of a fee to the SNPA. Work on the guides/App will be deferred until 2017.

## **Component 2. Increased and more reliable revenue generation for PA management**

### Output 2.1 Institutional and policy barriers for an effective site-level revenue generation, collection and retention into the PA system are lifted, creating better conditions and incentives for reducing the PA finance gap

- *Activity 2.1.1 A review of the status of SNPA will be carried out in dialogue with MEECC and MFTBE and following their guidance, to pave the way for more SNPA to become more autonomous, institutionally and financially speaking.*
- *Activity 2.1.2 The revision of the decree on PA entrance fees is proposed for SNPA sites, to enable a system-level approach.*

Discussion on the potential for transition to financial autonomy for SNPA taken up with Ministry of Finance in late 2015, as the BIOFIN project expressed interest in pursuing this issue under a new tranche of funding. TORs were developed for a national consultant to look into the feasibility of the transition. Ministry of Finance have expressed themselves as dubious at this point concerning the capacity of SNPA to become financially autonomous, and the preferred approach is for a step-wise transition to be worked out by the consultant in liaison with all parties. This is currently at the stage of waiting for the consultant TORs to be revised and the consultant contracted to commence. The immediate priority is the development of a road map based on the PA Policy (and new PA Act) to clarify the roles, mandate and any restructuring of SNPA that might be required for a stepwise progression to financial autonomy.

It is noted that targets for two of the projects nine indicators are dependent on SNPA becoming financially autonomous, which puts a lot of weight on this activity. The project is not budgeting funds under this line in 2016, however, since the preparatory work is to be undertaken by BIOFIN up to and including the agreement of the roadmap for financial autonomy. The project can commence allocation of funds when the way forward is defined, e.g. in supporting the development of the legal instruments for collection of entrance fees, but this may not take place until late 2017 or 2018. Meanwhile capacity building of SNPA to handle its own finances can be initiated, in 2017, under activity 1.4.1.

### Output 2.2 Essential touristic or other relevant infrastructure in selected PAs are developed and new cost-effective practices, systems and schemes are implemented, all with the aim of making these PAs more attractive to visitors, increasing their own revenue generation capacity, while safeguarding and protecting their conservation value

This output allows for individual PA management entities to access funds for priority actions, noted in the Prodoc as those actions identified within the METTs as important in advancing the management effectiveness of the PAs (and thus advancing the METT scores, which is a key indicator). There is a danger that individual PA management entities will focus primarily on this part of the project and less

so on the system-wide planning initiatives, which do not necessarily provide funds for them directly, and do not, for example, provide for payment of staff time to encourage the engagement of the entities. This will need to be monitored and mitigated if needed, but in general it is assumed that provision of funds under this output come with a commitment to engage in the wider aims of the project.

- *Activity 2.2.1 Improved nature trails in selected SNPA sites are planned and implemented in Morne Seychellois, Praslin National Parks, La Veuve, and Curieuse.*

The immediate priority identified by SNPA is for a systematic survey of the sites to prioritise the (many) works that need to be initiated and to develop tender documents for the most urgent. These interventions will initially focus on well-visited sites where urgent work is required, with a priority being works on Curieuse which has the greatest potential among SNPA sites to capture additional revenues. Under this line the initial work will focus on repair of the mangrove boardwalk and also contribute to the repair of the sea wall (originally created to fence off an area for keeping turtles, but which has been important in maintaining the Curieuse mangrove area). This wall, once rebuilt, would provide a new and interesting elevated trail crossing a section of the lagoon and offering chances for visitors to view turtles, sharks, etc. Funding for the construction work is provided by government and is planned for mid-2016; the project will contribute primarily to safety features to allow the sea wall to be used by visitors as a trail. The Japanese Government will provide funds to restore the mangrove in the boardwalk area as another part of a concerted effort to improve the facilities on Curieuse.

- *Activity 2.2.2 Renovation of La Digue Veuve Reserve Special Information Centre and effective fee collection, souvenir sale and other improvements.*

The priority here is to contribute to the renovation of the rangers' house, without which the Reserve cannot operate effectively. This is a minor cost. The other priority is to improve the boardwalk areas which are the only means for visitors to access parts of the reserve during (frequent) flooding episodes. Work on the Information centre will be deferred until 2017.

The issue of fencing La Veuve is complicated since at the moment it is essentially open access to visitors and local people, who use it as a through route between various housing areas, the main road and the main town area. This needs to be thoroughly discussed and boundary issues clarified (including land ownership of adjacent parcels, etc.). Also additional (substantial) funds need to be found to install the fence. Without the fence at least around the visitors' area it will not be possible to institute a system for collecting visitor fees. These issues will be taken up in 2017.

- *Activity 2.2.3 Upgrading of Curieuse Island's the "Doctor's house".*

GOS has provided some funds already for this work, which is to commence in mid-2016. Additional support under this project is required particularly to repair the roof of the house. The development of new exhibits has already been contracted out by SNPA, using GOS funds, but the physical repair work is of course the priority before the exhibits can be installed. Some project support will also be allocated to the development of a new 'Heritage trail' around the Doctor's house and the nearby old leper colony, following a concept that has already been developed with GOS funding.

- *Activity 2.2.4 Improved surveillance equipment installed at the Iles Cocos and other marine PA, as needed.*

The procurement of new demarcation and mooring buoys has already been undertaken by SNPA with GOS funding, and installation is underway. Project support has been requested for the construction of concrete anchoring blocks for the buoys to ensure effective deployment (stability in the heavy seas of the south-east monsoon is important). Maintenance of some existing buoys is also needed.



- *Activity 2.2.5 Day campsite facilities are improved at the landing area of Curieuse Island Terrestrial Park, and concessioned out to local operators, regulating and facilitating the on-going barbecuing activities and other tourism related practices.*

SNPA has already commenced work on the re-siting and improvement of the day campsite/barbecue area at Curieuse. Additional project support has been requested for the tiling of the floor area and installation of rain/shade roofing. Tables and benches will also be built by local craftsmen using fallen timber or invasive timber species removed from forest restoration sites on the island to increase the capacity for operators organizing boat trips to the island to also organize lunches, and thereby attract more fee-paying visitors.

- *Activity 2.2.6 A solar photovoltaic system will be installed on Curieuse Island including solar panels, batteries and other equipment to produce renewable energy to power the island.*

SNPA and SEC are in the process of developing a masterplan for renewable energy and resource use for Curieuse as part of a wider drive to increase the percentage of renewable energy in the national mix. Specifications are being developed for a PV system to provide for the main HQ area of Curieuse (including the small amount of staff and visitors' accommodation). Pending the development of these specifications the project will tender for provision, installation and maintenance for a PV system for this site. GOS will look for funds for a similar system at the other site at xxx, where some rangers and the GVI volunteers are based.

- *Activity 2.2.7 Installation of a VHF system for effective communication at Praslin and La Digue with a sub-base at Fond Boffay and at La Digue.*

Communications are currently difficult, particularly for marine patrols, due to poor mobile phone coverage. An evaluation will be undertaken by SNPA of the needs for additional VHF radio equipment (some is already in place on Praslin island) after which a tender will be conducted and the equipment procured. SNPA already has the required license to operate the system.

- *Activity 2.2.8 Guided glass-bottom boat experience ran by SNPA in a marine park to be selected on the basis of a ranger contest will be introduced as a revenue and job incentive generating mechanism.*

Privately owned and operated glass-bottomed boats are already a popular tourist attraction in the marine parks around Mahe, and contribute considerable visitor fees to these marine parks. There is no such boat operating off of Praslin, however, and the opportunity is there for a similar service to operate in Curieuse marine park in particular. Some questions were raised in the Inception Workshop as to why SNPA should be purchasing such a boat, which are normally privately operated, but it was clarified that SNPA will seek a private partner to run the visitor service and that from SNPA side the main use will be for education and awareness raising. The Prodoc introduces the idea of a ranger group contest whereby rangers will have some use of the boat in a semi-private manner, but this is quite unclear and will likely be dropped. The project will contribute only a part of the cost of a boat, which is substantial, and a partner or government funds is also needed to enable the purchase.

- *Activity 2.2.9 Basic paying accommodation for scientists, students and volunteers visiting PAs, on Mahe, Praslin and Curieuse Islands.*

This is primarily co-financing from Government. A small amount is allocated under this line for supporting the renovation of the small amount of visitor's accommodation on Curieuse.

- *Activity 2.2.10 Introduction of an integrated co-management approach to PA operations on Silhouette Island National and Marine Parks.*

This activity was originally proposed to be implemented by ICS in partnership with SNPA. A proposal was developed and accepted as a part of the Prodoc, but was subsequently rejected by the Silhouette Foundation who need to approve all activities for the site. The proposal therefore has to be modified, while still addressing the issues central to this project. SNPA has few or no resources on Silhouette at present, and some funds could be diverted towards ramping up the SNPA operation. However, the original intent as expressed in the Prodoc was more towards improving the facilities for visitors (outside of the resort) to provide the basis for charging entry fees to the park itself (the whole island and surrounding marine area except for the immediate facilities of the resort), much of which is already accessed in an ad hoc manner by visitors.

The process of revising the proposal has commenced and will be continued as a dialogue between ICS, SNPA and other partners, facilitated by the project. A revised proposal will be submitted to the next meeting of the Silhouette Foundation in September 2016. No actions can take place until after receipt of approval by the Silhouette Foundation.

Meanwhile, however, a number of issues at ICS have reduced considerably the capacity of that organization to implement projects, and this has been picked up as an (approaching critical) risk in the GOS-UNDP-GEF Outer Islands project. The capacity for implementation of the proposed work on Silhouette needs to be further assessed as part of the proposal revision (above), and if significant changes are needed this will be communicated to GEF.

Further, before the activity can be implemented there is a need to put into place an agreement between SNPA, ICS, IDC and potentially other partners (such as LaBriz Resort) concerning the management of the Silhouette PAs in general – all under the auspices of the Silhouette Foundation. Agreement of this wider partnership arrangement would be the umbrella under which a project MOU for Silhouette would operate. A MOU for the implementation of project activities cannot be signed until this agreement is in place and determines who exactly the project will sign with. It is hoped that this agreement can be negotiated between parties during mid-2016, parallel to the proposal revision, to allow for some priority actions to be implemented from Q4 2016, but this remains uncertain pending approval of a revised proposal by the Silhouette Foundation. A small amount of funds has been budgeted for Q4 2016, but this may need to be deferred to 2017.

- *Activity 2.2.11 Co-participation of GEF in the development of the Aldabra House Visitor Centre by Seychelles Island Foundation (SIF).*

An MOU has been signed with SIF who will implement the activity during 2016-2019 (i.e. reducing the length of the activity from the five years indicated in the Prodoc to four years). There are no changes in the proposed activities, apart from the shorter timeframe. Activities at start-up will include significant expenditure on travel to enable consultants designing the concept to actually visit Aldabra to obtain insight into the perspectives to be exhibited. The construction and installation of the exhibits does depend, of course, on the capture by SIF of the very significant funding needed to build the Aldabra House.

- *Activity 2.2.12 Implementation of a “Voluntourism” Programme by Nature Seychelles (NS).*

An MOU has been signed with Nature Seychelles who will implement the activity during 2016-2018 (i.e. reducing the length of the activity from the five years indicated in the Prodoc to three years). There are no changes in the proposed activities, apart from the shorter timeframe. The start-up activities are dependent on early release of funds to the project, to enable the purchase and transfer of materials for the renovation of facilities on Cousin to the island before the onset of the south-east monsoon (normally in May). During that monsoon period the conditions for landing materials on Cousin become difficult.

- *Activity 2.2.13 Levering pioneering the financial support from the private sector for creating and managing the first private PAs in Seychelles with support from Green Island Foundation (GIF).*

A Grant Agreement has been signed with GIF who will implement the activity during 2016-2018 (i.e. reducing the length of the activity from the five years indicated in the Prodoc to three years). There are no changes in the proposed activities, apart from the shorter timeframe.

- *Activity 2.2.14 Start-up PA management activities for Recif Island Special Nature Reserve by the Department of Environment, in view of threat averting and creating a revenue stream in the future.*

The small number of actions for Recif will be conducted as early as possible, due to their urgency. It is expected that the funds will be utilized during Q1 and Q2 of 2016 (not spread through the five years of the project as indicated in the Prodoc). Staff will be based on the island from May at the start of the birds egg season, and will conduct the actions during the 2016 season.

Output 2.3 The operationalization of the SCCAT, and of other related environmental finance mechanisms to be adopted, takes the need for supporting biodiversity conservation into consideration, including the need to address the PAS financing gap

- *Activity 2.3.1 The SCATT operationalization is supported.*
- *Activity 2.3.2 The funding needs of PAS are duly articulated in the creation and management of environmental finance mechanisms in Seychelles, including the SCCAT and they become mainstreamed.*

A Grant Agreement was discussed with TNC, but they have suggested that the grant agreement is made not with them but with the SeyCCAT Secretariat directly (TNC would charge a management fee of 28%, which is not budgeted for and in any case is unacceptably high). As the funds are intended as direct support for the SeyCCAT Secretariat, this makes more sense. The SeyCCAT is now formally established, with a Board of Directors and a Grants Committee in place. Advertisements have been placed for the CEO of the Secretariat, and will be placed for other staff in due course, and it is expected that the Secretariat will be up and running by May 2016. The signature of the grant agreement will of course have to wait for the Secretariat to be in place, but it is assumed that expenditures will start immediately the Secretariat is established since the provided costs include start-up costs and Secretariat staff salaries.

#### **4. PROJECT LOGFRAME**

No changes are proposed to the logframe at inception stage. (The Logframe is attached as Annex II.)

## 5. MULIT-YEAR WORK PLAN AND BUDGET

The multi-year budget and work plan has been revised as follows. This is primarily to accommodate changes in the duration and spread of partner activities over the five year period. The Prodoc in many cases assumed equal expenditure per year for five years – this has now been reconciled with the actual activities to be undertaken.

Outcome / Component	Impl. Agent	Resp. Party	Fund ID	Donor Name	Atlas code	Atlas Description	2016 (9 months)	2017	2018	2019	2020	2021 (3 months)	NEW TOTAL	
1) Enabling Framework for PA Finance	MEECC		62000	GEF	71200	International Consultants	7,500	7,500	0	0	0	0	15,000	
	MEECC		62000	GEF	71200	International Consultants	16,000	24,000	0	0	0	0	40,000	
	MEECC		62000	GEF	71200	International Consultants	0	0	30,000	0	0	0	30,000	
	MEECC		62000	GEF	71300	Local Consultants	15,000	15,000	15,000	0	0	0	45,000	
	MEECC		62000	GEF	71300	Local Consultants	9,000	17,000	0	0	0	0	26,000	
	MEECC		62000	GEF	71400	Contractual Services - Individual	18,778	12,778	12,778	5,666	0	0	0	50,000
	MEECC		62000	GEF	71400	Contractual Services - Individual	2,500	3,250	2,825	3,734	7,784	1,946	0	22,039
	MEECC		62000	GEF	71400	Contractual Services - Individual	39,125	93,900	46,975	0	0	0	0	180,000
	MEECC		62000	GEF	71600	Travel	2,000	1,000	1,000	1,000	0	0	0	5,000
	MEECC		62000	GEF	72100	Contractual Services-Companies	20,000	10,000	10,000	5,000	0	0	0	45,000
	MEECC		62000	GEF	72100	Contractual Services-Companies	10,000	15,000	0	0	0	0	0	25,000
	MEECC	MCSS		62000	GEF	72600	Grants	14,945	20,676	21,710	22,796	5,767	0	85,894
	MEECC			62000	GEF	72800	Information Technology Equipment	0	0	0	0	1,500	1,500	3,000
	MEECC			62000	GEF	74100	Professional Services	0	10,000	6,000	2,000	0	0	18,000
	MEECC			62000	GEF	74200	Audio Visual & Print Production Costs	4,000	3,000	4,000	5,000	0	0	16,000
<b>TOTAL COMPONENT 1 GEF</b>							<b>158,848</b>	<b>233,104</b>	<b>150,288</b>	<b>45,196</b>	<b>15,051</b>	<b>3,446</b>	<b>605,933</b>	

Outcome / Component	Impl. Agent	Resp. Party	Fund ID	Donor Name	Atlas code	Atlas Description	2016 (9 months)	2017	2018	2019	2020	2021 (3 months)	NEW TOTAL
2) Increased Revenue for PA Mgt	MEECC		62000	GEF	71200	International Consultants	0	2,500	2,500	0	0	0	5,000
	MEECC		62000	GEF	71200	International Consultants	0	10,000	10,000	0	0	0	20,000
	MEECC		62000	GEF	71200	International Consultants	0	0	0	0	20,000	20,000	40,000
	MEECC		62000	GEF	71300	Local Consultants	0	0	5,000	0	0	0	5,000
	MEECC		62000	GEF	71300	Local Consultants	0	10,000	0	0	0	0	10,000
	MEECC		62000	GEF	71300	Local Consultants	0	0	10,000	0	0	0	10,000
	MEECC		62000	GEF	71400	Contractual Services - Individual	12,778	12,778	11,481	11,481	11,482	0	60,000
	MEECC		62000	GEF	71400	Contractual Services - Individual	13,475	14,149	14,856	15,599	8,032	0	66,111
	MEECC		62000	GEF	71400	Contractual Services - Individual	1,350	0	18,650	0	0	0	20,000
	MEECC		62000	GEF	71600	Travel	11,880	11,880	5,000	2,240	0	0	31,000
	MEECC		62000	GEF	72100	Contractual Services-Companies	0	18,000	35,000	0	0	0	53,000
	MEECC	SNPA	62000	GEF	72200	Equipment and Furniture	123,000	97,000	0	0	0	0	220,000
	MEECC	SNPA	62000	GEF	72100	Contractual Services-Companies	74,000	75,000	75,000	55,000	16,000	0	295,000
	MEECC		62000	GEF	72400	Communication & Audio Visual Equipment	5,000	5,000	5,000	4,000	956	0	19,956
	MEECC	SNPA	62000	GEF	72600	Grants	15,000	65,000	50,000	50,000	20,000	0	200,000
	MEECC	SIF	62000	GEF	72600	Grants	134,600	116,800	46,800	51,800	0	0	350,000
	MEECC	NS	62000	GEF	72600	Grants	86,000	120,000	69,000	0	0	0	275,000
	MEECC	GIF	62000	GEF	72600	Grants	30,000	30,000	15,000	0	0	0	75,000
	MEECC	DoE	62000	GEF	72600	Grants	20,000	0	0	0	0	0	20,000
	MEECC	TNC	62000	GEF	72600	Grants	67,000	67,000	0	0	0	0	134,000
MEECC		62000	GEF	72800	Information Technology Equipment	15,000	9,000	6,000	3,000	0	0	33,000	
MEECC		62000	GEF	74100	Professional	12,000	10,000	12,000	3,000	1,000	0	38,000	

Outcome / Component	Impl. Agent	Resp. Party	Fund ID	Donor Name	Atlas code	Atlas Description	2016 (9 months)	2017	2018	2019	2020	2021 (3 months)	NEW TOTAL
						Services							
	MEECC		62000	GEF	74200	Audio Visual & Print Production Costs	5,000	5,000	2,000	2,000	1,000	1,000	16,000
	MEECC		62000	GEF	75700	Training, workshops and conferences	6,000	12,000	10,000	10,000	3,000	2,000	43,000
<b>TOTAL COMPONENT 2 GEF</b>							<b>632,083</b>	<b>691,107</b>	<b>403,287</b>	<b>208,120</b>	<b>81,470</b>	<b>23,000</b>	<b>2,039,067</b>
3) Project Mgt	MEECC		62000	GEF	71400	Contractual Services - Individual	25,917	27,212	15,000	5,000	5,000	1,871	80,000
	MEECC		62000	GEF	71600	Travel	1,869	3,500	3,500	3,500	3,531	1,000	16,900
	MEECC		62000	GEF	72100	Contractual Services - Companies	4,901	5,000	5,000	5,000	4,099	1,000	25,000
	MEECC		62000	GEF	74100	Professional Services	0	1,000	1,000	1,000	1,000	1,000	5,000
	MEECC		62000	GEF	74500	Miscellaneous	0	2,000	1,000	1,000	1,000	0	5,000
<b>TOTAL PROJECT MGT GEF</b>							<b>32,687</b>	<b>38,712</b>	<b>25,500</b>	<b>15,500</b>	<b>14,630</b>	<b>4,871</b>	<b>131,900</b>
<b>TOTAL PROJECT</b>							<b>823,618</b>	<b>962,923</b>	<b>579,075</b>	<b>268,816</b>	<b>111,151</b>	<b>31,317</b>	<b>2,776,900</b>

## 6. ANNUAL WORK PLAN FOR 2016

	Output & Activities	ATLAS Budget line		2016	Quarterly totals US\$			Responsible	Other Parties	Notes
		Description	Account	US\$ Total	2nd	3rd	4th			
<b>OUTCOME 1. Protected Area (PA) investment is fostered and capacity for PA management, at site, institutional and systemic levels, is improved for directing the long-term sustainable financing of the PA system and generating conservation benefits</b>										
Output 1.1 A PA System (PAS) Financing & Investment Plan for Seychelles is adopted at the national-level, along with subsidiary investment plans at the site or sub-system levels, and these become a key instrument for implementing the 2013 PA Policy	Activity 1.1.1 <b>PA system financing and investment plan</b> developed - Definition and agreement of shared vision for the PA system - Analysis of legal and policy requirements consequent to development of new financing mechanisms - Analysis of financing gaps - Evaluation of existing financial management systems	International consultants	71200	<b>7,500</b>	0	7,500	0	PCU	PA management agencies	International expert: Legal, Policy and institutional development (all costs charged to component 1 in 2016) - note there is overlap with TORs of the Int TA and the consultant will have complimentary skills
		National consultants	71300	<b>15,000</b>	0	5,000	10,000			National consultant/s: Legal, Policy and institutional development (as above)
		Contractual services - companies	72100	<b>5,000</b>	0	2,500	2,500			Consultation: venues and catering
Output 1.2 Site-level cost-effectiveness and conservation-effectiveness benchmarks are established to guide decisions on investment, co-management, delegation and cross-subsidization	Activity 1.2.1 PA system cost-effectiveness analysis  Activity 1.2.2 <b>PA management plans</b> developed - Updating or development of new MP for Morne Seychellois in line with PA Policy ( <i>Curieuse MP also revised with COI co-financing</i> )			<b>0</b>	0	0	0	PCU, SNPA	PA management agencies	International TA to lead on this output
		Travel	71600	<b>2,000</b>	0	1,000	1,000			Internal transport to project sites
		Contractual services - companies	72100	<b>5,000</b>	0	0	5,000			Consultations
Output 1.3 An adequate legal	Activity 1.3.1 Existing financial mechanisms	Contractual services -	72100	<b>0</b>	0	0	0	PCU, SNPA	PA management	Service provider to undertake study of

	Output & Activities	ATLAS Budget line		2016	Quarterly totals US\$			Responsible	Other Parties	Notes
		Description	Account	US\$ Total	2nd	3rd	4th			
framework is emplaced for implementing the PAS-wide investment programme with a multi-funding approach, adaptable to each PA	evaluated and strengthened - Review of SNPA financing sources and needs for improvement <b>(Business Marketing Strategy)</b> - Develop financing and investment plans and review legal and policy framework to improve SNPA financial status	companies							agencies	financial control systems to SNPA in particular (note additional funds in component 1 and in component 2 for 2017, but may not all be needed due to BIOFIN inputs in regard to assessing potential for financial autonomy of SNPA)  Int TA can potentially lead on some of this
	Activity 1.3.2 Potential new resource mobilization options reviewed - Analysis of existing visitor fee levels and collection mechanisms and how these may be improved. - Study of user-pays principle, other user fee opportunities	Contractual services - companies	72100	<b>10,000</b>	0	5,000	5,000	PCU, SNPA	PA management agencies	
	Activity 1.3.4 TPAs test case - Training of TPA staff/volunteers in all aspects of TPA implementation - Baseline monitoring and TPA implementation - Maintain key monitoring data and annual performance review	Grants	72600	<b>14,945</b>	5,195	4,875	4,875	MCSS	PCU, SNPA	
Output 1.4 Institutional	Activity 1.4.1 Capacity building measures for PA	Contractual services -	72100	<b>10,000</b>	0	5,000	5,000	PCU, SNPA	WIOMSA, PA	Training sessions, workshops etc.: venues



	Output & Activities	ATLAS Budget line		2016	Quarterly totals US\$			Responsible	Other Parties	Notes
		Description	Account	US\$ Total	2nd	3rd	4th			
capacity building of SNPA and other key PA managing entities for the implementation of the Seychelles PAS Financing and Investment Plan is enhanced	management entities (based on 2014 managing agency capacity assessment). Local costs for WIOMSA training in three tiers: - PA managers' course - Supervisor certification course - Range certification course	companies							management agencies	and catering  (NB. Other training funded under OI Project)
	Activity 1.4.2 Strengthening of communication and marketing capacities of SNPA - Activities to be contingent on Business Marketing Strategy - Print new information boards for MPAs - Trail guides, etc., deferred to 2017-18	International consultants	71200	<b>16,000</b>	0	8,000	8,000	PCU	SNPA	International consultant: Communications and outreach (all costs charged to component 1 in 2016) NB. Consultant also to input into Business Marketing Strategy
		Local consultants	71300	<b>9,000</b>	0	0	9,000	PCU	SNPA	National consultant/s: communications and outreach (all costs charged to component 1 in 2016)
		Audio-visual and print production costs	74200	<b>4,000</b>	0	0	4,000	PCU	SNPA	Outreach materials - trail guides, etc.
<b>Cross-cutting</b>	CTA support to implementing agencies (8.35% time of CTA and programme coordination support)	Contractual services - Individuals	71400	<b>18,778</b>	6,000	12,778	0	PCU		Split between components 1 and 2. Share includes Q2 contribution when no PM or IA in place.
	Project manager	Contractual services -	71400	<b>3,850</b>	3,850	0	0	PCU		Split between components (8 months)

	Output & Activities	ATLAS Budget line		2016	Quarterly totals US\$			Responsible	Other Parties	Notes
		Description	Account	US\$ Total	2nd	3rd	4th			
		Individuals								@ \$1925 : 2 months in Q1 charged here)
	International Advisor: Strategic PA Finance and Economics	Contractual services - Individuals	71400	39,125	0	15,650	23,475	PCU		Salary costs (5 months) - IA commences work in June, 1 month contract break in July, salary \$7,825
<b>SUB-TOTAL OUTCOME 1</b>				<b>160,198</b>	<b>15,045</b>	<b>67,303</b>	<b>77,850</b>			
<b>OUTCOME 2. The overall ability of the PA system to generate revenue is improved, both in view of improving its overall management effectiveness and of catering for the needs of an expanded estate</b>										
Output 2.1 Institutional and policy barriers for an effective site-level revenue generation, collection and retention into the PA system are lifted, creating better conditions and incentives for reducing the PA finance gap	Activity 2.1.1 Review of financial status of SNPA and potential for financial autonomy - Develop a road map referencing PA Policy to determine the roles, mandate and any restructuring of the SNPA (information for GOS to decide on a stepwise progression to financial autonomy - or not)	Contractual services - companies	72100	0	0	0	0	PCU, SNPA	BIOFIN, MFTBE	Originally budgeted for service provider. External consultant inputs to this line will now be covered by BIOFIN (at least during 2016), potentially releasing funds for re-assignment. (\$53,000 plus consultation costs budgeted for this)
Output 2.2 Essential touristic or other relevant infrastructure in selected PAs and new cost-effective practices, systems and schemes are implemented, all with the aim of	Activity 2.2.1 SNPA nature trails - Survey and prioritization of required works, preparation of tender docs. - Provisional: improving boardwalk and contributing to renovation of sea wall (Curieuse)	Contractual services - companies	72100	20,000	0	10,000	10,000	SNPA	PCU	
	Activity 2.2.2 Veuve information centre - Contribution to	Contractual services - companies	72100	26,000	0	18,000	8,000	SNPA	PCU	

	Output & Activities	ATLAS Budget line		2016	Quarterly totals US\$			Responsible	Other Parties	Notes
		Description	Account	US\$ Total	2nd	3rd	4th			
making these PAs more attractive to visitors, increasing their own revenue generation capacity, while safeguarding and protecting their conservation value	renovating rangers' house - Improve boardwalks - Seek co-financing for fencing of the reserve (2017)									
	Activity 2.2.3 Curieuse heritage - Renovate roof of Doctor's house - Mapping out of Curieuse heritage trail	Contractual services - companies	72100	<b>8,000</b>	3,000	0	5,000	SNPA	PCU	Main renovation of Doctor's House and new exhibits co-financed by GOS
	Activity 2.2.4 Iles Cocos surveillance - Construction and installation of anchor blocks - Maintenance of demarcation and mooring buoys - Additional procurement of mooring buoys and diving equipment deferred to 2017	Equipment and furniture	72200	<b>13,000</b>	0	10,000	3,000	SNPA	PCU	Installation of demarcation buoys underway as co-financing by GOS
	Activity 2.2.5 Curieuse campsites - Move and upgrade food preparation area - Procure tables and benches	Contractual services - companies	72100	<b>15,000</b>	0	5,000	10,000	SNPA	PCU	Paved barbecue area under construction with GOS co-financing
	Activity 2.2.6 Curieuse PV system - Develop a master plan for Curieuse renewable energy and resource use (together with SEC) - According to determined	Equipment and furniture	72200	<b>80,000</b>	0	40,000	40,000	SNPA	PCU	Can be tendered in Q2 and procured and installed in Q3 and Q4

	Output & Activities	ATLAS Budget line		2016	Quarterly totals US\$			Responsible	Other Parties	Notes
		Description	Account	US\$ Total	2nd	3rd	4th			
	specifications, tender for a PV system - Procure and install system									
	Activity 2.2.7 Praslin-Veuve VHF radio system - Evaluation of needs and tender for VHF system - Procure and install system	Equipment and furniture	72200	<b>30,000</b>	0	30,000	0	SNPA	PCU	All required licenses in place
	Activity 2.2.8 Glass bottom boat - Develop operational procedure and define recurring costs for running the GB boat - Seek co-financing for the purchase of a GB boat (GEF funds only cover part) - Tender for GB boat (2017) - Procure GB boat (2017)	Equipment and furniture	72200	<b>0</b>	0	0	0	SNPA	PCU	Deferred to 2017 or later pending determination of co-financing
	Activity 2.2.9 Scientists and volunteers accommodation - Renovate existing visitor accommodation on Curieuse	Contractual services - companies	72100	<b>5,000</b>	0	2,500	2,500	SNPA	PCU, GVI	
	Activity 2.2.10 Co-management of Silhouette - Develop a partnership arrangement between SNPA and IDC/ICS for the implementation of the project activities (under	Grants	72600	<b>15,000</b>	0	0	15,000	SNPA / ICS	PCU	Activity pending agreement of partnership arrangement (MOU) and increased staff capacity at ICS

	Output & Activities	ATLAS Budget line		2016	Quarterly totals US\$			Responsible	Other Parties	Notes
		Description	Account	US\$ Total	2nd	3rd	4th			
	the framework of the larger MOU for management of Silhouette) - Commence implementation of priority actions (tbd)									
	Activity 2.2.11 Aldabra House - Develop an activities plan (how project actions mesh with the wider development plan for Aldabra House - Implement priority actions tbd	Grants	72600	<b>134,600</b>	33,200	41,200	60,200	SIF	PCU	
	Activity 2.2.12 Voluntourism pilot - Programme design: procedures for handling of volunteers, administration, misc manuals - Programme marketing - Renovation of volunteer facilities	Grants	72600	<b>86,000</b>	50,000	15,500	20,500	NS	PCU	
	Activity 2.2.13 Explore potential for privately managed PAs on North and Denis - Furnishing the visitor centre on Denis Island and North Island with content aiming to assist in implementation of financing programmes - Trial and implement novel financing	Grants	72600	<b>30,000</b>	14,667	6,817	8,516	GIF	PCU	

	Output & Activities	ATLAS Budget line		2016	Quarterly totals US\$			Responsible	Other Parties	Notes
		Description	Account	US\$ Total	2nd	3rd	4th			
	mechanisms (marine trails, smartphone app., nest box adoption scheme)									
	Activity 2.2.14 Management activities on Recife - Prepare Management Plan in line with PA Act - Improve communications network - Habitat restoration and IAS removal	Grants	72600	<b>20,000</b>	10,000	10,000	0	DOE	PCU	
Output 2.3 The operationalization of the SeyCCAT, and of other related environmental finance mechanisms to be adopted, takes the need for supporting biodiversity conservation into consideration, including the need to address the PA financing gap	Activity 2.3.1 Operationalization of SeyCCAT - Recruitment of CEO, Admin Assistant and Accountant - Establishment and running of a SeyCCAT office - Support to the SEYCCAT Board, meetings and trainings	Grants	72600	<b>67,000</b>	23,000	22,000	22,000	TNC, GOS	PCU	
	Activity 2.3.2 Ensure funding needs of PAs are considered in evolving funding mechanisms - Continue participation in BIOFIN and SeyCCAT dialogue - Continue engagement in MSP process			<b>0</b>	0	0	0	PCU	All partners	Business as usual activities of PCU; additional inputs from project staff as required
Cross-cutting	CTA support to implementing agencies (8.35% time of CTA and	Contractual services - Individuals	71400	<b>12,778</b>	0	0	12,778	PCU		Split between components 1 and 2

	Output & Activities	ATLAS Budget line		2016	Quarterly totals US\$			Responsible	Other Parties	Notes
		Description	Account	US\$ Total	2nd	3rd	4th			
	programme coordination support)									
	Project manager	Contractual services - Individuals	71400	<b>13,475</b>	0	5,775	7,700	PCU		Split between components (9+1 months @ \$1925 : Q2 and Q3 charged here)
	International Advisor: Strategic PA Finance and Economics	Contractual services - Individuals	71400	<b>1,350</b>	0	1,350	0	PCU		Relocation costs, as per IA financial proposal
	IA travel	Travel	71600	<b>6,880</b>	0	2,880	4,000	PCU		International consultant travel (Long term + 2 dependents, 2 x short term)
	Staff travel (monitoring of grant sites)	Travel	71600	<b>5,000</b>	2,500	2,500	0			
	Communications - Waterproof mobile phones for MPA rangers, GPSs (pending establishment of asset management and storage scheme) - Office equipment	Communication and audio-visual equipment	72400	<b>5,000</b>	0	5,000	0	PCU		For SNPA coordination office or SNPA target sites
	Field computers, office equipment	IT equipment	72800	<b>15,000</b>	7,500	7,500	0	PCU	SNPA	PCU and SNPA project support staff
	Engineering drawings for small infrastructures, translation (trail guides), printing project materials	Professional services	74100	<b>12,000</b>	0	6,000	6,000	PCU	SNPA	
	Communications and marketing materials	Audio visual and print production costs	74200	<b>5,000</b>	0	0	5,000	PCU	Partners	Printing of materials
	Workshops and knowledge sharing	Training workshops and conferences	72100	<b>6,000</b>	3,000	0	3,000	PCU	Partners	Includes Inception Workshop

	Output & Activities	ATLAS Budget line		2016	Quarterly totals US\$			Responsible	Other Parties	Notes
		Description	Account	US\$ Total	2nd	3rd	4th			
<b>SUB-TOTAL OUTCOME 2</b>				<b>632,083</b>	<b>146,867</b>	<b>242,022</b>	<b>243,194</b>			
Project management	Administrative staff support	Contractual services - Individuals	71400	25,917	0	8,841	17,076	PCU		Finance and admin staff, driver, maid/cleaner (includes 13th month)
	Travel (PCU support costs)	Travel	71600	1,869	0	694	1,175	PCU		Relocation costs
	Utilities, internet, website, security, etc.	Contractual services - companies	72100	4,901	0	2,078	2,823	PCU		International consultant travel (Long term + 2 dependents, 2 x short term)
	Annual audit	Professional services	74100	0	0	0	0	UNDP	PCU	Not until 2017
		Miscellaneous	74500	0	0	0	0	PCU		
<b>SUB-TOTAL PROJECT MANAGEMENT</b>				<b>32,687</b>	<b>0</b>	<b>11,613</b>	<b>21,074</b>			
<b>TOTAL</b>				<b>824,968</b>	<b>161,912</b>	<b>320,938</b>	<b>342,118</b>			



## 7. RISKS

The risks log in the Prodoc was updated during the inception (February 2016) as below (updates from the Prodoc in red).

Type	Date Identified	Description	Date	Comment or Management Response	Critical Flag
ECONOMIC	24/09/2015	Although the negotiations for the debt nature swap are successful, the Seychelles Climate Change Adaptation Trust Fund is not established	24/09/2015	The establishment of the SCCAT is an important element in PA finance matters, but not critical to the achievement of project objective. They are related, but parallel projects/initiatives. Negotiations between the Government of Seychelles and the Club of Paris have reached a positive agreement during the preparation phase of the project and the setting-up of the fund is well advanced in the process. TNC has been advising the Government of Seychelles on the matter. The Government of Seychelles has received positive feedbacks from the Club of Paris. At this writing stage, this risk is considered receding and may even be retired as a risk before project upstart.	Retired
			22/2/2016	The SeyCCAT was formally established with publication of the SeyCCAT Act in the Official Gazette on 19th November 2015. The first meeting of the Board of Directors was held in November 2015. A formal agreement was reached with the Paris Club to swap \$30 million of debt in December 2015. The risk is retired.	
STRATEGIC	24/09/2015	Ongoing conflicts and misunderstandings between public institutions, private sector partners, NGOs and resource users undermine partnership approaches and implementation of cooperative governance arrangements for the Protected Areas System	24/09/2015	The project will facilitate the consultative development of a legislative and policy framework related to biodiversity off settings, payment for ecosystem services, public private partnership that emphasizes the critical role of partnerships between governments, civil society and the private sector. The project will strengthen the PA cooperative governance structure proposed under the Protected area policy and help to formalise partnership agreements that more explicitly define the roles and responsibilities of partners in the planning and management of specific PAs. More practically, the project will operationalize an information partners' dialogue forum for keeping communications channels open, and reducing reasons (often found in difficult communication of stakes) and also for conflict mitigation and resolution when needed.	Y
			22/2/2016	The project is including knowledge sharing and partnership development as part of its first (and subsequent) annual work plans. The achievement of	

Type	Date Identified	Description	Date	Comment or Management Response	Critical Flag
				equal partnerships will rely, however, on full cooperation and involvement of all NGOs as well as Government agencies.	
STRATEGIC	24/09/2015	Government does not support proposals for PA revenue retention, undermining a key element in the project's strategy the effective and strategic use of government finance to PAs.	24/09/2015	The low PA revenue retention rate for SNPA was introduced at a time, when government revenues had been severely diminished. This is no longer the case, so a simple change in regulations should be possible, but needs to be properly framed. Such proposal will be presented together with an entire package of capacity building services under the project for improving the management and conservation effectiveness of the SNPA	Y
			22/2/2016	This risk is raised to critical flag. Discussions with Government (specifically Ministry of Finance) were held in late 2015 when BIOFIN project offered to fund a study of the potential for SNPA to move to being a financially autonomous organization. MOF indicated that it did not think that SNPA had the capacity to become financially autonomous at this time and would not support this shift. The project will undertake further consultation during year 1, in partnership with BIOFIN, to develop a roadmap whereby SNPA may adopt a step-wise progression to financial autonomy.	
FINANCIAL	24/09/2015	Downturn in tourist numbers	24/09/2015	Given that the results expected by this project involve funding that comes by and large from the tourism sector, this risk may be low now, as tourism visitation is in the increase. However, the risk should be monitored. The project also includes strategies towards diversifying sources of income to the PAS away from tourism, given the sector's volatility..	N
			22/2/2016	Tourist numbers arriving in 2015 increased by 19% over figures for 2014. By September (latest statistics) 182,089 visitors had arrived in Seychelles compared to 153,469 for the same period in 2014. It is quite unlikely that this trend will be reversed unless there are significant regional or global shocks.	
ENVIRONMENTAL	24/09/2015	Climate risks	24/09/2015	The outcomes of this project are very likely to be affected by climate change; for instance, if endangered species such as whale sharks were to disappear, it could have a major impact on dive tourism revenues, as well as for increasing investment risks since some projections forecast that the country will be under water by 2100. As this is slow-rising risk, its impact for the duration of the project is considered low. However, the investments	N

Type	Date Identified	Description	Date	Comment or Management Response	Critical Flag
				to be made and leveraged by the project are expected to have a longer reach into the future, so these risks should be considered, including as part of the next risk on infrastructural developments in PAs.	
			22/2/2016	Climate-related impacts causing ocean warming and possibly affecting ocean currents may be contributing to an observed change in migration pattern of whale sharks over 2014 and 2015, involving not just Seychelles, coral bleaching (a bleaching event was narrowly averted in late 2015 when there was a sudden change in weather just as corals were starting to bleach, and a localized harmful algal bloom in late 2015).	
ENVIRONMENTAL	24/09/2015	Potential negative environmental impacts from infrastructural development impacts and increased boat traffic as a direct result of project activities in ecologically sensitive areas.	24/09/2015	The project will make provisions for potential impacts to be avoided, managed and reduced during the planning, construction and operational phases. All construction, alterations and renovation, along with any water and earth works within PA sites and which can affect these sites foreseen under this project, will abide by the strictest social and environmental safeguards, e.g. by avoiding or minimizing forest clearance, soil disturbance, excessive use of freshwater, and by making use of materials that are adapted and suitable to natural areas. Boat traffic in sensitive areas of the Mahe Plateau should follow strict rules, especially in the presence of cetaceans. These standards will be required as part of the procurement and contract monitoring process. Data on location and distribution of endemic and threatened species will be taken into consideration. These are relatively uncomplicated measures that can and will be applied, and which are not expected to over-inflate costs to implementers. Where relevant, and as mandated by law, environmental impact assessment and impact mitigation measures will be applied. In addition, the project will make efforts to independently monitor these environmental in ecologically sensitive areas by working with responsible parties and supporting them every step of the way	N
			22/2/2016	The above will be observed in planning of activities.	

## **8. RECRUITMENT**

### Project manager

An advertisement was placed in the national newspapers and on the PCU website in January 2016. There were two applicants neither of whom were at all suitable. The advert was placed again in February 2016. This time there was one applicant, Mr Allen Cedras, currently employed by SNPA as Manager Inner Islands PA System, but whose contract terminates in September 2016. Following an evaluation process and agreeing terms with SNPA or a transition period, a recommendation was made to MEECC for the recruitment of Mr Cedras. This was, however, not agreed by MEECC on the grounds that Mr Cedras was insufficiently qualified for the position. Unfortunately this led to Mr Cedras resigning from SNPA anyway, as of May 10<sup>th</sup>, and the loss of his expertise to both SNPA and the project. The post was re-advertised for a third time in early April 2016 and there were no eligible applications. Options are currently being discussed for interim cover while the project continues to search for a suitably qualified person.

### International Technical Advisor

The position was advertised on UNDP Jobs in February 2016. There were 41 applicants who were whittled down to a short-list of seven. Following a formal evaluation and interviews of the top three candidates Mr Andrew Rylance was selected and a recommendation was made to MEECC for his appointment in June 2016 (when he completes his current employment). This was approved by MEECC in late April and Mr Rylance will commence work in Seychelles from 22<sup>nd</sup> June.

## **9. FINAL NOTE**

Procedures for initiating the project are almost completed at the time of preparation of this report. Based on the multi-year work plan and budget revision, an asl of \$824,968 has been approved. A US\$ bank account for the project has been opened at Central Bank of Seychelles, subsequent to approval received from Ministry of Finance for the opening of a dedicated project bank account. Opening of a local currency account at Nouvobanq is in process. Receipt of funds is expected by the end of April 2016 and implementation expected to commence in May 2016.

## ANNEX I.

### MINUTES OF THE INCEPTION WORKSHOP

#### AGENDA

**Venue:** STC Conference Room

**Date:** Thursday 3<sup>rd</sup> March, 2016

Schedule	Programme	Presenter
8:30 – 9:00	Registration	
9:00 – 9:05	Welcome and introduction to the agenda	
9.05 - 9.15	Opening of the Workshop	Minister Dogley
9:15 – 09.30	Overview of the project – what it is intended to deliver: <ul style="list-style-type: none"><li>• Development of the project</li><li>• Project objective, outcomes and key outputs</li></ul>	Andrew Grieser Johns, PCU
9.30 – 10.00	Comments from implementing partners: how this project builds on existing programmes (SNPA, SNPA/ICS, DOE, SIF, Nature Seychelles, MCSS, GIF, TNC)	Project partners
10:00 – 10.30	Tea Break	
10.30 – 11.15	Project operations: <ul style="list-style-type: none"><li>• Multi-year work plan and budget (summary)</li><li>• Work plan and budget for 2016</li></ul> How project impacts will be measured: <ul style="list-style-type: none"><li>• Review of the project logframe: indicators and targets</li><li>• Risks</li></ul>	Andrew Grieser Johns, PCU
11.15– 11.30	Procedures: <ul style="list-style-type: none"><li>• Institutional framework (responsible parties, partners)</li><li>• Technical and financial reporting procedures and obligations (quarterly reports, annual PIRs, audit)</li><li>• Monitoring and evaluation; role of stakeholders in M&amp;E</li></ul>	Roland Alcindor, UNDP
11.30 – 12.15	Discussion	Andrew Grieser Johns, facilitator
12.15 – 12.20	Wrap up and closure	PS Decomarmond
12:30	Lunch (provided)	

#### PROCEEDINGS

##### Welcome

A brief welcome and introduction was given by Mr Andrew Grieser Johns (PCU Programme Coordinator). Apologies were conveyed from Ms Penny Stock, interim RTA, who was unable to attend the workshop due to cancellation of a related mission.

##### Opening Speech

Minister Dogley gave his opening speech. He began by announcing that Government of Seychelles had on 23<sup>rd</sup> February signed the agreement with Paris Club for transfer of \$27 million of Debt, the interest on which would amount to some \$250,000 per year which would be paid into the already

operationalized SeyCCAT (Trust Fund). He noted that all required procedures and governance structures were being put into place to make sure that these funds started flowing in 2016, and that the first call for proposals to the fund would be made in a few months' time. These funds would be used for conservation and management of protected areas and support of the Blue Economy. Mr Dogley also announced a \$1 million contribution to SeyCCAT made by Mr Leonardo DiCaprio.

Mr Dogley noted that the current PAF project is the last to be programmed of the GEF5 cycle and absorbs all the funds remaining under the GEF5 STAR allocation. He also noted that the project builds on the GEF4 project 'Strengthening Seychelles' protected area system through NGO management modalities' which terminated at the end of June last year, and complements the on-going GEF5 Outer Islands project. Whereas the previous PA NGO project focused on supporting NGOs to strengthen management of areas under their jurisdiction, and the Outer Island project focuses on a specific sub-system, the current project focuses on strengthening management of the system as a whole, and this means addressing the weakest links which are primarily areas under management by Government.

Mr Dogley noted the importance of partnerships in achieving the aims of the project. The implementation of the project will require teamwork and the engagement of all PA management entities not just in business as usual in own areas but in contributing significantly to wider project goals. Everyone needs to continue to be involved throughout the project implementation cycle, to put forward their own ideas, to support each other's endeavours, and to help build a cohesive and financially sustainable PA system in Seychelles.

Finally, Mr Dogley thanked participants, wished them a fruitful discussion, and was pleased to launch the Seychelles Protected Areas Finance Project.

### **Overview of the project**

Mr Grieser Johns gave an overview of the project. He began by noting that the project is based on three premises:

- d) That we should move away from viewing the PA estate as a lot of separately managed sub-systems, each managed to its own ends. We need to view the PA estate holistically, with an agreed overall vision, an agreed overall financing and investment plan, and with weaker institutions being supported by stronger institutions.
- e) We need to make the PA system pay for itself. The potential for this is very large and some PAs have already achieved financial sustainability. But most PAs do not realize their full potential and the project is designed to address this – to close the financing gap that at the moment is \$2.7 million per year to achieve even basic management of the existing PA system (let alone the expanded system).
- f) Closing the financing gap will require new and innovative approaches. Tourist numbers are increasing at a rate of 19% per year – we need to capture more of the revenue they bring with them. The project needs to look at new ways to capture revenue – particularly at diversifying and creating new revenue streams.

He went on to outline the development of the project, its objective and the two components, noting that component 1 was essentially about improving the framework for the PA system to deliver its core functions in a holistic manner, and component 2 was about improving the capacity of SNPA (as an entity) and individual PAs (as management units) to capture revenue. He then summarized the main outputs and the measures of success – the deliverables against which the project would be evaluated. He noted that these were quite challenging.

The project partners were then invited to comment on how the actions to be undertaken by them would build on previous projects and current initiatives.

Mr Flavien Joubert (SNPA) focussed on the issue of financial autonomy of SNPA and noted the constraints that were being faced. He introduced some of the actions to be undertaken in SNPA areas to increase revenue streams.

Mr Pierre-Andre Adam (ICS) was not able to speak concerning the actions proposed for Silhouette (this is in any case pending development of partnership arrangement with SNPA for implementation and potential review of the activities proposed).

Mr Ronley Fanchette (DOE) noted that activities on Recife would be undertaken in 2016 and focused on management planning, vegetation restoration and selected IAS removal.

Dr Frauke Fleischer-Dogley (SIF) reported on the status of Aldabra House, noting that this was a means of bring Aldabra closer to Mahe (given that almost everyone wished to go to Aldabra but few would have the opportunity to do so). Planning was needed to fit the resources made available under this project into the overall and wider planning process for the development of Aldabra House.

Ms Kerstin Henri (Nature Seychelles) noted that project funds would go towards establishing a voluntourism action, making use of the many tourists who wished to stay for longer periods and volunteer to work in nature conservation actions, and pay to do so. The activities would be planned and structures put into place during 2016, with the first cohort of voluntourists visiting in early 2017. The model would be widely replicable in other protected areas, such as Aride and SNPA managed PAs.

Mr Arjan de Groene (GIF) explained how the project actions on North and Denis island would focus on developing activities to generate funding to implement management of these islands.

Mr David Rowatt (MCSS) reported that activities on TPAs would focus on securing beaches for nesting hawksbill turtles in south Mahe, which are not currently adequately protected.

Ms Helena Sims (TNC) reported on the progress in developing SeyCCAT, and explained that project funds would be used for operationalizing the SeyCCAT governance structure, which needed to be put into place rapidly so as to be able to start awarding grants as per the schedule alluded to by Minister Dogley in his opening speech.

### **Project operations**

Following a coffee break and media opportunity, Mr Grieser Johns resumed with a brief explanation of the project multi-year work plan, noting that it was overly complex with multiple lines for the same budget codes and costs for the same consultant split between components, which would make accounting very difficult. Mr Norman Lucas (PCU Chief Finance Officer) concurred.

Mr Grieser Johns then went through the draft 2016 annual work plan, line by line, and invited any comments and additions from partners.

In regard to activity 2.1.1 (review of the financial status of SNPA and potential for financial autonomy), Mr Arjan de Groene (GIF) wondered if Government was in agreement with the proposed shift of SNPA to become a financially autonomous organization. Mr Roland Alcindor (UNDP) reported on discussions held between BIOFIN and Ministry of Finance, Trade and Blue Economy on this subject. He said that MoFTBE was concerned that SNPA did not have capacity at present and the Ministry needs to be sure that SNPA can manage its funds effectively. BIOFIN was intending to finance a consultant to conduct a review of the potential for financial autonomy as a starting point for further discussion. MoFTBE required information on when and how the transition would take place, and would review any case that was made. Mr Alcindor noted that BIOFIN still had funds for this and would co-finance this activity together with the PAF project.

Mr Flavien Joubert (SNPA) noted that there was a difference between administrative autonomy and financial autonomy, and Government first needed to decide if SNPA would be fully administratively

autonomous or overseen by Government (remain as a part of MEECC). But he concurred that whatever this outcome, SNPA needed to be able to collect their own revenue to support their own operations.

Mr Lindsay Chong-Seng (PCA) was concerned that business planning for SNPA would focus on the organization getting bigger, with a bigger budget, more staff, etc. Mr Joubert countered by saying that SNPA was aiming for increased efficiency with the same level of human resources.

In regard to activity 2.2.2 (Veuve information centre) Mr Joubert noted that there was a need to survey the land boundaries of the reserve and determine exactly land ownership before the proposed fencing of the reserve could be undertaken.

In regard to activity 2.2.7 (VHF radio) Mr de Groene wondered if it would be easier for Airtel or someone to put in a mast to improve mobile phone coverage. Mr Joubert said this was not possible and the VHF units were needed, particularly to support operations at sea and in remote land areas. SNPA already had some equipment, but there was a need to update and import some additional units.

In regard to activity 2.2.8 (SNPA glass bottomed boat) Mr Chong-Seng wondered if this meant that SNPA was going into the tourism business and operating the boat themselves in competition to private boat owners. Mr Joubert said that SNPA would purchase the boat and probably hire an operator. It would not compete with the private sector as it was to be based on Curieuse where there are no current glass-bottomed boat operators. Mr Denis Matatiken (MEECC) also noted that the boat would have a major role in awareness raising activities.

### **Project logframe**

Mr Grieser Johns presented the project logframe, noting that changes could be made at this stage (Inception) if stakeholders felt that these were needed. If not on the day of the workshop, any comments and suggestions could be submitted later, but participants were encouraged to review the targets thoroughly.

Stakeholders did not propose any changes to the logframe.

### **Project Risks**

Mr Grieser Johns ran through the project risks log, with updates added in February 2016.

In regard to risk 1 (Economic - SeyCCAT) Mr Herve Barois (consultant) noted that the original amount of debt swap proposed was \$70 million, and that the funds available to SeyCCAT which were regarded as project financing had been much reduced if the amount swapped had been reduced to \$21.9 million. Mr Dogley reported that around \$250,000 per year would be available a co-financing, totalling \$1.25 million for the lifetime of the project, whereas the co-financing letter was for \$7 million. He wondered if this would represent a significant risk to the project. Mr Grieser Johns noted this point, but replied that the risk as stated was for the actual establishment of SeyCCAT and this had been retired. Whether a new risk needed to be introduced could be considered, pending receipt by SeyCCAT of additional funds that could be regarded as topping up the co-financing (such as the donation from Mr DiCaprio).

In regard to risk 3 (Strategic – SNPA autonomy) Mr Alcindor noted that originally it was proposed that Government agreement of financial autonomy for SNPA was a prerequisite for the approval of the project (otherwise why invest in SNPA revenue-generating capacity), and this is why BIOFIN started the process of recruiting a consultant to evaluate and make the case. While it was not a project prerequisite, this still needed to be a major focus of the project to justify the investment, and thus this needs to be monitored carefully since the risk is upgraded to Critical.

### **Project procedures**



Mr Alcindor introduced the institutional framework of the project (noting that there were seven partners or ‘responsible parties’)

In terms of technical and financial reporting procedures, he noted that technical and financial reports would be required from partners with a deadline of one week after the end of each quarter. He also noted that under a new GEF procedure, funds not spent at the end of a calendar year by partners would need to be returned.

A further change was that Seychelles had been upgraded from Low to Medium risk for audits, which was actually due to problems with a project on Mauritius (and thus a result of the joint responsibility of the UNDP office for Mauritius and Seychelles) and NOT due to any irregularities with Seychelles projects. It did mean that all projects spending more than \$300,000 per year would need to be audited annually (down from \$500,000 year). Certainly this project would be subject to annual audit.

He also noted that there was an intent now to introduce annual tripartite meetings between UNDP, PCU and key partners to assess project implementation (in addition to the usual steering committee meetings, etc.).

He also noted the need for partners to carefully observe budget codes in financial reporting.

Following some questions in regard to the difference between calendar year budgeting and ATLAS budgeting, Mr Alcindor noted that partners could both prepare calendar year budgets (which would be their contribution to annual work plans) and project year budgets (i.e. from April to end March) which would be reflected in Atlas. Mr Grieser Johns noted that the currently discussed budgets were for the 9 month period April-December 2016 and these were all okay, but the multi-year budgets might need to be adjusted in Atlas to include the three month period January-March.

## Closure

Mr Alain Decomarmond (PS Environment) closed the workshop, noting that a high level of participation of stakeholders was anticipated in the implementation of the project as some of the targets were very demanding

## LIST OF PARTICIPANTS

No	Names	Organisation	Contact/ E-Mail Address
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## ANNEX II.

### PROJECT LOGFRAME

#	Indicator*	Baseline	Targets by End of Project	Source of verification	Risks and Assumptions
<b>Project Objective:</b> To improve the financial sustainability and strategic cohesion of Seychelles protected area system, while also dealing with emerging threats and risks to biodiversity in a shifting national economic environment.					
1	Evolution in key scores from the Financial sustainability scorecard for national system of protected areas:  <i>[broken down as below]</i>	Total points, total possible points and % achieved, based on the application of the scorecard in 2015:  <i>[broken down as below]</i>	Percentage scores across the board see an increase of at least 40% and 80% from the baseline, by mid-term and EOP respectively. Increases show a balanced and steady progress verified across the components and PA sub-systems:  <i>[broken down as below]</i>	Periodic and participative application of the Financial Sustainability Scorecard for Seychelles' PAS covering, the same sub-subsystems as at the baseline  PRODOC <a href="#">Annex 3</a> (Links to Tracking Tools), in particular Objective 1, SECTION III: Financial Sustainability Scorecard	<u>Assumptions:</u>  Financial Scorecard and METT methodologies are adopted as key metrics for the PA system
1a	Scores for the entire PA System and for the three components of the scorecard:  Total: for all three components)  Component 1) Legal, regulatory and institutional frameworks  Component 2) Business planning and tools for cost-effective management  Component 3) Tools for revenue generation by PAs	Absolute and percentage scores from 2015:  Total: 37 (out of 225) = 17%  Component 1) 16 (out of 95) = 17%  Component 2) 11 (out of 59) = 19%  Component 3) 10 (out of 71) = 14%	Percentage scores reach at least the following by mid-term and EOP respectively:  Total: Reaching at least 22% and 28%  Component 1) Reaching at least 22% and 28%  Component 2) Reaching at least 26% and 34%  Component 3) Reaching at least 17% and 22%	Validation of scorecard data and analysis by the MTR and TE.  The financial analysis of main sub-systems of PAs at the baseline includes the sites and financial flows managed by SNPA, DOE, SIF, ICS, NS and GIF. They cover 88% of the PA estate and likely 80-90% of all PA finance flows. The six main sub-systems function therefore as a proxy for the overall PAS.	<u>Risk:</u>  Adverse policy and regulatory environment prevails (e.g. Government does not support proposals for PA revenue retention, undermining a key element in the project's strategy the effective and strategic use of government finance to PAs)
1b	Overall scores for each of the six main sub-subsystems, as assessed separately by PA managing entities:  SNPA	Absolute and percentage scores from 2015:  21 (9%)	Percentage scores reach at least the following by mid-term and EOP respectively:  13% and 18%	Project reports and studies on PA finance.	Downturn in tourist numbers.

#	Indicator*	Baseline	Targets by End of Project	Source of verification	Risks and Assumptions
	DoE SIF ICS NS GIF	16 (7%) 41 (18%) 62 (28%) 50 (22%) 16 (7%)	10% and 13% 26% and 33% 39% and 50% 31% and 40% 10% and 13%		
2	Absolute and relative annual financing gap for the entire PAS (using the six main PA sub-systems as a proxy):  (a) under a basic PA management scenario  (b) under an optimal PA management scenario  (c) projected over 5 years under a basic PA management scenario	Annual financing gap as calculated in 2015 and referring to Baseline Year 2013:  (a) \$2.7 million, or 51% of total finances available to the PAS  (b) \$6.7 million, or 124% of total finances available to the PAS  (c) \$13.6 million	Annual financing gap decreases to the following by EOP (regardless of the absolute amount):  (a) less than 30% of total finances available to the PAS  (b) less than 50% of total finances available to the PAS  (c) less than \$8 million	Periodic and participative application of the Financial Sustainability Scorecard for Seychelles' PAS covering, the same sub-subsystems as at the baseline  The MTR and TE provide an independent validation of scorecards	
3	Evolution in METT Scores for indicator sites (listed here) reflect improvements in conservation security in terrestrial and marine ecosystems:  SIF, Vallée de Mai NS, Cousin Island Special Reserve GIF, Denis Island GIF, North Island ICS, Silhouette Is. Nat/Marine Park DOE, Recif Island Spec Res SNPA, Curieuse National/Marine Park SNPA, La Digue Veuve Spec Res SNPA, Morne Seychellois Nat. Park	Absolute and percentage METT scores in 2015 (out of 102 points):  81 (79%) 76 (75%) 65 (64%) 71 (70%) 59 (58%) 57 (56%) 74 (73%) 49 (48%) 47 (46%)	METT scores expressed in percentages by EOP:  - All scores below 50% at the baseline, increase to at least 60%;  - All scores between 50% and 60% at the baseline, increase to at least 65%; and  - All scores above 60% at the baseline, increase with at least 5 additional percent points	Periodic application of METT methodology to indicator sites.  The MTR and TE provide an independent validation of METT scoring	

#	Indicator*	Baseline	Targets by End of Project	Source of verification	Risks and Assumptions
<b>Outcome 1:</b> Protected Area (PA) investment is fostered and capacity for PA management, at site, institutional and systemic levels, is improved for directing the long-term sustainable financing of the PA system and generating conservation benefits.					
<b>Outputs:</b>					
1.1 A PA System (PAS) Financing & Investment Plan for Seychelles is adopted at the national-level, along with subsidiary investment plans at the site of sub-system levels, and these become a key instrument for implementing the 2013 PA Policy					
1.2 Site-level cost-effectiveness and conservation-effectiveness benchmarks are established to guide decisions on investment, co-management, delegation and cross-subsidization					
1.3 An adequate legal framework is emplaced for implementing the PAS-wide investment program with a multi-funding approach, adaptable to each PA					
1.4 Institutional capacity-building of SNPA and other key PA managing entities for the implementation of the Seychelles PA System Financing & Investment Plan in enhance					
4	Total finances available to the PA system from various sources (based on financial analysis of the six main sub-systems, covering 88% of the PA estate, and functioning as a proxy for the overall PAS)	\$5.4 million p.a., as measured in 2015 and referring to Baseline Year 2013	Increases by at least 50% by EOP and meets the financing needs for a basic management scenario (i.e. \$8 million p.a. or more)	Periodic and participative application of the Financial Sustainability Scorecard for Seychelles' PAS covering, the same sub-subsystems as at the baseline  The MTR and TE provide an independent validation of scorecards	<u>Assumptions:</u>  Project interventions focusing on capacity building can effectively contribute to institutional development  Cooperative governance arrangements for the Protected Areas System is possible
5	On the adoption of financial planning as a key tool for improving PAS financial sustainability  <i>[broken down as below]</i>	<i>[broken down as below]</i>	<i>[broken down as below]</i>	Results from the PIR outlining progress  Other project reports and studies on PA finance	The 2014 PA Policy remains relevant for guiding PAS development
5a	Existence and effective application of a PA System (PAS) Financing & Investment Plan for Seychelles	Only 1 PA financing plan (though not an investment plan) is being implemented in Seychelles, namely for the SIF PA sub-system; it was prepared in 2013 on the basis of a study carried out under another GEF project and it is probably outdated now	The PAS Financing & Investment Plan for Seychelles has been completed, approved by government and it is under implementation – as independently assessed by the TE by EOP	The MTR and TE provide an independent validation of studies, scorecards, reports and PIR results	<u>Risk:</u>  Conflicts and misunderstandings between PA managing entities undermine
5b	Number of subsidiary investment or financing plans at the site or at the sub-system's level	There are no financing or investment plan at the PAS level	At least 4 PA investment plans are actively implemented in Seychelles and they may either focus on the site level or at the system / sub-system level		

#	Indicator*	Baseline	Targets by End of Project	Source of verification	Risks and Assumptions
6	Independent application of the Capacity Development Scorecard for PA system management with analytical notes shows steady improvements in capacity levels	Overall score was 60% in 2013 <sup>1</sup>	70% by EOP  and with capacity areas for PAS management that are important for Seychelles duly identified	Periodic application of the Capacity Development Scorecard for PA system using a similar methodology as the one applied in 2013  The MTR and TE provide an independent validation of studies, scorecards, reports and PIR results	efforts
<p><b>Outcome 2:</b> The overall ability of the PA system to generate reliable revenue is improved, both in view of improving its overall management effectiveness and of catering for the needs of an expanded estate</p>					
<p><b>Outputs:</b></p> <p>2.1 Institutional and policy barriers for an effective site-level revenue generation, collection and retention into the PA system are lifted, creating better conditions and incentives for reducing the PA finance gap</p> <p>2.2 Essential touristic or other relevant infrastructure in selected PAs are developed and new cost-effective practices, systems and schemes are implemented, all with the aim of making these PAs more attractive to visitors, increasing their own revenue generation capacity, while safeguarding and protecting their conservation value</p> <p>2.3 The operationalization of planned and possibly other relevant innovative funding mechanisms (such as the SCCAT to be created in connection with the debt-for-nature swap initiative) makes clear provisions for biodiversity considerations, in particular to address the PAS financing gap</p>					
7	Percentage of PA generated revenues retained in the PA system for re-investment across the main sub-systems and for each individual sub-systems:  Across the 6 main PA sub-systems* SNPA sub-system DoE sub-system SIF sub-system ICS sub-system NS sub-system GIF sub-system  * which covers 88% of the PA estate and likely	As assessed in 2015 through the application of the Financial Sustainability Scorecard for Seychelles' PAS and referring to Baseline Year 2013:  67% 0% 100% 100% 100% 100% 100%	Reaches 100% across all sub-systems by EOP	Periodic and participative application of the Financial Sustainability Scorecard for Seychelles' PAS covering, the same sub-subsystems as at the baseline  The MTR and TE provide an independent validation of scorecards	<u>Assumptions:</u>  Institutional and policy barriers for an effective site-level revenue generation, collection and retention into the PA system can be lifted

<sup>1</sup> Refer to Capacity Development Scorecard results in 2013 [[Link](#)]. Break-down: *individual* 48%; *institutional* 67%; *systemic* 60%.

#	Indicator*	Baseline	Targets by End of Project	Source of verification	Risks and Assumptions
	80-90% of all PA finance flows.				
8	SNPA's ability to retain its site-level revenues  <u>Note:</u> SNPA's financial autonomy is dictated by the category of parastatal that it falls under, which in turn defines whether it is a budget dependent institution or not	(a) Since 2008, SNPA has been downgraded to being a budget-dependent institution;  (b) 100% of SNPA's site-generated revenues are reversed to Treasury and not retained by the entity	(a) SNPA status is upgraded and it reaches more financial autonomy;  (b) at least 50% of SNPA' site-generated revenue can be retained by the institution	Relevant regulatory texts on SNPA status and the fate of its site-based revenue	<u>Assumptions (continued):</u>  The needed regulatory framework for successfully exploiting old and new PA finance mechanisms will be put in place according to the needs of the PAS.
9	Number of revenue sources for the PA system in the form of PES and their full exploitation in Seychelles  <i>[broken down as below]</i>	<i>[broken down as below]</i>	<i>[broken down as below]</i>	Main reference is to PRODOC <a href="#">Table 19</a> , which was in turn derived from <a href="#">PPG study # 2</a> ) "Payments for ecosystem services", by Mr Moran (Feb 2015)	<u>Risk:</u>
9a	Current domestic revenue sources:  1. Existing (environment and conservation) sector budgets  2. Existing government levies destined wholly or partly for PA funding  3. Park entry fees  4. Public-private finance initiatives  5. Forms of cross-subsidization initiatives based on public-public or public-private ownership structures.	All 5 mechanisms are currently in use in Seychelles, but for all of them the full potential for revenue generation is only partially exploited, as follows:  1. The budget is insufficient to minimally cover the gap  2. Government levies do not benefit the PAS  3. A significant portion of park entry fees are not retained by the system  4. The legal environment does not encourage PPP initiatives  5. PA finance cross-subsidization initiatives remain few and <i>ad hoc</i>	All 5 mechanisms are maintained and at least 2 of them are fully exploited by EOP, as follows:  1. The conservation sector budget is enough to cover the gap for the state-run sub-system.  3. Park entry fees generated at SNPA sites will be full retained by the entity	Other PAS analysis and studies  Results from the PIR outlining progress  The MTR and TE provide an independent validation of studies, scorecards, reports and PIR results  Periodic and participative application of the Financial Sustainability Scorecard for Seychelles' PAS assessing the contribution of different PES revenue sources	SNPA reform is slow and the parastatal does not can meet the requirements for ceasing to be a budget-dependency institution  Climate finance remains restrictive in its applications for PAS finance
9b	International revenue sources:  1. More general arrival charge to cover all entries or a modest "PA access passport" of	There are 3 discernible mechanisms and they are not being exploited for PA finance, of these:  1. No "PA access passport" has been conceived.	At least 1 mechanism is operational by EOP, as follows:		

#	Indicator*	Baseline	Targets by End of Project	Source of verification	Risks and Assumptions
	<p>around 5-10 USD per passenger.</p> <p>2. Debt for Nature/Adaptation Swap</p> <p>3. Other donor sources including linking PA to climate funding</p>	<p>2. The Debt for Nature/Adaptation Swap is still in its infancy.</p> <p>3. It is not obvious that climate finance can effectively benefit the PAS.</p>	<p>2. The SCATT is fully operational and disbursing</p>		
9c	<p>Novel/innovative sources incl. PES:</p> <p>1. Payments for water services related to PAs (e.g. direct water abstractions by water bottling plants, and agricultural producers)</p> <p>2. Payments for flood and sedimentation control (this option might legitimately be linked to Debt for adaptation swap). In this case revenues used to support this form of “ecosystem-based adaptation” as provisioned by PAs</p> <p>3. Carbon sequestration credits</p> <p>4. Biodiversity offsets (separate project input)</p> <p>5. Hydropower potential related to PAs</p>	<p>None of the 5 potential mechanisms have been trialled in Seychelles</p>	<p>At least 1 mechanism have been trialed by EOP, most likely the following:</p> <p>4. Biodiversity offset or compensation for damage shows promise after a pilot implementation supported by the project</p>	<p>PAS analysis and studies</p> <p>Results from the PIR outlining progress and results from the MTR and TE validating them</p>	