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Title RTA
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1. Practice area: PBPS SDC	
2. Mission period (incl. of travel days): From: 21-29 September 2015	
3. Type of mission: Technical backstopping	4. Clients: UN-REDD PMU, Forest Department, other national institutions, UNDP CO, CSOs, private sector and academia.
5. Purpose of mission: to provide backstopping services to support the work on fund management and PAMs prioritization.	6. Documents, materials, resources <ul style="list-style-type: none"> - National fund management options/modalities - Priorities policy areas - Training materials on MCA - Timeline for completion of the remaining MCA exercise
7. Mission members: Aki Kono, RTA with int'l consultants - Jan Fehse and David Annandale.	8. Costs: UN-REDD Global Programme Budget

9. Brief summary of the mission
 The objective of this mission was to support the PMU and consultant teams, working on PAMs prioritization and REDD+ fund management for quality assurance.

10. Findings

PAMs Prioritisation

From Monday through Wednesday, continued the work on PAMs prioritisation, including a one-day stakeholder consultation workshop on initial results of scoring on candidate policies, and a half-day training event on the prioritisation approach in the current process.

- This exercise reached out to nearly 50 forest dependent individuals, six prominent CSO representatives, 2 private sector representatives, and 6 academics – the participants at the workshop recommended that additional scores from government representatives, more private sector actors and area experts would be required to soundly compete this process.
- Not so surprisingly, the forest sector policy and other related policies on ecosystems enhancement have been unanimously scored highly as key priorities, but these focus areas are still very broad – once the measures have also been scored and more actors have provided their scores as suggested, a full set of results will be revealed, and more comprehensive interpretation of results will become possible (expected by end Oct).
- Surprisingly water issues did not receive high scores across the board – could it due to lack of awareness?
- Gathered data also reveals some correlations in terms of differences in option regarding some policy areas between interest groups (e.g., communities vs. experts) – further statistical analyses may reveal key socio-political trends.
- Once priority PAMs have been identified through this perception-based assessment stage, those PAMs will be crosschecked against the existing PLRs and their effectiveness, and three more screening criteria (carbon potential, external finance potential and NCB potential) will be applied to screen out a final list of PAMs.
- Participants expressed the need for a final list of priority PAMs to be clearly delegated, time specific and fully costed with clear funding sources – there is now an idea to conduct an additional assessment of current investments in areas and activities linked to priority PAMs for better identification of funding sources and gaps, potential investment returns, financial feasibility of PAMs as well as traceability of progress and results.
- See Annex One for a list of questions/lessons collected from the participants at the workshop to be address/reflected in the final write up.
- Technical officers from various institutions including the Government, CSOs and university attended the training event – there seems to be some existing capacities in basic MCA in the country.
- PMU might consider recruiting a statistics student/junior consultant to help run the second round of MCA next year and to do additional statistical analyses with the existing data sets.

REDD+ fund management

From Wednesday through the following Tuesday, further discussions on fund management options internally in the

PMU and with government colleagues took place, including a consultation workshop to discuss and recommend workable options and ways forward among mid to senior level government officers.

- A total of four options, ranging from a business-as-usual budgetary process option to an independent fund managed by a commercial bank option, were identified based on interviews and analysis of the existing PFM protocols, framework and practices and donor financing requirements and interests.
- Interviews conducted by the consultant team included key officers from the Ministry of Finance, Central Bank, Ministry of Economic Development, GEF OFF, and World Bank.
- Each option was presented with its strengths and weaknesses with regard to a number of aspects including institutional and financial feasibility and ownership, donor preferences, and the nature of PAMs
- A rather small group of very informed government and CSO representatives attended the consultation workshop – mid to senior level officers from the Treasury, ERD, Ministry of Economic Development and Ministry of Environment and MD.
- Participants at the workshop identified key issues/challenges regarding cross-sectorality, financial feasibility and match with current PFM protocol.
- Consultant team presented a rough scenario of Sri Lanka REDD+ earning potential to set a stage for discussion - 50% reduction in forest loss, and achieving 50% of the potential afforestation and reforestation would allow Sri Lanka to earn \$ 5million a year.
- Participants collectively voiced that revenues from REDD+ alone with not attractive enough for the Government so there is a need to package REDD+ as part of the national development priorities or Sri Lanka’s programmes towards meeting SDGs to justify national ownership and initial investments.
- Doing so would also enable PAMs to be financed partly through the existing funding sources (adaptation, GEF, etc).
- Current PFM protocol and framework of ERD would prevent a cross-sectoral PAM coordinating body from playing the suggested role in budget coordination (some participants, however, indicated that with a very strong justification, the current pro-green leadership might make an exception).
- Participants jointly preferred an option where a PMU is located under one designated ministry to manage REDD+ budget and coordinate with other sectoral departments.
- Participants suggested that the lead ministry should be linked directly to the President or the Prime Minister to allow extraordinary structural adjustments and strong leadership and ownership.
- See Annex Two for a hybrid model suggested by the participants at the workshop.

Others

- After a quick review of Roadmap structure with the CTA and consultant, working on it, it was agreed to avoid the use of technical and highly nuanced terms in REDD+ such as sub-national, landscape approach, nested approach, etc. – Sri Lanka’s approach is straight forwardly national, and it places less emphasis on REDD+ RBPs but rather to take different components of REDD+ (e.g., stakeholder consultation process, NFMS, PAMs, safeguards) to bring structural changes across Sri Lanka’s environmental governance systems to support its green agenda.
- Discussion with Lovita, DCD highlighted the need for better and more frequent provision of substantive updates to the senior management of UNDP CO as UN-REDD works on governance (finance, inclusive planning, etc) issues that are also relevant to other work areas and activities of UNDP in Sri Lanka for better coordination and partnership building (ie. the issue of private sector engagement in the country’s climate discourse was one of them).
- National REDD+ website’s library functions need to be better managed: there are no relevant documents uploaded, and some structural issues can be seen.
- For the pending finalisation of drivers of D&D study report, the university team and PMU tentatively agreed to look into whether agents of change could be further emphasised and future research questions could be added per driver to supplement the lack of discussion on agents (due to highly sensitive socio-political circumstances), and to address outstanding comments in collaboration with the editor.
- Discussion with Anura and the CTA on Sri Lanka’s INDCs and the role of forest focused on ways in which REDD+ relevant activities might be described in conditional and non-conditional terms to ensure Sri Lanka’s REDD+ opportunities in the context of Sri Lanka’s commitments and further support needs to combat climate change.

11. Follow up action matrix

Action to be taken	By whom	Expected completion date
Fund Management follow ups (see Annex Three)	Jan, Chula and Sudarshan, PMU	See Annex Three
MCA follow ups (see Annex Three)	David, Buddhi and PMU	See Annex Three

12. Distribution list: UN-REDD, and the CO

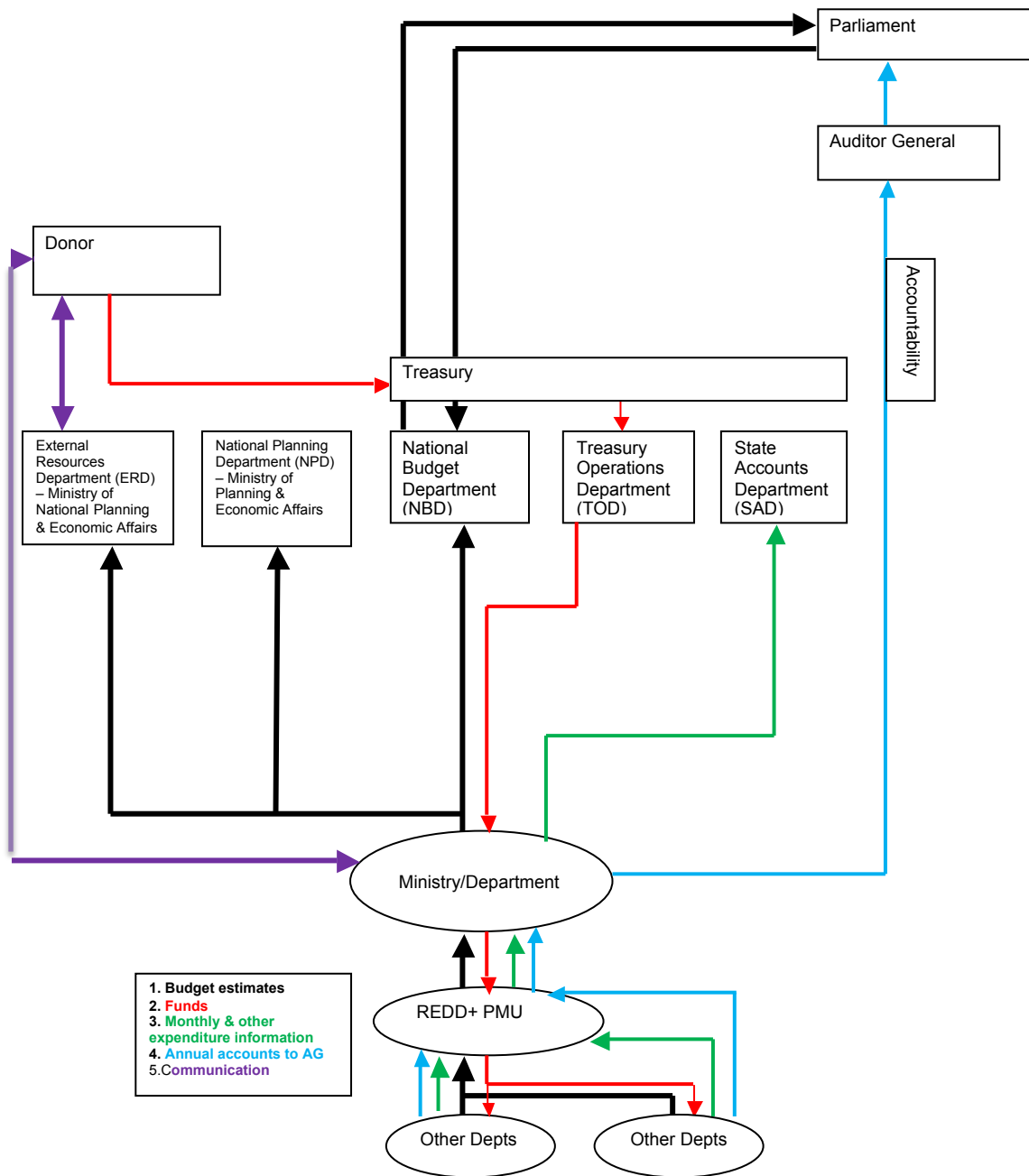
Annex One

Key comments/questions from the MCA workshop:

- Links between prioritized Measures and prioritized Policies?
- Can we analyse prioritized PAMs sector-wise?
- Comparison of the priorities of the different interest groups? Explain the differences.
- Analyse which PAMs/criteria has not been scored? Analyse knowledge gaps?
- If you were to do it again (MCA process), how should you do?
- Can we analyse the consistency between the different interest groups? Which groups have the same priorities? Ex. Ranking of group X is more similar/close to ranking of group Y...
- What about the criteria/PAMs difficult to understand?
- How do we ensure consistency in the explanation done before and during the scoring by the facilitator? How do you present the assessment of each PAMs against each criterion? Scores could have been different depending on the explanation.
- Shall we increase the sample size?
- How did you turn Yes/No answers into scores?
- What should be the minimum number of participant for each interest group?
- Can we reduce the number of PAMs? Or clarify some of them?
- Do you think that the MCA is appropriate for our purpose?
- How are we going to decide which PAMs will be further analysed? How many?
- Can we add one expert group?
- We need to find out which PAMs will be sticks and which one will be carrots?
- Did they (participants) aware about respective policies before scoring? How does it affect on results?
- Rather than increasing the sample size, Is it ok to go for in-depth analysis/exercise with the stakeholders who have engaged with UN-REDD programme from the beginning?
- Where are the places that subnational consultations held? Why did you select these areas?
- Threshold of ranks?
- If this is the first time MCA applied in this manner in Sri Lanka, Can we assure validity of results?
- We want is implement prioritised policies in country. So it needs buy in senior most politicians, officers. How can you address this?
- How can we prepare an outcome document based on PAMs?
- For this, some suggested that we would need to look into how to proceed from here in order to secure political buy-in for supporting prioritized PAMs and to make a case for the PAM to be seriously debated and considered by decision makers and institutions. And, for that adding cost, economic (e.g, rate of return), capacity and priority alignment aspects to the prioritized PAMs will be important.
- Why is the multi-stakeholder scoring method is better in this context than the traditional expert scoring method?

Annex Two: Hybrid (participant derived) Fund Management Model

Model - 5



Annex Three: Next Steps

PAMs Prioritisation
<ul style="list-style-type: none">• By 24 Oct, submit the final criteria list (old one and updated one) and matrices• By 1 Oct, submit the analysis of the different MCA steps (How? What? Challenges and lessons)• Between 5- 6 Oct, PMU organizes a scoring workshop (Government, Private Sector, CSO and Academics)• By 6 Oct, submit a detailed outline of the report• By 9 Oct, the national consultant sends scored matrices to the international consultant• By 9 Oct, PMU sends comments on the detailed outline of the report• Between 12- 14 Oct, data entry and analysis takes place• By 15 Oct, full results of the MCA are shared for internal review• By 23 Oct, submit a first draft report• By 6 Nov, PMU sends consolidated comments on the draft report• By 13 Nov, submit the improved version of report
Fund Management
<ul style="list-style-type: none">• By 2 Oct, prepare final report outline and divide tasks among consultants• By 2 Oct, finalize/update the three design options, and complete Option 5, which is a hybrid of the three.• By 20 Oct, hold meetings with 3 Ministries and others• By 25 Oct, submit a first draft of institutional ToR elements• On 5 Nov, hold a validation workshop• By 20 Nov, submit the final ToRs for institutions and a first draft report• By 12 Dec, submit the final deliverables