



Report of
ATSEA
Third Project Board Meeting

Bali, 21 February 2013

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Acronyms

APEC	Asia-Pacific Economic Cooperation
ATS	Arafura and Timor Seas
ATSEA	Arafura and Timor Seas Ecosystem Action Program
AWP	Annual Work Plan
CEO	Chief Executive Officer
CO	(UNDP) Country Office (Indonesia)
CTI-CFF	Coral Triangle Initiatives on Coral Reefs, Fisheries and Food Security
DSEWPaC	Department of Sustainability, Environment, Water, Population and Communities (Australian Government)
FSP	Full Size Project (of GEF)
GEF	Global Environment Facility
IUU	Illegal Unregulated and Unrecorded (Fishing)
M&E	Monitoring and Evaluation
MAF	Ministry of Agriculture and Fisheries (Timor-Leste)
MMAF	Ministry of Maritime Affairs and Fisheries (Indonesia)
MSP	Medium Size Project (of GEF)
MTE	Mid-Term Evaluation
NAP	National Action Programme
NGO	Non-Government Organisation
ONP	(GEF) Official Focal Point
PB	Project Board
PBM	Project Board Meeting
PCA	Project Cooperation Agreement
PMO	Project Management Office
PNG	Papua New Guinea
QMR	Quarterly Monitoring Report
RTA	(UNDP) Regional Technical Advisor
SAP	Strategic Action Programme
SEG	Stakeholder Engagement Group
SSME	Sulu-Sulawesi Marine Ecoregion
TDA	Transboundary Diagnostic Analysis
UNDP	United Nations Development Programme
UNOPS	United Nations Office for Project Service

EXECUTIVE SUMMARY

The Third ATSEA Project Board Meeting was conducted in Bali, Indonesia on 21 February 2013. The following decisions were resulted from the meeting:

Decisions from Session 3 – Adoption of the Meeting Agenda:

The agenda was adopted with additional items:

1. Project Board agreed that the result of the 2nd PBM would be briefly presented by Project Management Office (PMO).
2. Project Board agreed that the discussion on SAP (Agenda Session 5) would be switched with the discussion on project implementation progress (agenda session 6).
3. Project Board agreed that Australia would briefly present on an Australian Government initiative to support ATSEA SAP implementation under the agenda “other business” (agenda session 8).

Decisions from Session 4 – The Minutes of the 2nd PBM in Canberra:

1. Project Board agreed to discuss the involvement of PNG under the agenda “Other Business”.

Decisions from Session 5 – Presentation of ATSEA SAP:

1. The Project Board approved the SAP document.
2. The Project Board agreed that the consultation process for Ministerial signing would be conducted at the individual countries and then consulted as a group of ATSEA member countries.
3. The Project Board accepted the offer from Indonesia to host the secretariat of ATS regional institution, which will be located in Bali. The project management office (PMO) will act as an interim secretariat of ATS regional institution until closed of the project.

Decisions from Session 6 - Report on Project Implementation Progress:

1. The Project Board noted that ATSEA project was progressing well.
2. The Project Board accepted the report of the PMO on major achievements and PMO operation in 2012, and the Financial Report of 2012.
3. The UNDP will amend the management response to address the MTE’s recommendations based on the minutes of the 3rd PBM meeting.
4. PMO and Australia will draft a letter to PNG Government to enquiry about the Government of PNG commitment and involvement in the ATSEA Project. The draft letter will be circulated to the project board members.
5. The Project Board agreed to delete the process oriented target of component 3 in the project document (“15% increase in income among the target communities”).

Decisions from Session 7 – Considerations of Project Implementation in 2013:

1. The Project Board approved the proposed of AWP for 2013.
2. The Project Board approved the activities in the AWP 2013. PMO will submit details travel plan to UNDP and UNOPS on quarterly basis in line with UNDP carbon footprint reduction policy.
3. The Project Board approved the extension of the project period until June 2014 with the following justification:
 - a. Completion of 48 months implementation as stated in the project document.
 - b. Completion of the national and regional demonstration projects.
 - c. Identification of appropriate resources to support management arrangement for the project through resource mobilization for bridging and SAP implementation phases.
 - d. Letter from GEF-CEO Approval dated 16 October 2009 stating that the closing date of the ATSEA project will be no later than December 2014.
4. The Project Board agreed to re-align the budget in activity 1 to be distributed in activities 2, 3, and 4 respectively.
5. The Project Board agreed that the discussion on identifying ways to fill the gap of the 2014 budget will be done inter-sessionally.

Decisions from Session 8 – Other Business:

1. The Project Board agreed that PMO and Australia will draft a workplan in responding the Australia initiatives.
2. The Project Board agreed that there is a need to find financial resources to bridge the current project and the next phase on SAP implementation.
3. The next project board meeting will be organized in February 2014 in Bali, Indonesia. The board recognized the option for the project board or the countries to meet prior to the minister signing of the SAP to discuss outstanding issues pertaining to the SAP.

1. OPENING OF THE MEETING

1.1. Welcome Address and Opening Remarks

Mr. Budi Sulisty, Director of Research and Development Center for Marine and Coastal Resources, MMAF

The meeting was officially opened by Mr. Budi Sulisty on behalf of the Chairman of Agency for Marine and Fisheries Research and Development, MMAF. Mr. Sulisty welcomed participants to Bali. Mr Sulisty was pleased to see the progress of the ATSEA project. He highlighted a good coordination of the ATSEA members contributed to an affective management of ATSEA. He emphasized the importance of the ATSEA regional effort to conserve and manage the biodiversity and marine habitats of ATS.

Mr. Sulisty suggested the participants to formulate the second phase of ATSEA. The government of Indonesia committed to support the second phase of this project.

1.2. Introduction of the Participants

Dr. Tonny Wagey – ATSEA Regional Project Manager

Dr. Tonny Wagey invited participants to give a brief self-introduction. The list of participants can be found in Appendix A.

2. ORGANISATION OF THE MEETING

2.1. Election of Officers

Dr. Tonny Wagey – ATSEA Regional Project Manager

Dr. Tonny Wagey invited participants to nominate a Chairperson for the meeting. Mr. Budhi Sayoko nominated Mr. Lourenco Borges Fontes, Ministry of Agriculture and Fisheries to chair the meeting. This nomination was supported by Mr. Travis Bover and accepted by all. The Chair was duly taken by Mr. Lourenco Borges Fontes.

2.2. Meeting Documents

Dr. Tonny Wagey – ATSEA Regional Project Manager

Dr. Wagey explained about the documents pertinent to the meeting. He pointed out that some had been sent to delegates by email, and that others were in the binders provided to each person in the meeting. UNDP/GEF/ATSEA/PBM-3/01.1. The full SAP document can be downloaded at this site: <http://www.atsea-program.org>.

2.3. Organisation of Work

Dr. Tonny Wagey – ATSEA Regional Project Manager

Dr. Tonny Wagey introduced the agenda items (Appendix B); it was noted that other items may be added during discussions in Session 3 (Adoption of the Meeting Agenda). Dr. Wagey confirmed that English would be the language of the meeting but other languages can be used as well.

3. ADOPTION OF THE MEETING AGENDA

Mr. Lourenco Borges Fontes, chairman, invited delegates to suggest additional agenda items.

Mr. Fontes suggested to move the agenda number 5 (Presentation of ATSEA SAP) earlier than agenda number 4 (Report on Project Implementation progress). The rest of the agenda will go as planned. Australia would like to present about projects from Australia in Other Business Session. Mr. Budhi Sayoko suggested to start the discussion with the results of the 2nd PBM. Mr. Shahandra Hanitiyo agreed that the SAP was discussed earlier than the report project implementation progress.

Decision from Session 3

The agenda was adopted with these additional items:

1. Project Board agreed that the minutes of the 2nd PBM would be briefly presented by Project Management Office (PMO) and update the Board on progress of key actions.
2. Project Board agreed that the discussion on SAP (agenda session 5) would be switched with the discussion on project implementation progress (agenda session 6).
3. Project Board agreed that Australia would briefly present on an Australian Government initiative to support implementation of the SAP under the agenda “Other Business” (agenda session 8).

4. THE MINUTES OF SECOND PBM IN CANBERRA

Dr. Tonny Wagey – ATSEA Regional Project Manager

Dr. Tonny Wagey briefly presented the minutes of the 2nd PBM in Canberra. Mr. Travis Bover raised issue whether the involvement of PNG in ATSEA should be discussed at the 3rd PBM. Dr. Wagey suggested that the PNG involvement would be discussed in the future plan and asked recommendation from UNDP. Dr. Jose Padilla updated the progress about MSP-PNG that UNDP had followed up the MSP through UNDP-PNG but there was no progress. UNDP considered that the scope of the MSP-PNG is no longer relevant in the ATSEA project as the TDA has been endorsed by the Board and the SAP about to be endorsed. Mr. Travis Bover asked if the second phase could involve PNG. Dr. Padilla clarified the involvement of PNG in the second phase depending on whether PNG is part of the SAP thus the implementation of SAP surely will involve PNG. Mr. Budhi Sayoko asked the risk to leave one country in achieving the ATSEA objectives. Dr. Wagey clarified that in order to engage PNG, we need to have a strong interest from PNG.

Decision from Session 4:

1. PB agreed to discuss the involvement of PNG in other business session.

5. PRESENTATION OF ATSEA SAP (FOR APPROVAL)

Dr. Tonny Wagey – ATSEA Regional Project Manager

Dr. Tonny Wagey presented the final draft of the Strategic Action Programme (SAP) (Document UNDP/GEF/ATSEA/PBM-3/05.1) refer to Appendix C. He requested the participants to agree on SAP Document. Dr. Wagey outlined the workplan towards SAP endorsement, including the development of :

1. the Ministerial declaration signing;
2. the implementation arrangement of the SAP; and

The chair suggested to change the name of ATSEF to ATSEP (Arafura Timor Seas Ecosystem Partnership) in responding the institutional framework. Dr. Budhi Sayoko agreed to change the ATSEA name by highlighting the livelihoods. Although he asked the delegates to re-consider the abbreviation of ATSEP.

The chair invited participants to review the SAP document. Mr. Anang Noegroho recalled similar initiatives such as: SSME, CTI-CFF, the collaboration with Australia to combat IUU fishing. In addition, Indonesia gave positive responses, supported and accepted the SAP document. He emphasized how to bring the words of balancing socio ecological objectives up front. Indonesia offers a secretariat of the the ATS regional institution in Bali. Mr. Travis Bover agreed with Indonesia the name of the new institution should include the word livelihood. He suggested Arafura Timor Seas Ecosystem and Livelihood Partnership (ATSELP).

Australia agreed on the final SAP document. Mr. Travis Bover questioned further works needed in the institutional framework as it has been developed by consultant. Dr. Wagey explained that the institutional arrangement will not be covered in the document of the SAP but it would be in the implementation agreement. In addition, further work is needed to face the ministerial declaration.

Mr. Bover suggested to present the ATSEA project at the higher level events, such as a trilateral meeting between Timor-Leste, Indonesia and Australia in Dili. The meeting will discuss about cooperation and connectivity. Mr. Bover will share the doc so other can consider.

Mr. Aires Guterres from Timor-Leste expressed that Timor-Leste agreed on the SAP document. He also agreed that the best place for ATSEA secretariat is in Bali. He raised issue about timing of Ministerial declaration.

From the Project Management Perspective, Dr. Sayoko(UNDP) suggested to put time line of the steps. He questioned the activities during the timelag between phase I and II. UNDP agreed with the SAP document.

Dr. Wagey agreed to outline the roadmap for next step. The Ministerial meeting will be expected to happen back to back with APEC meeting in Bali in October, or CTI meeting. Dr. Wagey reminded that the signing meeting would take 30 minutes but the process needs much longer time and investments.

Dr. Wagey asked recommendation from the board how to bridge the current project with the SAP implementation phase as there will be time gap around 1.5 years.

Mr. Bover expressed the SAP could be further developed and improved. During the development of SAP we realized we didn't go to the details. Australia considered it was high level framework. The document has been approved, the next step to develop implementation plan. Mr. Bover also suggested to involve PNG for the development of Implementation of SAP which will also enhance the SAP.

Mr. Anang Noegroho suggested to put measurement indicators to monitor the success. Dr. Wagey explained that the implementation should be reviewed regularly. In the SAP it is already said the institutional and financial mechanism for cooperation will be developed further. Dr. Jose Padilla added if the implementation arrangement will happen after ministerial signing, it could be discussed in the next PBM. As mentioned by Australia, the improvement of SAP is there, learning from other doc/project that the improvement of SAP is part of the mechanism to improve and revisit of the SAP.

Mr. Uriel Heskia (UNOPS) acknowledged the hard work of SAP development. UNOPS agreed on the SAP document and provide support the second phase of ATSEA.

Dr. Wagey asked participants to agree on the road map of the project until to get the ministerial meeting. Would it be possible/accepted that PMO engage the individual countries to consult the process ministerial signing and implementation development. For example, to have someone from Indonesia, Mr. Anang Noegroho office to lead the process, similar with Timor-Leste and Australia. After that we could agreed on the name of the declaration, the venue and timing.

Indonesia: the consultation is important in the partnership. Put in media how these three countries effort in ecosystem and livelihoods.

Australia agreed to individual consultation and meet a group after. Australia suggested to involve SEG having a role in the development of the implementation SAP, how as a group they could contribute to the development of SAP. There would be a good opportunity to have a site meeting for the consultation implementation meeting in June after the regional demo project. The Australian election will be in September, might create complexity.

Timor-Leste agreed on the plan to have an individual consultation. October is a good time for signing.

Indonesia is willing to support the secretariat and the operational of the secretariat.

Mr. Travis Bover asked how the establishment of the secretariat would relate to PMO. Whether Secretariat will be a different entity with PMO? Dr. Wagey requested if PMO could serve as interim secretariat.

Decisions from Session 5

1. The project board approved the SAP document.
2. The project board agreed that the consultation process for Ministerial signing would be conducted at the individual countries and then consulted as a group of ATSEA member countries.
3. The Project Board accepted the offer from Indonesia to host the secretariat of ATS regional institution, which will be located in Bali. The project management office (PMO) will act as an interim secretariat of ATS regional institution until closed of the project.

6. REPORT ON PROJECT IMPLEMENTATION PROGRESS

6.1 Major Achievements since the Last Meeting and PMO Operation Report 2012

Dr. Tonny Wagey – ATSEA Regional Project Manager

Dr. Tonny Wagey presented summary of completed project activities including major achievements. For details of the presentation, refer to Appendix D.

Concerning Component 1 (TDA Development), Dr. Wagey stated that TDA was approved and signed by the board at the 2nd PBM. The publication of TDA were completed last year. The TDA was linked with the SAP development. The TDA was completed.

For Component 2 (SAP/NAP Development), Dr. Wagey expressed that the SAP/NAP development were the major activity for 2012. Consultant was hired to formulate the SAP and series of consultation meetings were undertaken to finalise the draft of SAP. The development of NAPs for Indonesia and Timor-Leste was completed.

For Component 3 (initial implementation of the SAP and NAPs), the implementation of national demo projects in Indonesia used NGOs modality while the modality in Timor-Leste was PCA. Two demo sites in Indonesia were awarded to two different NGOs to implement the demo project in Aru and Yamdena Islands. With regard to regional demo project, series of meetings were organized to agree on the activities of regional demo project, exchange visits program. PMO will execute the implementation of regional demo project. The regional demo project demonstrates the collaboration within three countries in implementing the regional demo project.

Dr. Wagey expressed that in terms of the Component 4 (Regional Management & Sustainable Financing mechanism for ATSEA), a consultant was hired to develop options for a regional cooperation mechanism. The results were presented to focal points through series of consultation meeting involved key institutions in Indonesia and Timor-Leste, and stakeholder groups such as NGOs and other institutions in conjunction with SAP document

Component 5 (Project Coordinator & Management): Mid term evaluation was conducted, PMO operated smoothly, website regularly updated, Revised annual workplan and QMR documents were completed.

6.2 Financial Report

Dr. Tonny Wagey – ATSEA Regional Project Manager

Dr. Tonny Wagey referred delegates to document UNDP/GEF/ATSEA//PBM-3/04.2, entitled “Financial Report 2012” (Appendix E). The Financial report a total of USD 746,296.26 was budgeted, and a sum of USD 699,799.48 was spent in 2012. The delivery rate of the project in 2012 was 93.77%.

The Chair asked if the expenditure for demo project included the committed budget. Dr. Wagey clarified that the expenditure from demo project was only for 2012.

Dr. Budhi Sayoko considered the travel cost was high. He suggested to consider reducing travel cost by seeking guidance and endorsement from UNDP CO in the detail of the agreed AWP 2013 before it is processed. Dr. Wagey explained that travel included DSA. It is important to make more saving therefore it is better to discuss in AWP 2013.

6.3 Mid-Term Evaluation of the Project

Mr. Iwan Kurniawan – UNDP

The Mid-Term Evaluation was conducted by an independent consultant in August 2012. MTE referred delegates to document UNDP/GEF/ATSEA/PBM-3/04.3, entitled “The report of ATSEA Mid-Term Evaluation” (Appendix F). The Mid-Term Evaluation is intended to provide a comprehensive overall assessment at mid-term of the project and provides an opportunity to critically assess administrative and technical strategic issues and constraints. The report of ATSEA Mid-Term Evaluation provided perspectives of the ATSEA progress and gave some recommendations to Project Board and PMO to improve effectiveness, efficiency and timeliness of project implementation; highlight issues requiring decisions and actions; and present initial lessons learned about project design, implementation and management.

Dr. Jose Padilla added that some of the findings might not be applicable. Therefore, he suggested not to worry about the rating but more important to consider the recommendation to accelerate several activities to achieve the outcomes. For example the implementation of SAP was still on progress or just started when MTE was conducted which result in low rating. This was supported by Mr. Travis Bover-Australia.

Dr. Tonny Wagey briefly presented the management responses to address the issues in MTE drafted by PMO and UNDP, refer to document in Appendix G.

Responding Recommendation 1:

Dr. Padilla expressed that it is hard to develop indicators to measure the objective levels. This was supported by Mr. Bover.

Recommendation 2: Mr. Uriel Heskia questioned if a consultant had already been recruited as the PMO had stated in the comments. Dr. Wagey clarified that that the consultant was an existing consultant, funded by the Government of Australia and hired to give recommendation on the options of the institutional arrangements.

Recommendation 4:

Dr. Padilla expressed that action number 2 to address recommendation 4 is not applicable anymore. Dr. Sayoko suggested a formal letter is sent to PNG government if they are willing to participate in the ATSEA Project. Mr. Bover was happy to assist the draft of letter. Mr. Bover suggested to highlight the importance of PNG in the region and the involvement in the 2nd phase, involve PNG in the SAP and what we can offer to PNG, who within PNG that we engage (such as the fisheries, department of conservation, climate change division in the Prime Minister).

Recommendation 5:

Mr. Bover commented on the issue of NGO partners involvement as project board members. Mr. Bover suggested that for future initiatives, we should consider the merits of including NGOs as project board members if they are helping to fund ATSEA Implementation.

Recommendation 6: Mr. Heskia mentioned that the IWLEARN and CapNet projects which UNOPS also executed might be good starting points to explore the possibilities private sector engagement. UNOPS could definitely help the project to explore the ideas. Dr. Sayoko agreed that it is important to engage with private sectors. He further suggested to map the private sectors in ATSEA region. Dr. Sayoko suggested PMO to organize a workshop with private sectors and encourage them to engage in the objectives. Dr. Padilla suggested the scoping of private sector is part of the SAP activities (for example the pollution from private sectors). Mr. Bover suggested to engage business sector that has interest in the ATS, instead of general engagement. Mr. Bover reminded the CTI business meeting but the private sectors didn't really buy in. Ghost net is one example that involved private sector in Indonesia.

Recommendation 7: no further objection to action taken

Recommendation 8: no further objection to action taken

Recommendation 9 and 10:

Mr. Bover suggested to amend the management responses by stating that the work is being done.

Recommendation 11:

All demo projects have the M&E system that would be presented in the PBM3 (please see the attachment).

Recommendation 12:

Dr. Wagey suggested to update the management responses as the work is being done. All the demo projects have indicators.

Dr. Padilla clarified the delay of the initiation of demo project because there was a request from the board that PMO should focus on TDA. In responding the target, Dr.

Padilla suggested to look at the indicators of the national demo projects and regional demo projects in the project document. The first indicator in project document is more process while the second indicator is more oriented indicators. Dr. Padilla suggested to keep the first target and remove the second target of 15% improved income. Mr. Bover (Australia) supported to remove the 15% increased income in the target. Dr. Sulistyono agreed to remove the target. Mr. Aires Guterres from Timor-Leste agreed to remove the indicators in the target.

Decisions from Session 6

1. The project board noted that ATSEA project was progressing well.
2. The project board accepted the report of the PMO on major achievements and PMO operation in 2012, and the Financial Report of 2012.
3. The UNDP will amend the management response to address the MTE's recommendations based on the minutes of the 3rd PBM meeting.
4. PMO and Australia will draft a letter to PNG Government to enquire about the Government of PNG commitment and involvement in the ATSEA Project. The draft letter will be circulated to the project board members.
5. PBM agreed to delete the process oriented target of component 3 in the project document ("15% increase in income among the target communities")

7. CONSIDERATIONS OF PROJECT IMPLEMENTATION IN 2013

Dr. Tonny Wagey – ATSEA Regional Project Manager

Dr. Tonny Wagey presented the work plan and budget for 2013 with reference to the Documents UNDP/GEF/ATSEA/PBM-3/06.1 (Appendix H). He mentioned that the completion of the SAP and NAP was planned for 2013.

Component 1 (Transboundary Diagnostic Analysis) completed. Therefore no budget requested for this component.

Component 2 the Regional SAP and NAPs are expected to be agreed and endorsed by the project board and relevant Ministries of littoral nations.

Component 3 (SAP/NAP Initial Implementation), Dr. Wagey explained the implementation of national demo projects in Indonesia and Timor-Leste as well as regional demo project. In addition, the monitoring and evaluations of demo project will be conducted in timely manner.

Component 4 (Regional Management & Sustainable Financing Mechanism Arrangement for ATSEA): This component is conducted in accordance with the endorsement of SAP.

Component 5: Project coordination and management are mainly to develop quarterly report and annual report.

Budget for 2013 Work Plan

Mr. Uriel Heskia presented a brief overview per activity of the total funds spent from 2010-2012, the suggested budget for 2013 and an indicative budget for 2014. Going into 2014, the budget would get overspent in activities 2-4. Since there is an unspent balance under activity 1 from the TDA, Mr. Heskia requested the Board to accept to re-align the budget and allocate the balance from activity 1 to activities 2-4. Otherwise the indicative budget for 2014 would not get approved by UNOPS when the time comes.

Dr. Wagey highlighted an indicative budget for 2014 with the amount of USD 195,883.14. PMO requested six months extension to complete the demo project (June 2014). Chair added that it is important to decide the plan for 2014 as we will have no time to decide about budget 2014 in February 2014.

Mr. Shahandra Hanitiyo suggested to do media campaign when Ministerial Signing under the activity 4. Dr. Wagey agreed to incorporate the suggestion in the business meeting considering the budget.

Mr. Travis Bover(Australia) agreed on the re-aligning of the budget. This is also supported by the Timor-Leste and UNDP.

UNDP committed to contribute in the printing document of SAP. UNDP Suggested that PMO needs to develop and submit travel plan in responding to reduce the travel cost on quarterly basis to UNDP and UNOPS.

Dr. Jose Padilla enquired about outstanding money for MSP-PNG that can be used for activities in 2014. Dr. Wagey clarified this money has been committed.

Dr. Padilla question if the total amount for 2014 is enough for PMO to operate. Dr. Wagey explained that the budget for 2014 is not enough to run the PMO. The proposed budget is already committed. PMO still needs USD 35,000 for salary to run PMO in six months. No travel funding. Fee for UNOPS is already included in the budget.

Dr. Padilla highlighted the budget constraints for 2014. He suggested to find co-finance on the project activities from member's countries and UNDP. Other suggestion, PMO just has skeleton management staff. Dr. Wagey suggested to the budget gap inter-sessionally to find ideas from countries. PMO will explore the options. Australia agreed to contribute to regional demo project. Australia will also contribute to the implementation of the regional demo project/SAP.

The justification for extension 2014:

We will extend the project to June 2014 because of several reasons:

- The start of project was delayed, consequently all the activities were delayed
- We still have demo project to be completed
- Mobilisation to prepare the 2nd phase.

Decisions from Session 7

1. The Project Board approved the proposed of AWP for 2013.
2. The Project Board approved the activities in the AWP 2013. PMO will submit details travel plan to UNDP and UNOPS on quarterly basis in line with UNDP carbon footprint reduction policy.
3. The Project Board approved the extension of the project period until June 2014 with the following justification:
 - a. Completion of 48 months implementation as stated in the project document due to delay in starting of the project
 - b. Completion of the national and regional demonstration projects
 - c. Identification of appropriate resources to support management arrangement for the project through resource mobilization for bridging and SAP implementation phases
 - d. Letter from GEF-CEO stating that the ATSEA project should be completed no later than 31 December 2014
4. The project board agreed to re-align the budget for 2014 and allocate the unspent balance under activity 1 to activities 2, 3, and 4 respectively.
5. The project board agreed that the discussion on identifying ways to fill the gap of the 2014 budget will be done inter-sessionally.

8. OTHER BUSINESS

8.1 Preparation for full SAP Implementation (ATSEA Phase 2)

Dr. Tonny Wagey – ATSEA Regional Project Manager

Dr. Tonny Wagey briefly presented several initiatives to secure funding for full SAP implementation as a second phase for ATSEA.

1. Develop proposal for SAP Implementation submitted to GEF.
2. Conduct donor gathering in parallel with Ministerial signing of SAP.
3. Collaborate with other existing projects.
4. Establish bilateral and regional cooperation.
5. Invite private sector involvement.

Mr. Travis Bover presented Australia initiatives in relation to ATSEA:

- support the regional demo project
- a desk top study to provide a clear path way for Australia to support the expansion of projects in Timor-Leste and Rote in terms of the priority needs
- try to support the ATSEA SAP
- Australia support the CTI
- Australia work with other donors to support ATSEA.

Mr. Bover expected that this initiative to be integrated in the ATSEA. Australia is happy to let ATSEA manage the project. Australia also offers to expand the regional demo project.

The chair suggested the PMO develop the plan and organized a separate meeting with Australia.

Dr. Jose Padilla informed that UNDP will support the bridging phase and he explained the process of GEF 6th that will start in June 2014. It is estimated that the ATSEA phase-2 would be implemented by the end of 2015, provided the project can prepare the draft PIF by February 2014. There is a need to bridge the gap as we want to keep current PMO.

Mr. Uriel Heskia added that UNOPS, if chosen as the executing agency for a second phase, would be very interested in participating in the formulation of the project document as there is expertise within UNOPS to facilitate that process. Additionally we can ensure to write in possible pre-selection of implementing entities and implementing modalities so we can ensure a smoother overall project execution.

Decisions from Session 8

1. The project board agreed that PMO and Australia will draft a plan in responding Australia initiatives.
2. The project board agreed that there is a need to find financial resources to bridge the current project and the next phase on SAP implementation.
3. The next project board meeting will be organized in February 2014. The board recognized the need to have the project board or the countries meet prior to the minister signing of the SAP.

9. ADOPTION OF THE MEETING REPORT

Dr. Tonny Wagey – ATSEA Regional Project Manager

Full meeting report was not presented in the meeting.

Mr. Uriel Heskia reminded the Project Board that the final minutes should be signed by at least the chairman and UNDP RTA if UNOPS needs to act on any specific actions proposed by the Project Board at a later stage. Dr. Wagey proposed the report be sent by email to all delegates in the next few days. Delegates were requested to send their comments on the report to the PMO as soon as possible to enable preparation of the final version of the document, aimed in two weeks. All delegates agreed with this arrangement.

Decisions from Session 9

1. The PMO will circulate the draft meeting report to all delegates in the next few days.
2. Delegates will send their comments/ suggestions/revisions to the PMO as soon as possible after receiving the draft document.
3. The PMO will then prepare the final meeting report.

10. CLOSURE OF THE MEETING

The Third Project Board Meeting of the UNDP/GEF ATSEA Project was officially closed by Dr. Budi Sulisty. He expressed thanks to the UNDP, UNOPS and all National Focal Points for their participation. He also appreciated the hard work of all delegates in resulting decisions for the implementation of ATSEA project in 2013.

Appendix A

List of Participants

Timor-Leste

1. Mr. Lourenco Borges Fontes, Ministry of Agriculture and Fisheries
2. Mr. Contancio dos Santos Silva, Ministry of Agriculture and Fisheries
3. Ms. Ervina Soares Pinto, Ministry of Agriculture and Fisheries
4. Mr. Aires A.P.Guterres, Ministry of Agriculture and Fisheries
5. Mr Jordao Henrique, Ministry of Agriculture and Fisheries Timor-Leste

Australia

1. Mr. Travis Bover, Director, Marine Policy International, DSEWPaC

Indonesia

1. Mr. Budi Sulisty, Director of Research and Development Center for Marine and Coastal Resources, MMAF
2. Mr. Anang Noegroho, Director of Center for Analysis and International Cooperation, MMAF
3. Mr Shahandra Hanitiyo – Centre for Analysis and International Cooperation, MMAF
4. Ms Setyawati, Deputy Director at Directorate of Marine Affairs, Bappenas
5. Ms Utami Handayani, Technical Coordinator, GEF-OFP Indonesia
6. Ms Dhevita Akbar, Secretariat Staff, GEF OFP Indonesia.

UNDP Regional Bangkok

1. Mr. Jose Padilla, Regional Technical Advisor, UNDP Asia Pacific Regional Center

UNDP Indonesia

1. Mr. Budhi Sayoko, Head of Environment Unit
2. Mr. Iwan Kurniawan, Technical Officer, Environment Unit
3. Ms. Elin Shinta, Administration Associate, Environment Unit

UNOPS

1. Mr. Uriel Heskia, Associate Portfolio Manager

ATSEA PMO

1. Mr. Tonny Wagey, Regional Project Manager
2. Mr. Subhat Nurhakim, National Coordinator for Indonesia
3. Mr. Augusto Fernandes, National Coordinator for Timor-Leste
4. Ms. Ivonne Rawis, Finance Assistant
5. Ms. Ria Fitriana, Consultant for National Demo Project
6. Mr. Adi Pramudya, Administration Assistant

Appendix B

Meeting Agenda

1. OPENING OF THE MEETING

- 1.1. Welcome Address - host country
- 1.2. Opening remarks - host country
- 1.3. Introduction of the members

2. ORGANIZATION OF THE MEETING

- 2.1 Election of officers (Chairperson)
- 2.2 Meeting documents
- 2.3 Organization of work

3. ADOPTION OF THE MEETING AGENDA

4. THE MINUTES OF THE 2ND PBM IN CANBERRA

5. REPORT ON PROJECT IMPLEMENTATION PROGRESS - PMO

- 5.1. Major achievements and PMO operation in 2012
- 5.2. Financial report
- 5.3. Mid-term evaluation of the project

6. PRESENTATION OF ATSEA SAP (FOR APPROVAL) - PMO

7. CONSIDERATIONS OF PROJECT IMPLEMENTATION IN 2013 - PMO

- 7.1. Proposed Activities/Workplan and Budget for 2013

8. OTHER BUSINESS – Chairperson

- 8.1. Preparation for Full SAP Implementation (ATSEA Phase 2)

9. ADOPTION OF THE MEETING REPORT – Chairperson

10. CLOSURE OF THE MEETING – Host Country

Appendix C

The Final Draft of SAP

The full SAP document is available at project's website (www.atsea-program.org).

Appendix D

Report on the PMO Operation

Arafura and Timor Seas Ecosystem Action (ATSEA) Program

ATSEA Major Achievement 2012

ATSEA Third Project Board Meeting
Bali, February 21, 2013

Tonny Wagey
ATSEA Regional Project Manager

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Activity 1 – TDA

No	Major Achievements	References
1.	TDA approved by Project Board Committee	PBM-2 decision: "PB endorses the version of the TDA presented at the meeting, and signed the document accordingly"
2.	Publication of TDA & related reports	
3.	Linking TDA to SAP development	

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Activity 2 – SAP/NAPs Development

No	Major Achievements	References
1.	Consultant hired to formulate draft SAP	PBM-2 decisions: • "PB agreed that SAP development should inform the NAPs to the extent possible, but they can be developed in parallel given their intertwined processes and the opportunities to achieve efficiency, also recognising a range of stakeholders need to be involved."
2.	Series of consultation meetings (nationally and regionally) undertaken	
3.	Final draft of SAP and NAPs developed	"In term of the SAP development, a consultant would be hired to formulate an initial draft using the existing documents (i.e. TDA). The consultant would then consult with all of the National Focal Points to get Government views for the SAP and produce a draft SAP. Then, a regional workshop would be held to discuss this draft which would involve the National Focal Points, the SEG and the RSC and would be followed by a National Focal Point (Government) only meeting"

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Activity 2 – SAP/NAPs Development

National Consultation Meeting, Jakarta (May, 2012)

National Consultation Meeting, Dili (June, 2012)

Regional Consultation Meeting, Bali (October, 2012)

Technical Write-shop, Wollongong (October, 2012)

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Activity 2 – SAP/NAPs Development

Final draft SAP

Final draft NAP Indonesia

Final draft NAP Timor-Leste

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Activity 3 – SAP/NAPs Initial Implementation

No	Major Achievements	References
1.	National demonstration project in Indonesia adopted the NGO Grant modality, whereas the national demo project in Timor-Leste adopted the PCA (Project Cooperation Agreement) modality. With regard to the regional demonstration project, the countries agree to have Project Management Unit undertaking the coordination role.	PBM-2 decision: "PB agreed that in regards to the national demonstration projects, Indonesia and Timor-Leste would consult with the Project Manager to decide which modality they would like to pursue for their national project (NGO grants or PCA) by the end of March 2012. For the regional demonstration project, PB recommends that both modalities (NGO grants or PCA) should be available, and will require further discussions among ATSEA countries, UNDP and PMO."
2.	National Demo Projects are implemented in Indonesia and Timor-Leste.	
3.	The inception meeting for regional demo project was conducted in January 2013	

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Activity 3 – SAP/NAPs Initial Implementation

Indonesia :

- Mud crab culture & mangrove rehabilitation in Tanimbar Island
- Seaweed culture & mangrove rehabilitation in Arus Island

Timor-Leste:

- Mud crab culture & mangrove rehabilitation in Beacou
- Fish product processing in Beacou

Regional :

- Exchange program for ecosystem management planning related to livelihood in Timor and Rote Island



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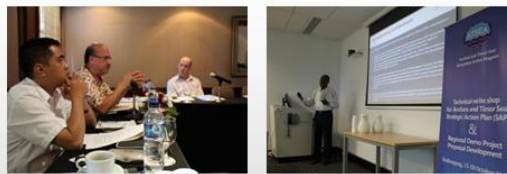
Activity 4 – Regional Management & Financing Mechanism

No	Major Achievements	References
1.	Series of consultation meetings involving governments focal points and National Inter-Ministerial Committee were conducted facilitated by an international consultant. The meetings were carried in conjunction with SAP discussion.	PBM-2 decision: "PB requests that any study of possible regional cooperation mechanisms require initial and ongoing consultations with the focal points to ensure outcomes are feasible and appropriate for each country."
2.	Draft Regional Cooperation Mechanism and Sustainable Finance Mechanism developed an integrated within the SAP	
3.	Outreach and networking activities including participating at: <ul style="list-style-type: none"> - ISOI - ISPIKANI - other initiatives (e.g. Dugong Project, Ghostnets, etc) 	



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Activity 4 – Regional Management & Financing Mechanism



Study of possible regional cooperation mechanism was presented to ATSEA Government Focal Point during Regional Demo Project Consultation Meeting (Bali, Aug 2012)

Follow up consultation meeting regarding the Study of possible regional cooperation mechanism was conducted during the Technical write shop for SAP development (Wollongong, Oct 2012)



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Activity 5 – Project Coordination & Management

No	Major Achievements	References
1.	Monitoring and Evaluation mechanism was conducted in timely manner, (QMRs, APR)	Project Document
2.	Mid-Term Evaluation is completed PB-2 decision on time <ul style="list-style-type: none"> • "PB agreed to provide any comments on the MTE terms reference document by 1 April 2012. The Board acknowledged that the timing of the MTE should align with the SAP Regional Workshop" 	
4.	PMO operational smoothly run	
5.	Website regularly updated	
3.	Revised Annual Work Plan 2012 is completed	



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Activity 5 – Project Coordination & Management

- QMRs development
- APR/PIR development
- MTE



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Ongoing Activities

No	Previous PB Decisions	Comments
1.	PB agreed that rotation of the role of ATSEF Regional Secretariat, and the possibility of extending Timor-Leste Secretariat position for a further year, will be discussed at the next PBM.	This issue will become the main agenda for discussion in ATSEF Steering Committee meeting.
2.	PB agreed that the issue of timing of the PNG cruise and the MSP proposal be addressed at a later date.	PMU seeks PB direction and advice on this matter



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Ongoing Activities

No	Previous PB Decisions	Comments
3.	PB acknowledged that in regards to SAP approval, high level endorsement is preferable, but noted that the details of this will depend on each of the respective countries and will be discussed during the development of the SAP.	Draft SAP will be discussed and approved by Project Board members and strategy for Ministerial endorsement will be discussed in this meeting
4.	PB agreed to allocate money to Papua New Guinea's participation on the basis that the money will be reimbursed by either the underspent (should this be from the savings) and/or the successful GEF medium size project proposal. The Project manager then maintain a record of what has been spent to support PNG's participation to ensure that there is an efficient and equitable reimbursement.	PMU seeks PB direction and advice on this matter



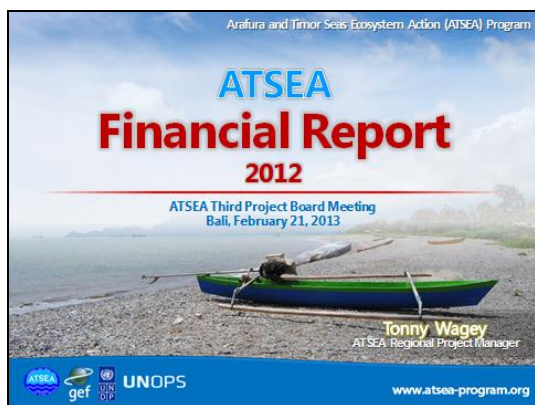
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Appendix E

Financial Report 2012



Highlight 2012

Budget	=	746,296.26
Expenditure	=	699,797.48
Delivery	=	93.77%

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Highlight 2012

ACTIVITY	EXPENDITURE
TDA Development	192,188.23
SAP/NAPs Development	148,497.14
SAP/NAPs Initial Implementation	217,747.10
Reg. Mngmt & Financing Mech.	92,873.02
Project Coordination & Mgmt	48,491.99
Total	699,797.48

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Activity 1 – TDA

BUDGET DESCRIPTION	EXPENDITURE
International Consultants	21,531.96
Local Consultants	45,523.62
Travel	61,166.07
Workshop & conference	32,947.16
Audio Visual & Print Prod Costs	5,658.05
Salaries	25,361.37
	192,188.23

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Activity 2 – SAP/NAPs Development

BUDGET DESCRIPTION	EXPENDITURE
International Consultants	14,139.40
Local Consultants	22,631.75
Travel	60,881.29
Workshop & conference	22,013.62
Audio Visual & Print Prod Costs	2,400.00
Salaries	26,431.08
	148,497.14

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Activity 3 – SAP/NAPs Initial Implementation

BUDGET DESCRIPTION	EXPENDITURE
International Consultants	9,994.74
Local Consultants	33,672.45
Travel	41,747.93
Grants	71,292.53
Workshop & conference	34,608.37
Salaries	26,431.08
	217,747.10

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Activity 4 – Reg. Mngmt & Financing Mech.

BUDGET DESCRIPTION	EXPENDITURE
International Consultants	9,100.00
Local Consultants	23,271.42
Travel	27,329.51
Workshop & conference	6,657.28
Salaries	26,514.81
	92,873.02

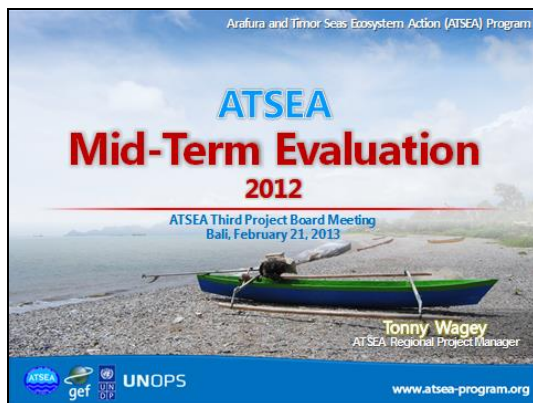
Activity 5 – Project Coordination & Mgmt

BUDGET DESCRIPTION	EXPENDITURE
Local Consultants	7,597.54
Travel	19,169.04
Supplies	16,539.16
Workshop & conference	5,186.25
	48,491.99



Appendix F

The Mid-Term Evaluation Report



General information

Mid-Term Evaluation (MTE)
undertaken during August - September
2012 by Dennis Fenton

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Summary of MTE Ratings

Project Design

Summary Rating – Project Concept and Design	Satisfactory
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Project Implementation

Overall Project Implementation Progress	Satisfactory
Project approach to Monitoring and Evaluation	Highly Satisfactory
Project approach to Stakeholder involvement	Satisfactory

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Summary of MTE Ratings

Achievement of Project Results

Cumulative Progress towards Project Development Objective	Satisfactory
Summary Rating – Objective – Relevance	Highly Satisfactory
Summary Rating – Objective – Efficiency	Satisfactory
Summary Rating – Objective – Effectiveness	Satisfactory
Overall Rating – Outcome 1	Highly satisfactory
Outcome 1 – Relevance	Highly Satisfactory
Outcome 1 – Efficiency	Highly Satisfactory
Outcome 1 - Effectiveness	Highly Satisfactory
Overall Rating – Outcome 2	Satisfactory
Outcome 2 – Relevance	Highly Satisfactory
Outcome 2 – Efficiency	Satisfactory
Outcome 2 - Effectiveness	Marginally Satisfactory

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Summary of MTE Ratings

Achievement of Project Results

Overall Rating – Outcome 3	Marginally Satisfactory
Outcome 3 – Relevance	Marginally Unsatisfactory
Outcome 3 – Efficiency	Satisfactory
Outcome 3 - Effectiveness	Marginally Satisfactory
Overall Rating – Outcome 4	Satisfactory
Outcome 4 – Relevance	Highly Satisfactory
Outcome 4 – Efficiency	Highly Satisfactory
Outcome 4 - Effectiveness	Marginally Satisfactory

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Summary of MTE Ratings

Likelihoods of Sustainability

Overall Rating of likelihood of sustainability	Moderately likely
Likelihood of financial sustainability	Moderately likely
Likelihood of socio-political sustainability	Highly likely
Likelihood of Institutional sustainability	Likely
Likelihood of environmental sustainability	Likely

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Conclusion

The rate of project implementation has been more than adequate.

The most notable achievements include:

- The strengthening of an effective, four-country network involving experts, government officials and development practitioners;
- Improvements in knowledge, scientific understanding, information availability and in the exchange of information; and
- The finalization, approval and publication of the TDA.

The finalization and approval of the TDA is perhaps the major success of the Project so far. The TDA is considered by almost all stakeholders to be a good product, and the collaborative process that led to its development is considered an unprecedented achievement in the region. The process included two well-prepared, transboundary research cruises jointly involving scientists from three countries.

Conclusion

The Project has also supported the preparation of an early draft SAP and three NAPs. It has also initiated the process to developing a stronger ATS region governance mechanisms. It has also initiated a series of small-scale projects to demonstrate approaches to implement the SAP and the NAPs.

Several weaknesses related to the implementation, achievements and sustainability:

- Until present, there has been a low participation of stakeholders from PNG and a low PNG ownership;
- There is a need to improve the quality of the NAPs and the SAP, and to consult further on their development;
- There is a lack of clarity regarding the role of the demonstration projects, and incomplete strategic reflection in their design; and
- There is lack of progress towards assuring some aspects of financial sustainability and some aspects of institutional sustainability.

However, if corrective measures are taken, this Evaluation is confident that the Project can overcome the weaknesses.

Conclusion

Overall, stakeholder involvement has been very good, with the project broadening the generally academic nature of ATSEF stakeholder group to include more government decision-makers and development practitioners. Yet, more could be done in direct support of ATSEF and to develop the Stakeholder Engagement Group, and to reach out to private sector.

Finally, this evaluation finds that, if specified milestones are met, GEF support to a follow-up SAP implementation project is justified and should be provided in a timely manner.

Recommendation to PMO & PB

No	Recommendation
1.	Develop and approve an indicator (or two) at the Project Objective level, so there is an agreed indicator/target of the overall success of the Project. Likewise, determine and agree upon an appropriate end-point for the project in terms of sustainability.
2.	Ensure a strong focus for Project activities until the end of the project. The following are priorities: <ul style="list-style-type: none"> • Finalizing the Strategic Action Programme (SAP), with a adequate consultation and adequate technical inputs, including the bringing of best international practices to ATSEA; and provides information on the likely costs, the timelines, and the M&E arrangements • Developing institutional arrangements for collaborative management of Arafura and Timor Seas (ATS) SAP after mid-2014 • Accelerating the process to mobilize funds for core activities after 2014, including funds to cover operations of a Project Management Office (PMO) or Secretariat

Recommendation to PMO & PB

No	Recommendation
3.	Ensure there is a strong focus on the quality of the products and the process. The timing of the end-point for Outputs should be determined by the quality of the products and the process and not by the timelines in the Project document.
4.	Working closely with UNDP Papua New Guinea (PNG), maintain the engagement of PNG stakeholders by (i) ensuring PNG government stakeholders are fully involved in Outcomes 2 and 4, and (ii) continuing development of the MSP.
5.	Consider inviting the four co-financing NGOs to nominate one representative to represent all four on the Project Board. Submit any related recommendations to Project Board.
6.	If resources permit, scope out options for engaging with the private sector. This could first be based on a review of how GEFIV projects across the region have engaged with the private sector.

Recommendation to PMO & PB

No	Recommendation
7.	PMO to provide substantive information to UNDP Indonesia on a more regular basis.
8.	Ensure the NAP in each country: <ul style="list-style-type: none"> • is strongly driven by the SAP, and that clarification is provided for how each activity will contribute to the regional and multi-country objectives in the SAP; • provides details of the measures to be taken; • provides estimates of the costs and timelines; • distinguishes between national and local responsibilities and provides clarification of which agency is responsible for each activity (this is particularly important in Indonesia); and, • establishes clear, operational linkages between the NAP and existing national action plans, including national action plans under existing regional initiatives.

Recommendation to PMO & PB

No	Recommendation
9.	Consider undertaking a full assessment of: (i) the requirements and likely functions of an ATS governance mechanism; (ii) existing related regional mechanisms and institutions; and (iii) ATSEF. Based on this assessment, the Options paper should be further developed. Next, undertake full consultations with each participating Government. Each Option should clarify the role and functioning of the SEG and ATSEF in the future, and clarify the relationship between the SEG and ATSEF.
10.	Prepare a clear strategy of how the Project is to engage ATSEF, and details of any support that will be given to ATSEF through to the end of the Project.
11.	Review the design of the demonstration projects and explore how they can be modified in order to more effectively contribute to creating the foundation for SAP implementation.
12.	Develop an appropriate indicator (or two) for Outcome 3



Appendix G

The Management Response to Address MTE

Management Response

Mid-Term Evaluation of the “Arafura and Timor Seas Ecosystem Action (ATSEA)” project

Date: 12 September 2012

Prepared by: Iwan Kurniawan
Cleared by: Budhi Sayoko
Input into and update in ERC:
Sirman Purba

Position: Programme Officer
Position: Head of Unit
Position: M&E Analyst

Unit/Bureau: Environment Unit/Indonesia
Unit/Bureau: Environment Unit/Indonesia
Unit/Bureau: PMEU Indonesia

Background and Context

This document summarizes the response of UNDP management to Mid-Term Evaluation (MTE) of the “Arafura and Timor Seas Ecosystem Action (ATSEA)” Project. The project is implemented between 2010 and 2014 and focuses on International Waters, specifically on restoring and sustaining coastal and marine fish stocks and associated biodiversity in the Arafura and Timor Seas. The project is funded by the Global Environment Facility (GEF) with matching funds from the Government of Indonesia and additional funding by UNDP. It is implemented by the United Nations Office for project Services (UNOPS).

This Mid-Term Evaluation (MTE) undertaken during August and September 2012 reviews all aspects of the Project from formulation, implementation and management arrangements, to an assessment of the processes that have affected progress, to the extent that outputs and outcomes have been achieved to date. It assesses the relevance, efficiency and effectiveness of results to date. It assesses the likelihood of the Project having a sustainable impact. Finally, the evaluation provides recommendations that should lead to the increased impact of the Project. Recommendations were discussed among National Project Director, National Project Manager, Implementing Partner and UNDP Environment Unit in a workshop held in Bogor on 13 and 14 November 2012. The present Management Response matrix is the result of this discussion and addresses the findings made by the MTE for the second half phase of the project.

Evaluation Recommendation 1: Develop and approve an indicator (or two) at the Project Objective level, so there is an agreed indicator/target of the overall success of the Project. Likewise, determine and agree upon an appropriate end-point for the project in terms of sustainability.

Management Response: The management acknowledges that indicator at the Objective level can be aggregated from existing indicators at component level

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
1) Synthesize indicators at component level and propose Project objective indicator(s) of progress	Nov 2012	UNDP, PMO	Completed	N/A
2) Submit recommendation (draft of indicator for objective level) to Project Board for approval	Feb 2013	PMO	Scheduled	

Evaluation Recommendation 2: Ensure a strong focus for Project activities until the end of the project. The following are priorities:

- Finalizing the Strategic Action Programme (SAP), with adequate consultation and adequate technical inputs, including the bringing of best international practices to ATSEA; and provides information on the likely costs, the timelines, and the M&E arrangements
- Developing institutional arrangements for collaborative management of Arafura and Timor Seas (ATS) SAP after mid-2014; Accelerating the process to mobilize funds for core activities after 2014, including funds to cover operations of a Project Management Office (PMO) or Secretariat;

Management Response: The management acknowledges that Recommendation 2 is of significance to the project implementation. However, the information regarding costing of each action programme was not agreed by country focal point to be included in the SAP.

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
1) Seek review and input on draft SAP from international experts and UNDP technical advisors (Headquarter and APRC).	Nov-Dec 2012	PMO	On-going	Awaiting response
2) Develop institutional arrangements for collaborative management of ATS SAP by hiring international expert	Feb- Sep 2013	member countries, PMO, UNDP	Scheduled	Consultant identified

3) a. Identify potential donor and funding mechanism	Feb – Sep 2013	member countries, PMO, UNDP	Scheduled	Consultant will be recruited
b. Formulate strategy for sustainable financing mechanism	Sep 2013 – Jun 2014	member countries, PMO, UNDP	Scheduled	Consultant will be recruited

Evaluation Recommendation 3: Ensure there is a strong focus on the *quality* of the products and the process. The timing of the end-point for Outputs should be determined by the quality of the products and the process and not by the timelines in the Project document.

Management Response: The management agrees with the recommendation and reminds that the issue raised under this recommendation has always been part of project strategy.

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
Develop a review mechanism procedure and increase coordination of SAP and National Action Programmes (NAPs) development with component of initial implementation (demo project)	Jan – Mar 2013	PMO and UNDP	Scheduled	Draft procedure will be presented at the next Project Board Meeting

Evaluation Recommendation 4: Working closely with UNDP Papua New Guinea (PNG), maintain the engagement of PNG stakeholders by (i) ensuring PNG government stakeholders are fully involved in Outcomes 2 and 4, and (ii) continuing development of the MSP.

Management Response: The management acknowledge the importance of maintaining the involvement of PNG. At the moment, PNG is considered as an observer of the project implementation. However, upon the availability of additional resources from the GEF Medium Sized Project (MSP) facilitated by UNDP PNG and approval by Project Board members and endorsement by high level official from member countries, SAP and regional mechanism of ATS will be amended to include PNG.

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
1) Share progress of project implementation and outputs with UNDP PNG and Government of PNG focal point	Dec 2012 -	PMO, UNDP, PNG Focal point	scheduled	

2) Continue the development of the GEF MSP	Feb - Mar 2013	PMO, UNDP PNG, APRC	scheduled	Draft Project Identification Form (PIF) available, however there has been moratorium on MSP submission
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Evaluation Recommendation 5: Consider inviting the four co-financing NGOs to nominate one representative to represent all four on the Project Board. Submit any related recommendations to Project Board.

Management Response: Cofinancing NGOs were involved as Stakeholder Engagement Group (SEG) member but will not integrate the Project Board based on the first Project Board Meeting decision in 2011. The NGOs will provide technical inputs on the project activities.

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
No action required				

Evaluation Recommendation 6: *If resources permit*, scope out options for engaging with the private sector. This could first be based on a review of how GEF IW projects across the region have engaged with the private sector.

Management Response: The management acknowledges that engaging with the private sector could lead to potential resources to support the implementation of action program in ATS region.

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
Scope out options for engaging with private sector facilitated by IW Learn Programme	Nov 2012 - Feb 2013	PMO	On going	
Draft proposals of Public-Private Partnership and proposed it to the Project Board	Feb 2013	PMO	On going	

Evaluation Recommendation 7: PMO to provide substantive information to UNDP Indonesia on a more regular basis.				
Management Response: The management acknowledges the importance of sharing substantive information to Principle Project Representative (UNDP Indonesia) and other implementing partners.				
Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
Provide Back to Office Report (BTOR) template and update regular reporting form to PMO	Dec 2012	UNDP		Must be performed onwards
<p>Evaluation Recommendation 8: ensure the NAP in each country:</p> <ul style="list-style-type: none"> • is strongly driven by the SAP, and that clarification is provided for how each activity will contribute to the regional and multi-country objectives in the SAP – remembering that national objectives should already be covered by existing national action plans in the development, fisheries and natural resource management sectors; • provides details of the measures to be taken, e.g. of which laws are to be amended, which investments are to be made, which institutions are to be strengthened. If this cannot be done based on existing knowledge, the NAP should provide details of the full analysis to be taken. This is particularly true for the first three years NAP activities; • provides estimates of the costs and timelines; • distinguishes between national and local responsibilities and provides clarification of which agency is responsible for each activity (this is particularly important in Indonesia); and, • establishes clear, operational linkages between the NAP and existing national action plans, including national action plans under existing regional initiatives. For example, in Indonesia, the NAP should be operationally linked to the Indonesian action plans for fisheries, CTI, RPOA, etc. NAP activities that can be addressed more effectively through an existing national action plan or initiative should be identified. These activities will remain part of the NAP but may be implemented through a parallel initiative. 				
Management Response: The management agrees with the recommendations				
Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
Identify existing budget related with on-going programme at relevant ministries/agencies in the Arafura and Timor Seas.	Nov 2012 – Feb 2013	PMO	On-going	

Evaluation Recommendation 9: Outcome 4 Consider undertaking a full assessment of: (i) the requirements and likely functions of an ATS governance mechanism; (ii) existing related regional mechanisms and institutions; and (iii) ATSEF. Based on this assessment, the *Options* paper should be further developed. Next, undertake full consultations with each participating Government. Each Option should clarify the role and functioning of the SEG and ATSEF in the future, and clarify the relationship between the SEG and ATSEF.

Management Response: The management agrees with the recommendations and will allocate budget to hire a consultant in AWP 2013

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
1) Hire a consultant to conduct a full assessment	Q2 2013	PMO, UNOPS	scheduled	
2) Develop country report to assist the establishment of ATS governance mechanism	Jul-Dec 2013	PMO	scheduled	

Evaluation Recommendation 10: Prepare a clear strategy of if/how the Project is to engage ATSEF, and details of any support that will be given to ATSEF through to the end of the Project.

Management Response: The management acknowledge that it will utilize ATSEF as starting point to establish appropriate institution in ATS region

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
Develop detail mechanism of the appropriate institution	Jun – Dec 2013	PMO	scheduled	

Evaluation Recommendation 11: review the design of the demonstration projects and explore how they can be modified in order to more effectively contribute to creating the foundation for SAP implementation. To achieve this, the demonstration projects could: (i) generate additional knowledge or understanding of multi-country environmental issues; (ii) have a strong multi-country or regional nature, even though they may take place in only one country, and they may also generate national and local benefits; (iii) contribute to improved understanding of a multi-country root cause, a barrier or a driver, and of how local conditions link up to regional challenges, through impact pathways; and/or (iv) demonstrate how stakeholders in several countries can *collaborate* to address a multi-country issue or achieve a multi-country objective.

Management Response: The management acknowledge the need to adjust the design of demo project to become more effectively implemented and sustainable

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
1) Ensure connection of the demo project activities with one and/or two selected Priority Environmental Concerns (PECs)	Sep 2012 - Jan 2013	PMO	On going	Included in national project design
2) Seek co-financing contribution from Government of Australia to the regional demo project	Sep 2012 - Jan 2013	PMO, Gov of Australia	On going	
3) Develop effective M&E plan and submit at the PBM-3	Jan – Feb 2013	PMO, SGP, UNDP	scheduled	

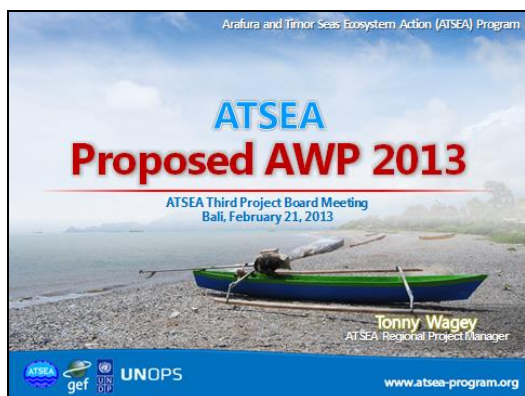
Evaluation Recommendation 12: Develop an appropriate indicator (or two) for Outcome 3

Management Response: The management acknowledge that demo projects should be monitored with detailed, clear and realistic indicators.

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
Engage technical experts on socio-economy and livelihood and establish communication with community leader at project site	Jan – Jun 2013	PMO	scheduled	

Appendix H

Annual Workplan 2013



AWP 2013

Activity	Amount
Activity 1 - TDA	-
Activity 2 – SAP/NAPs Development	88,819.28
Activity 3 – SAP/NAPs Initial Implementation	274,110.41
Activity 4 – Regional Management & Financing Mechanism	65,022.63
Activity 5 – Project Coordination & Management	15,903.59
Total Proposed Budget	443,855.91

Activity 2 – SAP/NAPs Development

Annual target:

Regional SAP and NAPs agreed and endorsed by the Project Board and relevant Ministries of littoral nations

Planned Activities	Timeframe			
	Q1	Q2	Q3	Q4
PBM3, ATSEF-SC & SEG Meeting	32,030.00			
Print SAP document		-*		
Routine (Salaries, etc.)	16,394.64	16,394.64	12,000.00	12,000.00

* co-finance by UNDP Indonesia

Activity 2 – SAP/NAPs Development

Planned Budget

Budget Description	Amount
Local Consultant	5,000.00
Training, Workshop & Conference	32,030.00
Routine (Salaries, etc.)	27,789.28
Total	64,819.28

Activity 3 – SAP/NAPs Initial Implementation

Annual target:

- Livelihood development initiatives and community-based coastal management model established and executed in Aru and Tanimbar Districts, Indonesia
- Diversification of livelihood opportunities through community-based fisheries and sustainable aquaculture established and executed in Beacou, Bobonaro District, Timor-Leste
- Community-based Management Planning for Marine and Coastal Livelihood and Biodiversity conservation commenced
- Monitoring and evaluation of Demo Project implementation conducted in timely manner

Activity 3 – SAP/NAPs Initial Implementation

Planned Activities	Timeframe			
	Q1	Q2	Q3	Q4
Implementation of National demo project in Indonesia	18,000.00		30,900.00	
Implementation of National demo project in Timor-Leste	41,200.00		33,900.00	
Inception workshop of Regional demo project	15,000.00			
Implementation of Regional demo project		17,000.00	48,000.00	
Monitoring		3,510.56		3,510.57
Produce outreach, lesson learnt materials			3,000.00	
Routine (Salaries, etc)	15,022.32	15,022.32	15,022.32	15,022.32

Activity 3 – SAP/NAPs Initial Implementation

Planned Budget

Budget Description	Amount
Travel	99,915.79
Audio Visual & Print Prod. Cost	3,000.00
Professional Services	11,524.62
NGO Grant	45,900.00
Contractual Services-Companies	72,100.00
Training, Workshop & Conference	15,000.00
Routine (Salaries, etc.)	26,670.00
Total	274,110.41



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Activity 3 – SAP/NAPs Initial Implementation

Grant allocation for Demo Project Implementation:

	2012	2013	2014	Total
Indonesia	40,122.73	55,921.14	23,956.13	120,000.00
Timor-Leste	20,572.30	75,100.00	24,327.70	120,000.00
Regional	11,432.77	80,000.00*	28,567.23	120,000.00
Total	72,127.80	211,021.14	76,851.06	360,000.00

*) Australian Government commits AUD 60,000.00 to support the implementation of the regional demo project



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Activity 4 – Regional Management & Financing Mechanism

Annual target:

- Regional cooperation mechanism for ATS marine resources management agreed by PB and endorsed by Ministers
- Recommendation on financing mechanism for ATS marine resources management agreed by PB and endorsed by Ministers



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Activity 4 – Regional Management & Financing Mechanism

Planned Activities	Timeframe			
	Q1	Q2	Q3	Q4
Ministerial meeting to sign a declaration in support of ATSEA, SAP & NAPs endorsement, regional cooperation & sustainable financial mechanisms			15,000.00	
International Conference on ATS		- 2%		
Business meeting for project profiling			7,598.00 2%	
PNG MSP - in respond to MTE recommendation		8,080.00		
Routine (Salaries, etc.)	8,586.16	8,586.16	8,586.16	8,586.15

1) Co-finance by AMFRAD, MoRAF Indonesia
2) Co-finance by UNDP CO Indonesia



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Activity 4 – Regional Management & Financing Mechanism

Planned Budget

Budget Description	Amount
Local Consultant	10,000.00
Professional Services	2,000.00
Training, Workshop & Conference	30,678.00
Routine (Salaries, etc.)	34,344.63 +
Total	65,022.63



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Activity 5 – Project Coordination & Management

Annual target:

Quarterly reports and APR/PIR submitted in timely manner

Planned Activities	Timeframe			
	Q1	Q2	Q3	Q4
Develop quarterly reports	3,338.29	3,338.29	2,714.66	2,714.66
Develop annual report (APR/PIR)			3,797.69	



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Activity 5 – Project Coordination & Management

Planned Budget

Budget Description	Amount
Professional Service	2,500.00
Training, Workshop & Conference	13,403.59 +
Total	15,903.59



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Indicative budget of 2014

Proposed AWP 2013	443,855.91
Expenditure 2010 - 2012	1,860,260.95 +
Total	2,304,116.86
GEF grant	2,500,000.00
Indicative budget of 2014	195,883.14



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Indicative budget of 2014

Activity	Amount
Activity 1 - TDA	-
Activity 2 - SAP/NAPs Development	50,300.00
Activity 3 - SAP/NAPs Initial Implementation	87,494.50
Activity 4 - Regional Management & Financing Mechanism	50,300.00
Activity 5 - Project Coordination & Management	7,788.64
Total	195,883.14

Overview

Activity:	Pro-Doc budget	2010-2012 Expenditure	2013 budget	Indicative 2014 budget	Balance per activity
ACTIVITY1	850,000	728,981.42	0.00	0.00	121,018.58
ACTIVITY2	450,000	330,587.58	88,819.28	50,300.00	-19,706.86
ACTIVITY3	620,000	338,459.79	274,110.41	87,494.50	-80,064.70
ACTIVITY4	360,000	265,924.39	65,022.63	50,300.00	-21,247.02
ACTIVITY5	220,000	196,307.77	15,903.59	7,788.64	0.00
Grand Total	2,500,000	1,860,260.95	443,855.91	195,883.14	0.00



Appendix I

Photos of Third Project Board Meeting Activities





March 2013

Report of ATSEA Third Project Board Meeting

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Cover Photo: Traditional fishboat at Rote Ndao Beach , NTT Province, Indonesia

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