

2015

Project Implementation Review (PIR)

of

**PIMS 3936**

**Community-based Forest and Coastal Conservation and Resource Management in PNG**

## A. Basic Project and Finance Data

Project Implementing Partner:	Department of Environment and Conservation
GEF Focal Area:	Biodiversity
Country(ies)	(PNG) Papua New Guinea
Project Start Date:	20-Aug-2012
Planned Project Closing Date:	29-Jun-2018
Dates of Project Steering Committee/Board meetings during reporting period:	December 2014
Total GEF Grant (U\$S)	\$ 7,122,000
GEF Grant Disbursed as of 30 June (U\$S):	\$ 1,274,081.33
Total Co-financing (as planned in CEO endorsement request):	\$ 11,600,000.00
Overall Risk Rating	Low
Overall DO Rating	Moderately Satisfactory
Overall IP Rating	Moderately Satisfactory

## B. Project Contacts and Links

Partner	Contact Name	Email Address
Project Coordinator / Manager	Emily Fajardo - emily.fajardo@undp.org	
UNDP Country Office Programme Officer	Gwen Maru	gwen.maru@undp.org
Project Implementing Partner	Kay Kumaras Kalim	kkalim@dec.gov.pg
GEF Operational Focal Point	Gunther Joku	gjoku@dec.gov.pg
Other Partners		
UNDP Technical Adviser	Johan Robinson	johan.robinson@undp.org
UNDP Programme Associate	Pakamon Pinprayoon	pakamon.pinprayoon@undp.org

Project website, etc.	
Links to media coverage	<a href="http://www.pg.undp.org/content/papua_new_guinea/en/home/presscenter/pressreleases/2015/03/20/png-forests-key-to-fighting-climate-change-and-advancing-development.html">http://www.pg.undp.org/content/papua_new_guinea/en/home/presscenter/pressreleases/2015/03/20/png-forests-key-to-fighting-climate-change-and-advancing-development.html</a> <a href="http://www.pg.undp.org/content/papua_new_guinea/en/home/library/envrionment-and-energy-/papua-new-guinea-policy-on-protected-areas-.html">http://www.pg.undp.org/content/papua_new_guinea/en/home/library/envrionment-and-energy-/papua-new-guinea-policy-on-protected-areas-.html</a> <a href="http://protectedareas.com.au/?p=699">http://protectedareas.com.au/?p=699</a> <a href="http://protectedareas.com.au/">http://protectedareas.com.au/</a> <a href="https://www.facebook.com/permalink.php?story_fbid=840951282626609&amp;id=207379865983757">https://www.facebook.com/permalink.php?story_fbid=840951282626609&amp;id=207379865983757</a> file:///C:/Users/User/AppData/Local/Temp/Temp1_Conservation%20project%20kicks%20off%20_%20Post%20Courier.zip/Conservation%20project%20kicks%20off%20_%20Post%20Courier.htm

## C. Project Summary

The project is designed primarily to support GEF Biodiversity Strategic Program BD-3 on strengthening terrestrial PA networks. The project will ensure that community-conserved forest areas are integrated into the national PA system, increasing the national PA estate by at least 1,00,000ha of IUCN Category VI-equivalent protected areas. By strengthening revenue streams to support community-based conservation, the project also responds to BD SP-1 on the sustainable financing of PA systems.

The project also supports the GEF Pacific Alliance for Sustainability programme, under the Forestry and Terrestrial Protected Areas component, as described above.

The implementation of this project document will help to develop effective natural resource management and financing systems for community conservation areas in Papua New Guinea. The project will work on the following key components in order to succeed with the implementation and execution of the project: 1) Enabling national environment for a community-based sustainable national system of Protected Areas (PAs) containing globally and nationally significant biodiversity; 2) Identification and establishment of new PAs in the country; 3) Undertaking Conservation Area (CA) management planning and signing partnership agreements with communities; and 4) Providing capacity development and support for implementation of CA Management Plans;

D. Progress toward Development Objective

Objective/Outcome	Description	Description of Indicator	Baseline Level	Target Level at end of project	Level at 30 June 2014	Level at 30 June 2015
Objective	Develop effective natural resource management and financing systems for community conservation areas	National policy and regulatory framework providing comprehensive and consistent support for CCAs	No specific legislative framework for CCAs. Protected Areas are being established under a range of secondary legislation with limited and inconsistent governmental support	(1) A comprehensive and integrated policy and regulatory framework for CCAs is enacted by end of year 2, (2) supported by a coordinated whole-of-Government decision-making mechanism operational by year 3	With the re-organization of DEC into CEPA which will eventuate this August, the Department has moved to strengthen the protection/licensing function at full speed. The Project is assisting DEC to lead in the review and finalization of the draft Protected Area Policy through series of consultation process. The policy provides the overall policy framework on protected areas including guidance on identification, establishment, management and governance arrangement for Community Conservation Areas in the country. As the design of the policy involved a whole-of-	The Prime Minister and National Executive Council endorsed the National Protected Area Policy (Output 1.4.1) in December 2014. The new policy provides for the different types of protected areas including Community Conserved Areas, made consistent with the IUCN categories. Under CEPA leadership, the project has moved forward to undertake a compressive legislative review on Protected Area that encompass all Acts administered by CEPA, other ongoing legislative reviews on the resource sector (mining, forestry, fisheries) and the devolved authority of Provinces and Local Level Government who are mandated to designate high conservation areas in their locality under the Organic Act. A Legislative Review was completed

					<p>government approach, other key sectors will closely align their respective policies in recognition of the efforts to protecting the country's remaining biodiversity hotspots. The new policy (Output 1.4.1) is expected to be submitted to the national government through National Executive Council for endorsement by September 2014.</p>	<p>through consultation and peer review processes. CEPA will be moving towards drafting a new bill on Protected Areas which is founded on the inherent right of customary land owners to deal with competing interests. Part of next steps for the Drafting Instruction are formulation of technical papers to (i) further define types and mechanisms to declare a Protected Area within the PNG context including an appropriate model for Benefit Sharing Arrangements either with Government, civil society or private entities, (ii) clearly identify key biodiversity areas by updating and integrating Terrestrial and Marine PoWPA for Papua New Guinea, and (iii) carry out a Nationwide Assessment of all gazetted Protected Areas in the country. The Secretariat of the Pacific Regional Environment Programme has agreed to partner with CEPA in June 2015 to detail the</p>
--	--	--	--	--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						work program in carrying out a nationwide assessment of PAs based on a nationally agreed CARR criteria or similar methodology. The Centre for Biodiversity and Conservation Science of the University of Queensland, on the other hand, has submitted a full proposal to carry out the Marxan analysis using new data available and connecting the two planning exercises by taking into consideration connectivity of the terrestrial and marine systems. The University of Queensland commits to co-finance with AUD 110,000.
		Area protected under Community Conservation Areas	1.7 million hectares under various protection scheme for land and sea	1,000,000 hectares protected by end of project	As a result of the Gap Analysis on the biodiversity knowledge for New Britain Island and series of community consultations including with the Provincial and Local Level Government representatives, a total of 120 villages/wards within	Additional 236,739 ha (150,000 ha under the Kokoda IPZ and 86,739 ha of Community Conservation Area network in New Britain Island) are currently under Wildlife Management Areas which are referred to as CCAs in the project. CEPA through this Project works with several NGOs

					<p>Nakanai Range including 19 villages in the Baining Mountains have stepped forward for inclusion as a Conservation Area (list if villages included as one of attachments under the Communication and KM tab). Field consultation with target communities in the Whiteman Range is being prepared. As such no Community Conservation Areas has been formally established thus unable to state the number of hectares under protection</p>	<p>to build the capacity of pilot communities with long standing commitment to conserve their natural and cultural heritage. On the project site, existing WMAs will become CCAs once the new Protected Areas Bill is approved. The process to design the appropriate legislation is lengthy thus delays formal recognition of these areas as CCA however interested communities are keen to progress additional work on expansion of existing WMA boundaries as well as prepare for new CCAs. In order to most effectively evaluate the potential conservation value of each mountain ranges, a GAP analysis on the biodiversity knowledge were carried out for both Owen Stanley and New Britain Island. CEPA and UNDP has signed on a Memorandum of Understanding on June 2015 to carry out the comprehensive biodiversity field survey for Nakanai and the</p>
--	--	--	--	--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						Baining Mountain. Preliminary work is being carried out in Whiteman Range since April 2015 by Binatang Research Center.
		Quality of biodiversity management of CCAs as measured by Management Effectiveness Tracking Tool	To be assessed for individual CCAs upon establishment	CCAs show sustained improvement in METT scores over the duration of the project, beginning from respective year of CCA establishment.	No Community Conservation Areas formally established to enable assessment of METT; Community Conservation Areas will be evaluated for management effectiveness at the time of establishment and at the end of the project.	South-South cooperation between UNDP Philippine and PNG Country Offices is being established to roll out the METT Scorecard. A one-week mission to New Britain has been agreed to commence in August 2015, as an initial step.
		Landowner commitment to CCAs	Landowner commitment to existing forms of PAs (e.g. WMAs) is often limited, as demonstrated by level of contribution to WMA management.	Landowner commitment sufficient to ensure effective management and conservation of CCAs as measured at end-project.	Landowners and their communities of existing Wildlife Management Areas of Pokili and Tavalo are to extend the coverage of the No Go Zone within the WMA. The Project is facilitating for these communities to access financial assistance from the GEF Small Grants Programme.	Most of the communities within and in close proximity to the project sites have been exposed to the contentious Special Agriculture Business Leases that have led to the extensive clearance of lowland forest without adequate socio-economic development benefits to the rural people. The Project has advocated for awareness and training opportunities of communities through



						<p>other partners on general environmental education, Free Prior Inform Consent, Social and Environmental Safeguards initiatives led by CEPA and OCCD. In addition, the project has also facilitated information sharing on funding opportunities including the GEF Small Grants Programme. As such landowners of existing Pokili and Tavalo Wildlife Management Areas (WMAs) expressed interest to expand the current WMA boundaries. The expansion of boundaries are intended to extend the coverage of the No Go/Take Zones within the WMA due to potential encroachment of planned expansion in the oil palm sector. Given the interest and recognition of long-term implications on resources within these areas, communities have opted to work with the provincial administration and other partners including the project to ensure these WMAs are</p>
--	--	--	--	--	--	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						<p>well protected. These have generated more landowner interests from communities within and surrounding the Nakanai Range which resulted in several project proposals from community-based organizations in Pokili, Tavalu, Lake Hargy, and Jacquinet Bay Association submitted on 30 May 2015 for GEF Small Grants funding and are currently under review. The Project facilitated these communities exposure to SGP grants that involved in training of potential proponents on project concept development and proposal writing. Furthermore, communities commitment highlighted the importance of traditional knowledge systems and practices in conservation and sustainable resource use on New Britain Island. In most traditional PNG societies, this valuable knowledge is passed only orally from generation to generation. Thus, the</p>
--	--	--	--	--	--	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						documentation of these traditional knowledge will be undertaken by PNG Institute of Biological Research in June 2015 which is intended to capture the best approaches for conserving biodiversity and sustainable development to benefit landowners to make informed decisions on practical wildlife management areas.
		Funding for conservation and management of CCAs is sufficient to underwrite core activities, and is sustainable over time	To be established for each CCA during planning, using the PA Financing Scorecard	By end-project each established CCA has demonstrated access to all funding required for core management and conservation activities for at least two consecutive years.	In preparation for the establishment of Biodiversity Trust Fund, the national government indicated that through the Department has set aside 15 million kina as initial funding to support in managing national biodiversity priority areas. A team of consultants have been contracted directly by DEC/CEPA to prepare and develop of an appropriate financing mechanism, particularly in establishing the	CEPA has commissioned the services of the Forest Trends in November 2014 to assist with designing PNGs Biodiversity Offsets Policy and Regulatory framework. The first three reports on biodiversity offsetting, in particular the gap analyses on policy; law and legal processes; and biodiversity data were completed and reviewed by key partners on 12-13 June 2015. Preparation for a high-level CEPA delegation will visit Australia to observe the offsetting process which is operational in Victoria.

					<p>biodiversity offset for Papua New Guinea including the design of a Biodiversity Trust Fund arrangement. The provincial governments of New Britain officially confirmed their contribution totalling to 3 million kina or equivalent to USD 1.15 million to support the implementation of this Project for the next 4 years (2015-2018). Memorandum of Agreements are for final endorsement of the respective Provincial Executive Council.</p>	<p>Dates are being firmed up between CEPA and the Department of Premier and Cabinet of Victoria by the third quarter of 2015. Inputs were provided to drafting a scope of work for designing a Trust Fund arrangement to be contracted directly by CEPA.</p>
Outcome 1	National enabling environment for a community-based sustainable national system of protected areas (PAs) containing globally and nationally significant biodiversity	Number and severity of instances in which CCAs are negatively affected by landuse or development decisions made by Government agencies	Existing PAs (e.g. WMAs) regularly suffering negative impact from agricultural conversion, mining impacts, etc.	In the final year of the project, no established CCA suffers any direct impact due to landuse/ conversion decisions, or indirect impact due to adjacent or upstream development activity.	National policy framework on Protected Area to be finalized by September 2014, for DEC to submit to NEC for endorsement. The new policy outlines the roles and responsibilities in establishing an appropriate PA type suited to PNG context under the	The Projects' work on the National Policy on Protected Area (NPPA) was endorsed by the Prime Minister and the National Executive Council in December 2014. The NEC Decision No. 385/2014 on on NPPA also came with the recommendation for a separate submission containing an Implementation Plan and

					<p>management of the national government, land owners or community based organizations, and the provinces or the Local Level Government. The new policy promotes existing protection schemes in PNG (national park, national heritage site, special management area, community conservation area, locally managed marine area and terrestrial/marine sanctuary) consistent to the IUCN categories. Likewise, it addresses consistency in national government policies and framework to conserve globally and nationally significant biodiversity areas in particular to align with ongoing review of the Mining and Petroleum Act, Forestry Act, Fisheries Act, Organic Law as well as amendment or</p>	<p>Financial Estimates for the new Policy including any shortfalls which could be addressed through a Development Budget Submission to the national government. Internal discussions within CEPA is ongoing to finalize a Terms of Reference for this consultancy to establish a sectoral plan on Protected Area and form part of the NSEA. Embedded in the proposed PA Implementation Plan supports the development of a strategic implementation for the Sustainable Environment Program of CEPA which aligns all donor funded projects (GEF, ADB, JICA and Government of Australia). An informal working group among national government agencies was been agreed to be organized as a way forward to support in mainstreaming the protection of the remaining pristine forests and biodiversity</p>
--	--	--	--	--	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

					<p>creation of a comprehensive legislation on PA (all administered by DEC such as the Conservation Act, Fauna Protection and Control Act, and the National Parks Act and Environmental Act). Moreover, the policy embraces several funding schemes to support the management of national PAs through the biodiversity offset, green tax, tax incentives and deduction schemes, grants, national environmental funds, debt swaps, national and provincial lotteries, public-good service payments and innovative fiscal measures taken nationally to self-generate revenue from conservation sites. DEC through this Project is partnering with New Britain provinces with a legal instrument or a Memorandum of Agreement, which is</p>	<p>in sectoral plan for Protected Area. Initiated by the Department of National Planning and Monitoring, PNG has launched the Medium Term Development Plan for 2016-2017 (Output 1.2.1) which promotes a pathway to a responsible economic growth through sustainable development. Discussions initiated by CEPA with national government agencies (Department of National Planning and Monitoring, Department of Lands and Physical Planning, PNG Forest Authority, PNG Forest Research Institute, Department of Petroleum and Energy, Mineral Resources Authority) and NGOs identified policy synergies on NPPA. The policy initiative on biodiversity offset (Output 1.5.1) through Forest Trends also tackles the EIA as a regulatory framework. No work yet initiated on policies relating to sustainable agriculture.</p>
--	--	--	--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

					<p>the first in the Department. Through the licensing process of government, an application for a limestone mining near the Kavakuna Cave of the Nakanai Range has been assessed openly and questioned by DEC officials, particularly by its Terrestrial Ecosystem Management branch (which is directly working with the Project) and the World Heritage unit. The Project liaised with the East New Britain provincial government to officially submit their assessment report to be included as one of the stipulations for the private company to operate.</p>	
		<p>Explicit recognition of the role and contribution of the protected area system to national development strategies, as described in key national policy documents</p>	<p>No recognition of the PA system in Medium-Term Development Strategy or related planning documents. Environmentally-Sustainable Economic Growth (ESEG) Policy framework under</p>	<p>By year 3, PNG's Medium-Term Development Strategy and related planning documents explicitly recognize the development of a sustainable National PA System as a development</p>	<p>Environmental protection or sustainable resource management has been given priority in the East and West New Britain</p>	<p>The National Lands Department, Minerals Resources Authority and Forest Authority have spatial capacity and the current Protected Areas have been recognised in</p>

			development but not yet agreed or operationalized.	priority, under the ESEG framework.	Provinces Provincial Development Plan. At the local and community level, relevant government officials have been made aware of the mainstreaming Environment/NRM in their respective development plans (i.e. District and Ward Development Plans). National level development plans will be reported on in the third year of project implementation.	their maps. Protected areas are therefore referenced in Land Use planning and zoning, the issuance of Exploration Licences, Forest Management Areas and Logging Plans respectively. This is a recent development of the integration of environmental plans in the development agencies. With a PNG biodiversity plan informed by the updated PoWPA mapping to commence on the third quarter of 2015, it is anticipated that priority areas for conservation currently not under protection will also be considered in development planning. With NEC Decision No. 385/2014 on National Policy on Protected Area, this Project is assisting CEPA to prepare a separate submission containing an Implementation Plan and Financial Estimates for the new Policy including any shortfalls which could be addressed through a Development
--	--	--	----------------------------------------------------	-------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



						<p>Budget Submission to the national government. A Terms of Reference is being finalized which clearly outlines specific deliverables to roll out priority actions on Protected Area such as the establishment of an integrated environmental information management system to enable informed decisions including the development of Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) data; establish the species recovery or management programs which targets threatened and endemic species and national iconic species such as the Raggiana Bird of Paradise and Queen Alexandras Birdwing Butterfly; capacity development plan targeted at the National (CEPA), Provincial, District, Local and community levels to build and strengthen necessary skills in the</p>
--	--	--	--	--	--	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						<p>establishment and management of protected areas as well as for newly created District Development Authorities to play a pivotal role on service delivery for protected areas which may encompass 2 or more Local Level Governments. The Centre for Biodiversity and Conservation Science of the University of Queensland will support in integrating a set of conservation priorities to inform regional scale conservation actions for New Britain Island. The result of the Marxan analysis in form of a PoWPA case study for New Britain will be used to validate the analysis with local input and ground truthing by CEPA in partnership with The Nature Conservancy. Data to be collected and collated will derive an updated GIS map of West New Britain that includes the territorial water boundary of the province, while also</p>
--	--	--	--	--	--	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						<p>depicting land cover and other attributes (e.g. existing and proposed development activities including SABL lots, different forms of Protected Areas, wetlands, water bodies, town and village areas, etc.) that will be agreed with key stakeholders. TNC will be engaged through a micro grant agreement to integrate local scale data to set finer scale priorities and describe the available information regarding the context of individual conservation priorities for both the terrestrial and marine areas of West New Britain. It is expected that results will be presented spatially to inform development decisions that balance future economic development, whilst ensuring the conservation of natural resources for all stakeholders in a sustainable and equitable way. It is envisioned that the outcomes of the land use exercise will (a) foster an</p>
--	--	--	--	--	--	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						improved data collection pertaining to culturally significant areas, potential tourism sites, Special Agricultural Business Lease (SABL) sites, mining, logging, palm oil, and proposed sea bed mining areas, and (b) aid in the development of alternative scenarios that find a balance between critically important biodiversity areas and development priorities of the government.
		National policy framework explicitly and comprehensively addresses key conservation policy requirements, including e.g. a framework for assessing and mitigating environmental impacts of development, sustainability policies and criteria for agriculture and sustainable financing flows for Protected Areas.	Comprehensive policy frameworks not yet established for EIAs, sustainable agriculture or protected area financing.	By year 3, policy frameworks for (i)SEAs, (ii)Sustainable agriculture and (iii) PA Financing have been developed, endorsed by CEPA and submitted to the Government for adoption	Series of consultation meetings were completed with relevant government agencies, provinces and its Local Level Governments, private sector and the general public (consultation meetings 11-15 November 2013 and 13-17 February 2014; and 4 regional consultations from 28 March-8 April 2014). A national validation workshop and expert group will subject the revised	Since the governments National Executive Council endorsement of the new Protected Area Policy (Output 1.4.1) in December 2014, the Sustainable Landuse Policy and Food Security Policy were developed. While the new PA policy provides for the different types of protected areas including Community Conserved Areas, made consistent with the IUCN categories, the two new policies have featured the biodiversity conservation. Specifically, the

					<p>version of the draft policy in August, which expected to be endorsed by DEC/CEPA to the National Executive Council by September 2014. Sectoral agencies such as mining, fisheries and forestry are also in the process of reviewing respective national policies which supports the aspiration to protect globally and nationally significant biodiversity to be designated for protection by DEC/CEPA. The new policy encompasses strategic guidance to establish a national biodiversity priorities and system including measures to institute appropriate types of PA and its requirements</p>	<p>Sustainable Landuse Policy will support CEPA following stakeholder consultations in May 2015 to clearly demarcate areas of high biodiversity values in the country while Food Security Policy will promote conservation agricultural practices. Similarly, Mining Act has categorised biodiversity hotspots as reserved areas and Oceans Act refers to the marine ecosystems/environment as areas of special interest which further demonstrates governments commitment at sectoral levels to ensure PNGs biodiversity is protected and sustainable managed for the betterment of peoples livelihoods. Under CEPA leadership, the project undertook a compressive legislative review on Protected Area that encompass all Acts administered by CEPA, other ongoing legislative reviews on the resource sector (mining, forestry, fisheries) and the</p>
--	--	--	--	--	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						<p>devolved authority of Provinces and Local Level Government who are mandated to designate high conservation areas in their locality under the Organic Act. A Legislative Review was completed through consultation and peer review processes. CEPA will be moving towards drafting a new bill on Protected Areas which is founded on the inherent right of customary land owners to deal with competing interests. Part of next steps for the Drafting Instruction are formulation of technical papers to (i) further define types and mechanisms to declare a Protected Area within the PNG context including an appropriate model for Benefit Sharing Arrangements either with Government, civil society or private entities, (ii) clearly identify key biodiversity areas by updating and integrating Terrestrial and Marine PoWPA for Papua New Guinea, and (iii) carry out a</p>
--	--	--	--	--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						<p>Nationwide Assessment of all gazetted Protected Areas in the country. The Secretariat of the Pacific Regional Environment Programme has agreed to partner with CEPA in June 2015 to detail the work program in carrying out a nationwide assessment of PAs based on a nationally agreed CARR criteria or similar methodology. The Centre for Biodiversity and Conservation Science of the University of Queensland, on the other hand, has submitted a full proposal to carry out the Marxan analysis using new data available and connecting the two planning exercises by taking into consideration connectivity of the terrestrial and marine systems. The University of Queensland commits to co-finance with AUD 110,000. These partnerships are expected to present the state of environment assessments from the protected</p>
--	--	--	--	--	--	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						areas/biodiversity conservation angle.
		<p>Integration of the three existing Protected Areas Acts into a single legal framework for protected area establishment and management under the new Conservation and Environment Protection Act (see 3.2.1 below) with Conservation Areas providing the legal basis for establishing the Sustainable National System of PAs. The new legal arrangements for protected areas to incorporate the requirement for Benefit Sharing Agreements (BSAs).</p>	<p>Fragmented legislation with low power for PA management and no capacity to manage benefit sharing arrangements</p>	<p>A single integrated Act providing for a statutory authority with increased scope for PA management including benefit sharing arrangements</p>	<p>International Expert contracted directly by DEC to prepare the drafting instructions for the amendments to the Conservation Areas Act of 1978, to align with the provisions in the new Protected Areas policy.</p>	<p>The Parliament of the PNG Government has ratified several amendments for CEPA to enact the conservation and protection of the environment, in particular, the Environment Act 2000 and environmental conservation laws such as the Conservation Areas Act, Crocodile Trade (Protection) Act, Fauna (Protection and Control) Act and the International Trade (Fauna and Flora) Act all legislations administered under CEPA. Out of the Legislative Review on Protected Area, the Project will assist CEPA to prepare the Drafting Instruction on Protected Area by the third quarter of 2015 and work towards the formulation of a single comprehensive evidence-based legislation on Protected Areas.</p>



		<p>Integration of the six Acts administered by the Department of Environment and Conservation to create a single fully integrated Conservation and Environment Protection Act for PNG.</p>	<p>Six separate legislative acts from different periods of history, not integrated</p>	<p>Integrated CEPA Act to reconcile inconsistencies in current body of law, and introduce reforms</p>	<p>Progress on this is pending completion of Protected Areas Policy. The PA policy will be finalised in third quarter of 2014.</p>	<p>The CEPA Act contain provisions that represent the major reform on environmental protection that seeks to provide service delivery and livelihood to globally and nationally significant biodiversity areas across the country from different revenue streams. The transition of the Department on Environment and Conservation into a full statutory authority known as the Conservation and Environment Protection Authority (CEPA) was launched by the Government of Papua New Guinea in December 2014. Under CEPA leadership, the project has moved forward to undertake a compressive legislative review on Protected Area that encompassed all Acts administered by CEPA, other ongoing legislative reviews on the resource sector (mining, forestry, fisheries), draft national policy on land use, and the devolved authority of Provinces</p>
--	--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						and Local Level Government to designate high conservation areas in their locality. A peer review was completed and CEPA will be moving towards the development of a new evidence-based legislation on Protected Areas that is founded on the inherent right of customary land owners to deal with competing interests. As such, technical papers will also be prepared to further define the types and mechanisms to declare a Protected Area within the PNG context including an appropriate model for Benefit Sharing Arrangements either with Government, civil society or private entities.
		Level of Government funding available for PA establishment and management.	Annual funding averages less than USD1 million at start of project.	By end-project, available funding meets minimum requirement for gazetted CAs, as measured by the PA Financing Scorecard	In preparation for the establishment of Biodiversity Trust Fund, the national government indicated that through the Department has set aside 15 million kina	The design of PNGs Biodiversity Offsets Policy and Regulatory framework has commenced since November 2014. The first three reports on biodiversity offsetting, in particular the gap

					<p>as initial funding to support in managing national biodiversity priority areas. A team of consultants have been contracted directly by DEC/CEPA to prepare and develop of an appropriate financing mechanism, particularly in establishing the biodiversity offset for Papua New Guinea including the design of a Biodiversity Trust Fund arrangement. The provincial governments of New Britain officially confirmed their contribution totaling to 3 million kina or equivalent to USD 1.15 million to support the implementation of this Project. Memorandum of Agreements are for final endorsement of the respective Provincial Executive Council. Terms of Reference to engage an Expert on Payment for</p>	<p>analyses on policy; law and legal processes; and biodiversity data were reviewed by key partners on 12-13 June 2015. Inputs were provided to drafting a scope of work for designing a Trust Fund arrangement to be contracted directly by CEPA. Preparations to sign the Memorandum of Agreement between the Managing Director of CEPA and the Provincial Administrator of East New Britain is set on 24 July 2015. The provincial government earmarks a yearly contribution of PGK 500,000 to the GEF/UNDP Project. Discussions with RSPO-accredited palm oil companies namely Hargy Palm Oil and New Britain Palm Oil began in September 2014. Both confirmed their commitment to support the land use planning in New Britain by sharing their current and proposed palm oil estates and plantations as well as contribute to the service delivery to support the conservation</p>
--	--	--	--	--	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

					<p>Ecosystem Services was recently signed and ready for advertising.</p> <p>of remaining lowland pristine forest of Lake Hargy (HPOL), and Pokili and Garu WMA (NBPOL). CEPA through this project commissioned a study to explore the feasibility of creating a Payment for Ecosystems Services (PES) scheme (Output 1.5.1). Preliminary reports that contains a literature review and gap analysis on a legal or regulatory framework on PES were completed in June 2015. A second mission 27 June-27 July 2015 is ongoing to assess the best viable economic incentives on Protected Areas in New Britain in general and in particular to natural resource users or landowners managing Protected Areas based on a voluntary agreements dealing with the provision of a given environmental service. Studies used with actual payment schemes were chosen to learn about the construction of a PES scheme, how its functional components are supposed to work</p>
--	--	--	--	--	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						and to understand common challenges that some NGOs and for profit companies face.
		Level of institutional and technical capacity in CEPA (once established) and other relevant Government agencies as measured using a Capacity Scorecard or similar approach	To be established upon finalization of the Government restructuring	By end-project, CEPA institutional and technical capacity scores are rated as "Sufficient" or "Adequate" across all key competencies. Institutional scores for other relevant agencies (including local governments) show increases on average between project mid-term and end-project assessments	Planned Capacity Assessment exercise to commence in September 2014 will include an appraisal of DEC capacity along with the provincial governments of New Britain.	Final draft report on the Capacity Assessment and Capacity Development Plan is being reviewed by CEPA to look in detail the short and long term action points for implementation under this Project. Discussions are also being taken up in developing the PA Implementation Plan.
Outcome 2	Community-managed Conservation Areas identified and established in the Owen Stanley Range and New Britain	Hectares of new Protected Areas established under the new community conservation area framework	1.7 million hectares gazetted terrestrial and marine areas under protection and/or management. Under different national legislations, various conservation areas have been established as provided under the National Parks Act, Fauna (Protection and Control) Act and the Organic Law on Provincial and Local Level Governments.	By year 5 at least 1,000,000 hectares added	Zero (0) ha of new PAs established under the new CCA framework. Recommendation from the Gap Analysis confirmed areas containing high biodiversity values of the Nakanai and Whiteman Ranges and the Baining Mountain. According to the WMA committees of Pokili (9,840 ha) and Tavalo (1.063 ha), they would extend the coverage of their respective areas	More than 235,000 hectares under different landscape protection schemes (Output 3.1.2) which includes 150,000 ha for the Kokoda Interim Protected Zone and 86,739 ha (60,855 ha of new PAs and 25,884 ha existing gazetted Wildlife Management Areas to be converted as part of the Conservation Area) in New Britain Island (Output 2.15). Most of the areas in New Britain Island are the remaining lowland hill forest fringing the mountain ranges of

					adding 10,000 hectares each.	<p>Nakanai and the nearby Baining Mountain. To support the appreciation of landowners on land use and conservation, CEPA is reviewing a proposal from a national NGO to undertake a Participatory 3-Dimensional Modelling at 1: 20,000 scales towards the preparation for gazettal and eventual declaration as a Conservation Area for 2 Local Level Governments in Pomio District where the karts limestone of Nakanai is located. It is expected that through the updating of PoWPA, additional key biodiversity areas will be identified as priority areas for conservation in the country. Likewise, the engagement of the University of Queensland for PoWPA will also look in detail the regional scale conservation actions in New Britain (Output 2.1.4). This exercise will incorporate all available spatial data and land use maps from all relevant sources. The validation and ground</p>
--	--	--	--	--	------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

						trudging phase will be undertaken by TNC who will facilitate an agreement among key stakeholders to balance the agenda for critically important biodiversity areas and development priorities for New Britain Island (Output 2.1.2).
Outcome 3	Conservation Area Management Planning and Partnership Agreements with Communities	Increase in METT scores for each established CA.	Individual METT scores to be calculated during establishment of the CAs	By end-project, METT scores for each CA increase by at least 20% over initial baseline	METTs need to be undertaken at the time of CA establishment and then again at end of project in order to measure increase in METT scores	UNDP Philippine Country Office will commence in August 2015 to coach and mentor key government counterparts and NGO partners to establish the METT score for pilot areas in New Britain Island.
		Compliance with commitments stipulated in the Partnership Agreements	Agreements to be established during creation of CAs	Within 2 years of CA establishment or by end-project (whichever is sooner) CAMCs report satisfactory compliance with service delivery, community development and economic development outcomes as specified in the respective Partnership Agreements.	There has not been any progress as Community Conservation Areas have not been established	CEPA with the GEF-funded project is discussing with the 2 largest palm oil company operating in New Britain namely the Hargy Palm Oil (HPOL) and New Britain Palm Oil (NBPOL) who are members of the Roundtable on Sustainable Palm Oil (RSPO) that take legal ownership and produce or handle RSPO-certified sustainable oil palm products. Both

						companies have confirmed their commitment to support the land use planning in the New Britain provinces by sharing the current and proposed palm oil estates and plantations as well as contribute to the service delivery in particular areas. Both companies supports the conservation of remaining lowland pristine forest of Lake Hargy (HPOL), and Pokili and Garu WMA (NBPOL).
Outcome 4	Capacity development and support for implementation of CA Management Plans	Institutional and individual/ technical capacities of Provincial and local level governments to ensure effective delivery of key project outputs.	Preliminary capacity assessment during PPG indicates institutional and individual/ technical capacities are low or extremely low, at 24.4% and 33.3% respectively. Detailed capacity assessments for each participating Provincial/ local government entity to be conducted during establishment of CAs	Provincial and local level government (LLG) institutional and technical capacities to support establishment and management of CAs increases by at least 20% two years after establishment of each CA. Overall institutional capacity increases to at least 56.4%, and individual capacity increases to 50%.	Capacity assessment exercise to commence in September 2014 will appraise the institutional and technical individual capacities of DEC/CEPA and the provincial governments of New Britain Island, namely the East New Britain and West New Britain.	Final draft report on the Capacity Assessment and Capacity Development Plan is being reviewed by CEPA to look in detail the short and long term action points for implementation. Discussions also being taken up in the development of the PA Implementation Plan and with the provincial governments of East and West New Britain by the third quarter of 2015. In parallel to the CA Assessment, the Project has facilitated trainings



						and information sharing opportunities such as sponsoring key stakeholders in the provinces to attend a GIS training and ornithology course (Output 4.3.1). Moreover, the Project has supported in rolling out a series of community awareness, paralegal training and education on customary rights on natural resources since January 2015. These activities are provided to Local Level Governments, Ward representatives and communities facing land disputes within the Nakanai Range.
		Capacity of landowners to manage conservation areas and associated livelihoods/ service delivery activities	Preliminary overall assessment during PPG indicated non-existent to low capacities. Specific capacity baselines to be established for each CA.	Landowner groups have sufficient capacity to implement livelihood and service delivery activities.	A capacity assessment will be conducted in September 2014 to determine the specific capacity development needs in order to design a capacity development plan to enhance capacity of landowners for conservation areas management.	This Project is working with Local Level Governments, Ward representatives and pilot communities to roll out Community Legal Education. Community awareness on customary rights on natural resources based on the legal interpretation on resource use and environmental laws (Conservation Act Fauna Act, Mining Act, Forestry

						Act, Oil and Gas Act as well as the Environment Act and permits) are being carried out in Wildlife Management Areas and local governments within Pomio District where Nakanai Range is located. Discussions also being taken up with the provincial governments of East and West New Britain by the third quarter to look at the action points in the Capacity Assessment and Capacity Development Plan.
		Increased access to social services (health, sanitation, education) for landowner communities participating in CAs.	Basic social services being provided by LLGs and/or private industry (e.g. plantation and logging companies) in West New Britain. Social service provision in Kokoda being strengthened through the Kokoda Track initiative but still limited to areas around key Track sites.	All communities/ landowner groups involved in functioning community conservation areas enjoy documented improvement in at least two social service areas.	The signing of MoAs with East and West New Britain Provinces will complement the project conservation activities through facilitation of improvement in service delivery in the proposed project sites.	The provincial government of East New Britain to sign a MoA with CEPA in July 2015 which earmarks their official contribution of PGK 500,000 to support the implementation of this Project. The Memorandum of Agreement was endorsed by their Provincial Executive Council. MoA has been tabled for deliberation by the Provincial Executive Council of

						West New Britain Province in July 2015.
		Improvement in policy and regulatory structures for the national PA system, and continued increase in management capacity.	To be established as part of CEPA structure	Project demonstrates tangible and quantifiable increase in systemic, institutional and technical capacities by end-project.	In the course of the transition into a full statutory authority known as the Conservation and Environment Protection Authority (CEPA) the Department has aggressively embarked to roll out a financial management and procurement system with the assistance from globally recognized consulting and auditing firms.	Supportive of the recommendations in the Capacity Assessment and Capacity Development Plan, the Project will support in strengthening the CEPAs leadership in the reform process by addressing various challenges faced in its transition. The Expression of Interest, approved by CEPA Managing Director, is in circulation since 29 June 2015. This Project will support Phase 1 of this exercise to design and develop the strategic plan of CEPA including its strategic vision and positioning as well as put forward recommendations to improve and streamline its change management process (Output 1.6.1).

## E. Progress in Implementation

Project Outcomes	Description	Outputs Reported as of 30 June 2015
Outcome 1	National enabling environment for a community-based sustainable national system of protected areas (PAs) containing globally and nationally significant biodiversity	<p>The National Policy on Protected Area (Output 1.3) facilitated to completion by the Project was endorsed by the Prime Minister and the National Executive Council in December 2014 which provides for the different types of Protected Areas including CCA. The Report on the Legislative Review on Protected Areas was reviewed by a group of environmental lawyers in June 2015 which recommends the formulation of a new integrated Protected Area Bill. Parallel initiatives to develop an evidence-based PA Bill were identified by CEPA as a follow up from CBD with support from this Project. University of Queensland and SPREP agreed to take up the prioritization exercise of key biodiversity areas through updating of the terrestrial and marine PowPA and the nationwide assessment of gazetted Protected Areas, respectively through a micro grant agreement. PNG has launched the Medium Term Development Plan for 2016-2017 (Output 1.2) which promotes a pathway to a responsible economic growth through sustainable development. The National Lands Department, Minerals Resources Authority and Forest Authority have spatial capacity and the current Protected Areas have been recognised in their maps and referenced in the issuance of Exploration Licences, Forest Management Areas and Logging Plans. This Project is assisting CEPA in designing PNG's biodiversity offset mechanism (Output 1.5) where key partners completed the review of Forest Trends's first three reports namely the gap analyses on policy, law and legal processes, and biodiversity data in 12 June 2015.</p>
Outcome 2	Community-managed Conservation Areas identified and established in the Owen Stanley Range and New Britain	<p>More than 235,000 hectares are under new landscape protection scheme include 150,000 ha for the Kokoda Interim Protected Zone (Output 2.13) and 86,739 ha in New Britain Island (Output 2.1.4). Most of the CCAs in New Britain Island are located within the remaining lowland hill forest near Nakanai Range and the Baining Mountain. In partnership with Bishop Museum, taxonomic data for 2,000 species have been updated in PNG's Species Information Management System as part of NBIS (Output 2.1.1) that are now correctly represented in the system. The Gap analysis on the biodiversity knowledge for New Britain Island and Owen Stanley Range were likewise completed by Bishop Museum. As a result of the Gap analysis, preparation for the biodiversity field survey in Whiteman range is ongoing through a signed micro grant agreement with Binatang Research Center in January 2015. Other field surveys in 2 other recommended sites namely Nakanai and the Baining Mountain is being coordinated by CEPA through signed a MOU between CEPA and UNDP in June 2015,</p>

		where an Expression of Interest being prepared for publication. To support improved land use and protected area decision-making (Output 2.1.2), proposals from partner NGOs such as TNC and Partners with Melanesia are under review since February 2015 to develop a conservation and land use plan for West New Britain Island complemented by a participatory 3-Dimensional Modelling to map out existing CCAs with local resource management plans in 2 Local Level Governments.
Outcome 3	Conservation Area Management Planning and Partnership Agreements with Communities	CEPA through this Project is working with several NGO and partners communities to review and update their respective resource management plans (Output 3.1.2) including the demarcation of land boundaries through a community engagement process. These involve new CCAs comprising of recognized communities with long standing commitment on conservation with a total hectare of 60,855 hectares and 5 gazetted Wildlife Management Areas (WMAs) in New Britain Island to be converted into CCAs with an est. aggregate total of 25,884 hectares. Under a South-South cooperation between UNDP Philippine and PNG Country Offices, a TOR was finalized to provide coaching and mentoring on the application of the METT scorecard for Protected Areas (Output 3.1) for CCAs in New Britain Island. Additional assistance was provided by this Project to grassroots organizations to finalize project proposals and concept notes to GEF Small Grants Programme, located within the Nakanai Range. As such, SGP are reviewing submissions from Pokili WMA, Tavalo WMA, Lake Hargy, and Jacquinot Bay Associate on 30 May 2015. A PES Option Study was commissioned by CEPA through the Project to explore the feasibility of creating a PES scheme in New Britain Island (Output 3.2.2). Preliminary reports contained a review and gap analysis on a legal or regulatory framework on PES was completed in June 2015. Studies used with actual payment schemes were chosen to learn about the construction of a PES scheme, how its functional components are supposed to work and to understand common challenges that some NGOs and for profit companies face. The second mission for the international consultant is currently ongoing (27 June -27 July 2015) to looking at how duty bearers provides for economic incentives to natural resource users or landowners in both provinces of New Britain Island, in particular voluntary agreements dealing with the provision of an actual environmental service led by some NGOs and for profit companies.
Outcome 4	Capacity development and support for implementation of CA Management Plans	Final draft report on the Capacity Assessment and Capacity Development Plan (Output 4.1.1) of relevant national, provincial and local level government partners and local communities was completed in May 2015 and is currently under review by CEPA and the East and West New Britain provinces to look at the short and long term action points for implementation. Based on the MOU signed between UNDP and CEPA, an Expression of Interest approved by CEPA Managing Director is in circulation since 29 June 2015 to support the design and development of CEPA's strategic plan as well as make recommendations to improve and streamline its processes on change management. Awarding of contract is expected to be

		<p>completed by early July 2015. Moreover, the Project is rolling out a series of paralegal training and education on customary land rights on natural resources since January 2015. A Partner NGO delivers these training to Local Level Governments, Ward representatives as well as communities facing land disputes within the Nakanai Range. As part of learning, staff of the provincial government and the pilot community were sponsored by the Project to attend a GIS and ornithology training courses.</p>
--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

## F. Ratings and Comments on Project Progress

### Project Progress toward Development Objective

Role	2015 Rating	2015 Comments
Project Manager/Coordinator	Moderately Satisfactory	<p>The Project has satisfactorily accomplished significant results towards the achievement of its objective to support in the establishment of a national system of PA system in the country. During the reporting period, the Project has propelled CEPA for the formal endorsement on the National Policy on Protected Area by the Prime Minister and his Cabinet known as the National Executive Council in December 2014.</p> <p>Moreover, this Project is supporting the establishment of Community Conservation Area network totalling to 86,739 hectares to date in New Britain in partnership with NGOs and selected communities. Though the figures is far from the 1 million hectares target, nonetheless, the Project work of the Legislative Review on Protected Area which is expected to be complete in July 2015 recommends for the Drafting Instruction to create comprehensive Act on Protected Areas (Output 1.4.1) and its next steps. Part of the recommendations to support in the formulation of an evidence-based legislation are (i) identification of key biodiversity areas through the nationwide assessment of gazetted terrestrial and marine Protected Areas in the country with SPREP and (ii) updating and integration of terrestrial and marine PoWPA with the University of Queensland. The National Policy on Protected Area is gaining recognition and support from other relevant government agencies, civil society and the private sector. Initiated by the Department of National Planning and Monitoring, PNG has launched the Medium Term Development Plan for 2016-2017 (Output 1.2.1) which promotes a pathway to a responsible economic growth through sustainable development. The National Lands Department, Minerals Resources Authority and Forest Authority have spatial capacity and the current Protected Areas have been recognised in their maps and referenced in the issuance of Exploration Licences, Forest Management Areas and Logging Plans. With the PNG biodiversity plan informed by the updated PoWPA mapping to commence on third quarter of 2015, it is anticipated that priority areas for conservation currently not under protection will also be considered in development planning. With regard to building capacities of CEPA and the key stakeholders of New Britain to manage Protected Areas, the Project has initiated key steps towards improving the PA management system in the country. The Project is supporting in strengthening the transition of the Department to the Conservation and Environment Protection Authority at a more institutional level, to complement the work of the GEF-financed project at both policy and implementation level. Such assistance will be in the form of developing a longer-term strategic plan and its change management process. In parallel, the development of the PA Implementation Plan is also being supported by this Project to align ODA projects under the Conservation wing of CEPA with the National Policy on Protected Area. Work on the National Biodiversity Information System has also commenced with the completion of the GAP analysis on the biodiversity knowledge for New Britain which is driving the biodiversity field survey in the three ranges in New Britain Island. Many new species of many different genera of plants and animals are expected to be uncovered hence the surveys will fill in incrementally the gaps and input into PNG's Species Information Management System (SIMS) which is about to be completed in July 2015. The Project was also making some progress in increasing financing support for PA establishment and management by brokering assistance to Community Conservation Areas with the contribution from East and West New Britain provinces as well as potentially from private companies namely the Hargy Palm Oil and New Britain Palm Oil.</p>
UNDP Country Office Programme Officer	Moderately Satisfactory	<p>Since the launch of project implementation, Government of Papua New Guinea launched the Strategy for Responsible Sustainable Development (SRSD) that focussed</p>

		<p>on investing in the renewable resources sector. Simultaneously, the project expedited the enabling policy and legislative environment with National Executive Council approval of Protected Areas Policy (2014) and yet to be approved proposed Protected Areas Bill (June 2015). This contributed to raising the profile of forest, coastal and marine conservation and most importantly improve sustainable management of natural resources resulting in GoPNG commitment to establish a Green Fund with an initial commitment of PGK15m from the Department of National Planning and Monitoring who oversees implementation of SRSD. To take advantage of this initiative, the implementing partner through the project commissioned a study on Biodiversity Offset Mechanism and Payment for Ecosystem Services. These progress demonstrates project commitment towards achieving the relevant national development plans and strategies for the renewable resource sectors. Increasingly, the growing interests from private sectors partners particularly the oil palm industry on New Britain Island is considered good effort to address issues around Special Business Agriculture Leases (SABLs) through promoting principles of Roundtable for Sustainable Palm Oil and commitment to complement provision of services in education, health and other critical development needs of participating communities. This is supported by strong NGO/CBO engagement facilitated by the project to provide specific technical services and capacity building at the provincial, district and local level including communities. These ongoing outreach and partnership building between government, private sector, and civil society organisations reflects UNDP's advocacy to broaden network and enhance local capacities to generate improved awareness and education of project objectives at the subnational levels in both East and West New Britain Provinces. The project's steady progress is good thus the PMU is encouraged to accelerate the momentum with the implementing partner on communication and knowledge management materials to the wider stakeholders to appreciate the efforts and commitment of villages/communities in the project sites at the proposed Nakanai Range World Heritage currently on the World Natural Heritage Tentative Listing and promote income generating livelihood opportunities for the people. This will be an important milestone for the project and achievement of the country.</p>
Project Implementing Partner	Moderately Satisfactory	<p>The Project has moderately satisfactory accomplished significant results towards the achievement of some of its development results to establish a national system on protected areas in the country. On its second year, the Project established 86,739 hectares community conservation areas within the New Britain Island alone. This is in parallel to the 150,000 hectares of the Kokoda Interim Protected Zone (IPZ) located in the Owen Stanley Range. The Project has been the successfully forerunner of CEPA's work in pushing for the National Protected Area Policy endorsed by the Prime Minister and the National Executive Council in December 2014. This is in itself ensures for PA expansion in the country by catalyzing in gaining the importance of establishing and managing protected areas within key biodiversity areas in PNG. In fact, the sustainable development agenda is further reinforced with the newly endorsed national policy on Sustainable Development Responsible Strategy that promotes the interface between environmental protected and economic development within the five year political cycle in the country. The Project is also making progress in developing sustainable financing for protected areas and in fact, supporting the design of PNG's biodiversity offset mechanism. The amended Environmental Act that embedded the environment offset defines the payment to compensate for serious or material environmental harm which cannot be adequately reduced or remedied through avoidance or mitigation. The passage of a parallel policy and regulatory framework on this critical milestone has yet to be realized. The Project has to intensify its policy advocacy work and seek champions within and outside CEPA as it moves to new set of interventions to drafting a new, comprehensive and evidence-based legislation as well as the formulation of a sectoral plan on protected area. Over-all, it can be said that the Project is gaining key successes in establishing a strong foundation for an effective system in establishing and managing the remaining</p>



		key biodiversity areas in the country. The innovative approach in partnering with civil society is commendable to ensure sustainability and delivery of expected outputs of the Project.
GEF Operational Focal point	Moderately Satisfactory	The project is fully supportive of CEPA's top 3 priorities: (i) completed the National Protected Area Policy that has been endorsed by the National Executive Council, (ii) supporting in the design of the biodiversity offset mechanism for PNG, and (iii) embarking to assist in strengthening the transition of CEPA with the design of a strategic plan and change management process. Moreover, this Project contributed to the expansion of the PA system with a 300% increase of the total PA area in New Britain Island on its second year of implementation. With the support of the instigated by this Project from the provincial and Local Level Governments as well as with the private sector, it is believed that the Project will be able to achieve its targets given the substantial gains reached in laying the groundwork for establishing and recognizing Protected Areas in the country. As the situation is better understood, the needs are becoming more apparent, thus enabling the identification of targeted interventions on environmental protection and conservation that be harnessed with other ODA projects.
Other Partners		
UNDP Technical Advisor	Moderately Satisfactory	This is the second PIR of this project and is rated in terms of the development objective progress as Moderately Satisfactory. The project seems to have addressed most of its teething problems experienced in the first reporting period and are slowly gaining the momentum. The project is expected to achieve most of its major global environmental objectives, but with either significant shortcomings or modest overall relevance. The project is therefore expected not to achieve some of its major global environmental objectives or yield some of the expected global environment benefits. At the objective level, the indicator "National policy and regulatory framework providing comprehensive and consistent support for CCAs", the project took a major step forward by having the National Protected Area Policy endorsed by the Prime Minister and National Executive Council. The new policy provides for new protected area categories including Community Conserved Areas. The project also completed a legislative review on which basis CEPA is drafting a Bill on Protected Areas. The area currently under Community Conservation Areas (CCAs) remains zero (0) hectares. However, the policy has just been passed and the protected areas established by the project will automatically revert to CCAs once the Protected Area Bill is passed, therefore the project considers the additional 236,739 hectares as the progress. Communities' commitment on expanding protected areas and in particular to expand the no go/no take zones in Wildlife Management Areas (WMAs) seems high at this stage. Regarding the funding for conservation and management of CCAs, the project has procured the services of a Forest Trends to design PNG's Biodiversity Offsets Policy and Regulatory Framework. Three reports have been finalized and it is considered work in progress. The following general key elements further underpin the moderately satisfactory assessment: Under outcome 1 "National enabling environment for a community-based sustainable national system of protected areas (PAs) containing globally and nationally significant biodiversity", the recently approved National Policy on Protected Area makes way for a more enabling environment. Regarding the indicator "Explicit recognition of the role and contribution of the protected area system to national development strategies, as described in key national policy documents", preparation work has been undertaken to address this but nothing worthwhile has yet been achieved. Under Outcome 2 "Community-managed Conservation Areas identified and established in the Owen Stanley Range and New Britain", no protected areas have yet been established. Under Outcome 3 "Conservation Area Management Planning and Partnership Agreements with Communities" there has been little progress. Conservation Areas have yet to be established on the project. Under Outcome 4

		<p>Capacity development and support for implementation of Conservation Area Management Plans, the project is encouraged to finalise baseline capacity assessments soonest as there are very important to later measure the impact of the project. Further, Improvement in policy and regulatory structures for the national PA system, and continued increase in management capacity is partly being addressed through the transition into a fully statutory authority known as the Conservation and Environmental Protection Authority (CEPA). Under Outcome 3 Conservation Area Management Planning and Partnership Agreements with Communities the project will undertake the Management Effectiveness of the pilot protected areas in New Britain Island using the METT. Under Outcome 4 Capacity development and support for implementation of CA Management Plans, the project has facilitated a number of capacity building training items including GIS training, ornithology course, community awareness, paralegal training, and education on customary rights on natural resources. The project is encouraged to promptly finalise the Capacity Development Plan in order to ensure a coherent capacity building programme is followed. No meaningful progress has been made since project start regarding the improvement of at least two social service areas for communities/landowner groups involved in functioning conservation areas. The project should establish the baseline values and define the social areas as soon as possible to determine the project's progress. No increase in systemic, institutional and technical capacities of CEPA yet achieved, but groundwork has been done through the draft Capacity Development Plan in place and implementation to start soon. The project has no critical risks at this stage.</p>
--	--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

### Project Progress in Project Implementation

Role	2014 Rating	2015 Rating	2015 Comments
Project Manager/Coordinator	Moderately Unsatisfactory	Moderately Satisfactory	<p>With the active involvement of UNDP PNG Country Office and CEPA, the project is in full swing of implementation with an actual expenditure of USD 927,422.58 for this reporting period or a total of almost USD 1.62 million or 24% disbursement of GEF contribution over the 2 years of implementation. Quick wins are based on an innovative approach to contracting through micro grant agreements which account to almost 80 percent of planned activities in 2015. Eight out of the 14 agreements have been signed off with international and national groups and organizations to ensure delivery of expected outputs of this Project while the remaining proposals are expected to be endorsed by quarter 3 of 2015. Accomplishments of its results and delivery are ensured through regular monitoring of the Project Implementing Unit and reporting to project principals. Engagement of short-term consultants such as a biodiversity specialist, policy specialist and a dedicated provincial coordinator for West New Britain province provides more cohesion of project activities to the target conservation outcomes. Moreover, actions have been put in place to ensure that the Drafting Instruction on Protected Area will promote (i) inter-agency collaboration among relevant government agencies to set aside key biodiversity areas, (ii) customary land rights to deal with competing interests, and (iii) finding ways to influence the integration of the PAs into the ongoing resource sector reforms and the Organic Act. Policy advocacy work of this Project is being intensified to seek champions within and outside the bureaucracy. The situation in New Britain had not received much donor support and local funding</p>

			<p>in the last twenty years, when big NGOs or projects have ceased to operate in the area. With the entry of this Project, it brings in opportunities to establish spatial and non-spatial baseline information as well as leverage parallel initiatives on biodiversity conservation such as ADB, and Government of Australia/Department of Environment on support the marine conservation of the Bismark Sea; institutions such as IUCN/Critical Ecosystem Program Fund, University of Queensland, and SPREP to support in carrying out the prioritization exercise for key biodiversity areas in PNG; and with the provincial governments and private companies such as Hargy Palm Oil and New Britain Palm Oil to assist with the service delivery in selected Community Conservation Areas. New partners including members of civil society is broadening the Project's reach and in the process, influencing their initiatives that is supportive of this Project's objectives. Through the assistance of the GEF-financed project, the Sustainable Environment Program of CEPA will review all donor funded projects to see complementarities and avoid duplication of efforts (GEF/UNDP Community-based Forest and Coastal Conservation and Resource Management Project, Australian Government's Kokoda Track Initiative, ADB Technical Assistance to the Coral Triangle Initiative Program, and JICA's assistance to the Variarata National Park) while at the same time clearly outline its own strategic plan and programs for the next 20 years. With the decentralized approach on procurement, the project team is continuing to absorb the core functions of the country office with the exemption of finance. Challenges are being eased with the engagement of support staff who benefit from trainings/discussions and put into practice the necessary steps and procedures as stipulated in UNDP's Standard Operating Procedures that is yet to be established in PNG. Steps are also being taken in consideration of securing government co financing, e.g. CEPA for this Project next year to effectively serve its role in leveraging additional resources for the sector.</p>
<p>UNDP Country Office Programme Officer</p>	<p>Moderately Unsatisfactory</p>	<p>Moderately Satisfactory</p>	<p>The project's overall progress has been gradual taking into account recent policy and institutional changes at the national and subnational level to promote the renewable resources sectors. Consequently, the implementing partner has been undergoing institutional reform to improve environmental and protected area management facilitated by the project to ensure the enabling policy and legislative frameworks under component one are consistent with the government's vision. The project implementation is slowly gaining momentum from approved Protected Areas Policy (2014), review of all laws related to protected areas, policy and legislative gaps analysis for a potential Biodiversity Offset Mechanism. The progress under outcome 1 has set the scene for outcome 2 showing increased stakeholder engagement with private sector, NGOs/CBOs and ongoing support the provinces at the subnational level targeting project site communities. The added advantage has been the completion of biodiversity gap analysis for Nakanai and Whiteman Ranges and Kokoda area along Owen Stanley Range. This is complemented by ongoing study on Payment for Ecosystem Services Scheme for communities within the project sites. These are encouraging progress towards outcome 3 to clearly demarcate areas of high biodiversity values requiring immediate action to expedite protection measures given threats of approved mining tenements particularly in New Britain Island. However, the</p>

			<p>overall progress on outcome 3 is generally slow towards achieving the targets given that the project is into mid-term of implementation. Despite progress on outcome 3, it is anticipated to improve following initial progress under outcome 4 from the draft Capacity Assessment Report. The subsequent capacity development actions for further follow-up is expected at the institutional and individual level at national and subnational government levels including private sector, NGOs/CBOs and communities. This included completion of paralegal training and participation in national consultations on Protected Areas Policy and drafting of Sustainable Landuse Policy. Clearly, the project has demonstrated good overall progress. With the devolved CO functions of project assurance and procurement responsibilities to PMU, the project team and implementing partner are encouraged to accelerate implementation and focus efforts on components 3 and 4 which are critical to achieve project's overall goal to establish the Nakanai and Whiteman Range Conservation Areas.</p>
Project Implementing Partner	Moderately Unsatisfactory	Moderately Satisfactory	<p>The Project has moderately satisfactory accomplished significant results towards the achievement of some of its development results to establish a national system on protected areas in the country. On its second year, the Project established 86,739 hectares community conservation areas within the New Britain Island alone. This is in parallel to the 150,000 hectares of the Kokoda Interim Protected Zone (IPZ) located in the Owen Stanley Range. The Project has been the successfully forerunner of CEPA's work in pushing for the National Protected Area Policy endorsed by the Prime Minister and the National Executive Council in December 2014. This is in itself ensures for PA expansion in the country by catalyzing in gaining the importance of establishing and managing protected areas within key biodiversity areas in PNG. In fact, the sustainable development agenda is further reinforced with the newly endorsed national policy on Sustainable Development Responsible Strategy that promotes the interface between environmental protected and economic development within the five year political cycle in the country. The Project is also making progress in developing sustainable financing for protected areas and in fact, supporting the design of PNG's biodiversity offset mechanism. The amended Environmental Act that embedded the environment offset defines the payment to compensate for serious or material environmental harm which cannot be adequately reduced or remedied through avoidance or mitigation. The passage of a parallel policy and regulatory framework on this critical milestone has yet to be realized. The Project has to intensify its policy advocacy work and seek champions within and outside CEPA as it moves to new set of interventions to drafting a new, comprehensive and evidence-based legislation as well as the formulation of a sectoral plan on protected area. Overall, it can be said that the Project is gaining key successes in establishing a strong foundation for an effective system in establishing and managing the remaining key biodiversity areas in the country. The innovative approach in partnering with civil society is commendable to ensure sustainability and delivery of expected outputs of the Project.</p>
GEF Operational Focal point	Moderately Unsatisfactory	Moderately Satisfactory	<p>Reports rendered by this Project revealed steady build up from its first year of implementation. The adaptive management of the Project has enabled it to achieve much progress in its national level</p>

			<p>led activities, in particular with the Cabinet approval of the National Protected Area Policy and in responding to the recommendation of formulating the Protected Area Implementation Plan and Financial Estimates for the new Policy including any shortfalls which could be addressed through a Development Budget Submission to the national government. The progress in CCA sites is now proceeding more smoothly as planned, albeit with some delays owing to the time required for the resolution of some local level issues. Majority of these have now been addressed, and therefore it is expected that there will be significant progress to upscale these initiatives and/or ensure downstream actions are in place to firmly put in place strong foundations for long term conservation outcomes.</p> <p>Complementation and convergence with similar projects such as Government of Australia/Seascape Initiative and ADB/Coral Triangle Initiative was a major strategy adopted by the Project to address resource limitation, as well as leveraging co-financing with project partners. Counterpart funding from the provincial governments in New Britain Island as well as from CEPA should also be able to fill in the financing required to achieve the project deliverables.</p>
Other Partners			
UNDP Technical Advisor	Moderately Unsatisfactory	Moderately Satisfactory	<p>Implementation progress of the project is rated as moderately satisfactory. This rating is based on the progress in delivery of outputs, the efficiency of outputs, the quality of risk management, the quality of adaptive management and the quality of monitoring and evaluation. Each of these aspects are discussed below. During the reporting period, the outputs reported under Outcome 1 “National enabling environment for a community-based sustainable national system of protected areas containing globally and nationally significant biodiversity” are: (i) the National Policy on Protected Areas approved; (ii) Report on the Legislative Review on Protected Areas completed; (iii) Micro Grant Agreement to undertake prioritization exercise of key biodiversity areas through updating of the terrestrial and marine PoWPA and the nationwide assessment of gazette Protected Areas; (iv) Medium Term Development Plan for 2016 – 2017 launches; and (v) Three reports completed in assistance to CEPA to designing PNG’s biodiversity offset mechanism. In the project document, there are six listed outputs that work need to focus on, namely (i) High level whole-of-Government structure established, to coordinate land use decision; (ii) PNG’s Medium Term Development Strategy and related planning documents incorporate and provide support for the objective of developing a Sustainable National System of Protected Areas; (iii) National, Strategic Environment Assessment Policy Framework to manage the issue of cumulative impacts on biodiversity and protected areas through a failure to coordinate land-use decisions; (iv) National Policy framework on environmentally sustainable agricultural production developed including a commitment for all exported oil to be certified sustainable by 2015; (v) Integration of the three existing Protected Areas Acts into a single legal framework for Protected Area establishment and management; (vi) Models established to support payments for ecosystem services generated with protected areas (e.g. watershed protection, biodiversity offsets, fisheries protection, REDD) linked to formal Benefit Sharing Agreements within PA legislation; and (vii) Capacity development programmes for DEC</p>

			<p>(CEPA) and other relevant agencies, including emphasis on public administration, financial management and procurement. Although the outputs accomplished during the reporting period are in general compliance with the project document, one aspect that is not adequately being addressed is Output 1.3.1: National agricultural production developed, including a commitment for all exported palm oil to be certified sustainable by 2015. The project is encouraged to work on this aspect in the next reporting period. Under outcome 2 Community-managed Conservation Areas identified and established in the Owen Stanley and New Britain the following outputs were accomplished during the reporting period: (i) 235,000 hectares of key biodiversity areas under new landscape protection scheme; (ii) Updating of PNG's Species Information Management System with taxonomic data for 2,000 species; and (iii) Proposals received for the development of a land use plan for West New Britain Island. In the project document the following outputs are listed: (i) development of a national biodiversity information system (NBIS) comprising spatial and non-spatial information on PNG's biodiversity necessary to support its effective protection and management; (ii) Development of a spatial and non-spatial socio economic database to support improved land-use and protected area decision-making; (iii) identification and establishment of Owen Stanley Ranges Conservation Area, incorporating the Kokoda Interim Protected Area; (iv) identification and establishment of at least one Conservation Area in New Britain; and (v) Conversion of Globally and/or Nationally significant Wildlife Management Areas to Conservation Areas. The reported outputs are all in line with the project document. Under Outcome 3 Conservation Area Management Planning and Partnership Agreements with Communities the project reported two outputs: (i) Resource management plans being developed for new CCAs of total coverage of 60,855 ha and 5 gazetted WMAs (25,884 ha) in New Britain Island; and (ii) PES Option Study being undertaken to explore the feasibility of establishing a PES scheme in New Britain Island. Outcome 3 has a long list of outputs in the project document: (i) conservation area management committee established with membership including landowners, Provincial and Local Level Governments and the DEC; (ii) Conservation Area Management Plan developed and endorsed by each CA Management Committee; (iii) Funding for the Management Plans secured and being used to support implementation; (iv) Service delivery, community development and business development action plans developed and under implementation; (v) sustainable financing plans developed for each CA incorporating development opportunities from PES schemes, Government/donor funding and identified business development opportunities; and (vi) additional funding required to fully finance Management Plans identified and secured from domestic and/or external sources. The output reported is in line with project document, but again more outputs are expected over a one year period and it would have been expected that as CCAs are established that the conservation area management committees are established at the same time. The resource management plans need to be approved by these committees so important to address this as soon as possible. Under outcome 4 Capacity development and support for implementation of CA Management Plans the reported outputs for the reporting period are: (i) Final draft on the Capacity Assessment and Capacity Development Plan of relevant</p>
--	--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

		<p>national, provincial and local level government partners and communities completed; and (ii) Series of paralegal training and education on customary land rights on natural resources being delivered by Partner NGO. The outputs as listed in the Project document are (i) provincial and local level Government officials supporting service delivery for CAs, each with a three year capacity development plan linked to their individual performance agreements; (ii) conservation area service delivery management arrangements agreed between all levels of Government and endorsed by each CA Management; (iii) business development, PA management and ranger training courses developed for increasing the capacity of landowners to manage the Conservation Area and generate income from business activities linked to the CA; and (iv) education, training courses and remote access training programmes on health, sanitation and family planning. The project reported outputs is in line with the Project Document. The progress in delivery of outputs is therefore rated as satisfactory as there is evidence of implementation of some components is n substantial compliance with the original plan except for a few components that are subject to remedial action. Regarding the efficiency of outputs, this RTA rates the project unsatisfactory. This is due to the fact that the delivery of expenditure was only 29% of the budgeted resources in 2014 and in 2015 it is currently standing on 16%. The quality of risk management of the project is rated as satisfactory. The project has no critical risk and the risks e.g. project manager having no contract has been adequately addressed for the long-term project implementation. For similar reasons, the quality of adaptive management is also rated satisfactory. The quality of monitoring and evaluation is also rated as satisfactory as there is an asserted effort to put in place an adequate system. This is evidenced by assessing capacity and having an agreement in place to measure the management effectiveness of new CCAs. The area for improvement is putting in place the procedures to measure the changes in socioeconomic aspects in the target areas. The project Steering Committee met once during the reporting period and provided overall project guidance and strategic direction.</p>
--	--	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

## G. Project Planning

Key project milestone	Status	Original Planned Date (Month/Year)	Actual or Expected Date (Month/Year)	Comments
Inception Workshop	delayed/completed	June - 2012	August - 2012	Recommended changes in the composition of the Project Advisory Board, namely the inclusion of the Department of Lands and Physical Planning, National Fisheries Authority and provincial government representatives from Owen Stanley Range (Central and Northern provinces) and New Britain (East New

				<b>Britain and West New Britain provinces)</b>
Mid-term Review	delayed/pending	4 - 2015	6 - 2016	Commencement of the Mid-term Review was suggested to be moved due to delayed start of project implementation.
Terminal Evaluation	on schedule	June - 2018	-	

## H. Critical Risk Management

Critical Risks Type(s)	Critical Risk Management Measures Undertaken in 2015
------------------------	------------------------------------------------------

## I. Environmental and Social Grievances

Related environmental or social issue	
Status	
Significance	
Detailed description	

## J. Communicating Impact

Tell us the story of the project focusing on how the project has helped to improve people's lives.
<p>The Project's work towards the establishment of Community Conservation Area network in New Britain is influencing the thinking on the viability of designating Nakanai Range as a one of the three Conservation Area to be established in the country next year. Communities all over PNG have been conserving nature for cultural and spiritual reasons, while pursuing traditional livelihoods in these landscapes and seascapes. From a handful of Wildlife Management Areas established in the 1970s, PNG has 58 Protected Areas plus many yet to be gazetted in the next 3 years. So far, these cover 4% of the country's land surface and less than 1% of the seas. Using PNG unique systems of resource ownership and management, this Project will establish effective management across in the country with the NEC endorsed National Policy on Protected Areas at the heart of dealing with many of the biggest challenges – including climate change, food and water security, and ultimately the challenge of achieving sustainable development for betterment of Papua New Guineans. It is a fundamental strategy to conserve biodiversity and ecosystem services, with multiple benefits to people that halt biodiversity loss and replenishing the natural environment through community efforts. Additional Protected Areas are in the process of being established in New Britain in partnership with all NGOs operating in New Britain Island, with an estimate of 86,739 hectares in Nakanai and Baining Mountain which contains high conservation values of global and national significance. Several grant agreements were signed by UNDP to directly support pilot communities in updating of respective resource management plans to include community awareness, demarcation of land boundaries, reactivating their respective management committees, and trailing of PES and/or service delivery through a community engagement process. The NEC endorsed National Policy on Protected Area will guide the country's new legislation on Protected Areas, which will for the first time bring together all marine and terrestrial areas, with different objectives and levels of protection. The Policy provides for a review every five years to ascertain progress to achieve community conservation outcomes. Through this new draft bill, CEPA aspire to meet the challenges of protecting the remaining natural and cultural heritage through the establishment of a Biodiversity Trust Fund. Communities in New Britain will be ensured with long-term sustainability of funding to contribute towards improved and effective management of Protected Areas. It is anticipated that the strong cooperation with the 2 largest palm oil company operating in New Britain namely the Hargy Palm Oil (HPOL) and New Britain Palm Oil (NBPOL) will address funding gaps on service delivery. These companies are members of the Roundtable on Sustainable Palm Oil (RSPO) that take legal ownership and produce</p>



or handle RSPO-certified sustainable oil palm products and supports the conservation of remaining lowland pristine forest of Lake Hargy (HPOL), and Pokili and Garu WMA (NBPOL).

What is the most significant change that has resulted from the project this reporting period?

The National Policy on Protected Area was one of the top 3 priorities of CEPA for 2014. With the formal endorsement of the Prime Minister and the National Executive Council in December 2014, the Project's work has helped to propel CEPA's status to lead the way in recognizing the importance of setting aside key biodiversity areas to realise this potential of working to achieve Aichi targets. No less than the CEPA Managing Director and GEF Operational Focal Person Gunther Joku intends to pursue to develop a new comprehensive legislation on Protected Area to be validated through a consultative process. The new policy puts in place a systematic processes of establishing Protected Areas by government, provinces/LLG, civil society or the communities themselves. It also launches the government's intention to support these areas through an innovative funding mechanism to support customary landowners in the management of protected areas through fee collections, budgetary allocations and donor assistance which could later be turned into a Biodiversity Trust Fund. Through the Project's work, CEPA is a step closer to designing a biodiversity offset mechanism for the country through a formulation of an offset policy and regulatory framework. An intensive training course was delivered by Forest Trends in December 2014 to 20 individuals from senior and middle management in CEPA on the topic of No Net Loss and Net Gain (NNL/NG) of biodiversity and the mitigation hierarchy, including biodiversity offsetting. It is pitched at professionals who have some familiarity and experience with biodiversity policy but who are new to the specific topic of NNL/NG and particularly to biodiversity offsets. The purpose of the course is to familiarise these professionals with the principles and practicalities of designing, implementing and enforcing a national system of NNL/NG, and how individual projects plan for NNL/NG within this national system. The course introduces core elements of international best practice and illustrates particular concepts by reference to experience around the world, but it also considers the specific context of PNG. This is an introductory course and will need to be supplemented by more detailed development of expertise on particular aspects of the national mitigation and offsetting system. Forest Trends has completed their first three reports on biodiversity offsetting, in particular the gap analyses on policy; law and legal processes; and biodiversity data were completed and reviewed by key partners on 12 June 2015. A short-term training course is also being prepared to more closely tailor to training CEPA staff with specific roles and responsibilities under the particularities of the PNG system. Fees from private companies are intended to support the establishment and management of Protected Areas in PNG.

Describe how the project supported South-South Cooperation and Triangular Cooperation efforts in the reporting year.

South-South cooperation between the country offices of UNDP Philippines and PNG is being established to roll out the application of the METT Scorecard for Community Conservation Areas in New Britain Island. A one-week mission to New Britain has been agreed to commence in August 2015, as an initial step.

## K. Partnerships

Partners	Innovation and Work with Partners
Civil Society Organisations/NGOs	<p>This Project is partnering with all recognized NGO operating in New Britain Island to further their work on conservation, focusing in the establishment of a Community Conservation Area network in the 3 ranges namely Nakanai, Whiteman and Baining Mountain which contains high conservation values. These grant agreements directly supports project implementation in pilot communities to review and update their respective resource management plans to include community awareness, demarcation of land boundaries, reactivating their respective management committees, and trailing of PES and/or service delivery through a community engagement process. The NGO partners are:</p> <ul style="list-style-type: none"> <li>• Organization for Industrial Spiritual &amp; Cultural Advancement with 32,768 hectares for Arabam, Raigel and Managi wards in LLG Sinivit East New Britain</li> <li>• Barefoot Community Services with 10,000 hectares for existing WMAs and recognized communities with long commitment on conservation (Kavakuna WMA with 20 ha, Klampun WMA 5,200 ha Muruk with 50 ha, Toimtop with 2,007 ha, Mu at 3,000 ha and Manginun with 100 ha) within the Nakanai Range, ENB</li> <li>• Mahonia Na Dari with 31,470 hectares for existing and new WMAs (Garu WMA with 8,700</li> </ul>

	<p>ha , Pokili WMA 9,840 ha plus 12,000 ha for expanded WMA, and Lake Hargy caldera with 930 ha) in West New Britain – Live and Learn PNG for establishing pilot areas in Whiteman Range, West New Britain Proposal to support Tavalu (2,000 ha) and expanding its WMA boundary by 10,000 ha is under discussion. Equally important milestones are being implemented by civil society organizations: Binatang Research Center (conduct of a comprehensive biodiversity field survey in Whiteman Range), Center for Environmental Law and Community Rights Inc. (community awareness and paralegal training for local leaders within Nakanai Range) and PNG Institute of Biological Research (Documentation of traditional KSP on conservation and sustainable use in New Britain). Other proposals under review by CEPA and the project team are with Wide Bay Conservation (Documentation of lessons learned on community entry and engagement including BSA), Centre for Biodiversity and Conservation Science - University of Queensland (Updating PNG’s Programme of Work on Protected Areas (PoWPA) for Terrestrial and Marine), Secretariat of the Pacific Regional Environment Programme (Nation-wide assessment of all gazetted Protected Areas), The Nature Conservancy (Sustainable Land Use Plan-Provincial Development Plan) and Partners for Melanesia (3D Participatory Modelling)</p>
Indigenous Peoples	<p>This Project is working the Baining people who are among the earliest and original inhabitants of the Gazelle Peninsula and inhabit the Baining Mountains of East New Britain. With the GEF project, Organization for Industrial, Spiritual and Cultural Advancement (OISCA) in partnership with the Wards of Arabam, Raigel and Maranagi are promoting the conserving the natural rainforest of the Baining Range, particularly the water catchment area of the Warangoi Hydro Dam and of the rare endemic species of wild dogs only found in this area through the provision of technical assistance and training support on environment and biodiversity conservation, and sustainable fix organic farming.</p>
Private Sector	<p>CEPA with the GEF-funded project is discussing with the 2 largest palm oil company operating in New Britain namely the Hargy Palm Oil (HPOL) and New Britain Palm Oil (NBPOL) who are members of the Roundtable on Sustainable Palm Oil (RSPO) that take legal ownership and produce or handle RSPO-certified sustainable oil palm products. Both companies have confirmed their commitment to support the land use planning in the New Britain provinces by sharing the current and proposed palm oil estates and plantations as well as contribute to the service delivery in particular areas. Both companies supports the conservation of remaining lowland pristine forest of Lake Hargy (HPOL), and Pokili and Garu WMA (NBPOL).</p>
GEF Small Grants Programme	<p>Access to SGP assistance has been extended to communities within and surrounding the Nakanai Range through this Project. In coordination with the SGP National Coordinator, several proposals from community-based organizations such as Pokili WMA, Tavalu WMA, Lake Hargy, and Jacquinet Bay were submitted on 30 May 2015 which are currently under review.</p>
Other Partners	<p>Complementation and convergence with similar and related projects such as UNDP-GEF, Kokoda Initiative/Government of Australia through the Department of Environment, Seascope Initiative/ Government of Australia through the Department of Environment, Coral Triangle Initiative/Asian Development Bank, JICA’s assistance to biodiversity conservation of the Varirata National Park was the major strategy to address resource limitation and avoid duplication of efforts.</p>

## L. Progress toward Gender Equality

Has a gender or social assessment been carried out this reporting period?	No
If a gender or social assessment has been carried out what where the findings?	
Does this project specifically target woman or girls as direct beneficiaries?	No
Please specify results achieved this reporting period that focus on increasing gender equality and improving the empowerment of women.	The Rainforest Conservation Project for Sinivit LLG in East new Britain with OISCA is targeting to provide equal livelihood opportunities for both women and men. Sex disaggregated data is being integrated in the monitoring and reporting requirements 4 partner NGOs who are involved in community engagement and paralegal training on natural resource management. A UNDP project on Coordinated and sustainable response to gender based violence (GBV) and family sexual violence (FSV) is supporting pilot 4 provinces to develop its Gender Strategy, which East New Britain is one them.

## M. Annex 1 - Ratings Definitions

### Development Objective Progress Ratings Definitions

*Highly Satisfactory (HS):* Project is expected to achieve or exceed all its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as 'good practice'.

*Satisfactory (S):* Project is expected to achieve most of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings.

*Moderately Satisfactory (MS):* Project is expected to achieve most of its major relevant objectives but with either significant shortcomings or modest overall relevance. Project is expected not to achieve some of its major global environmental objectives or yield some of the expected global environment benefits.

*Moderately Unsatisfactory (MU):* Project is expected to achieve of its major global environmental objectives with major shortcomings or is expected to achieve only some of its major global environmental objectives.

*Unsatisfactory (U):* Project is expected not to achieve most of its major global environment objectives or to yield any satisfactory global environmental benefits.

*Highly Unsatisfactory (HU):* The project has failed to achieve, and is not expected to achieve, any of its major global environment objectives with no worthwhile benefits.

### Implementation Progress Ratings Definitions

*Highly Satisfactory (HS):* Implementation of all components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be presented as 'good practice'.

*Satisfactory (S):* Implementation of most components is in substantial compliance with the original/formally revised plan except for only few that are subject to remedial action.

*Moderately Satisfactory (MS):* Implementation of some components is in substantial compliance with the original/formally revised plan with some components requiring remedial action.

*Moderately Unsatisfactory (MU):* Implementation of some components is not in substantial compliance with the original/formally revised plan with most components requiring remedial action.

*Unsatisfactory (U):* Implementation of most components is not in substantial compliance with the original/formally revised plan.

*Highly Unsatisfactory (HU):* Implementation of none of the components is in substantial compliance with the original/formally revised plan.