

Ecologically and socio-economically sound coastal ecosystem rehabilitation and conservation in tsunami-affected countries of the Indian Ocean

Annual Report 2007
January 1 – December 31



Ecosystems and Livelihoods Group

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1. Background to the project

The earthquake that occurred on 26 December 2004, and the tsunamis that followed it, brought widespread devastation to the countries around the Indian Ocean rim. It also provoked a massive international response in support of post-disaster relief and reconstruction. As the relief and reconstruction effort progressed, it became clear that the restoration of coastal ecosystems formed a vital component of efforts to rebuild people's livelihoods and to re-establish a sustainable development base in tsunami-affected countries.

Although the post-tsunami reconstruction effort is now winding down, the conservation and restoration of coastal ecosystems remains an urgent and pressing need. Coastal development processes continue unabated — and, in tsunami-affected countries, have intensified as a result of the huge inflow of funds and escalation of development activities that took place through the reconstruction effort. Natural ecosystems are still being over-exploited, converted and degraded as a result of inappropriate or unplanned development activities, and to meet the demands of a growing coastal population for land, income and subsistence.

There is a need to invest in ecosystem restoration and conservation in tsunami-affected countries because of their critical importance in both conservation and development terms. The Indian Ocean region encompasses some of the most extensive, and biodiverse, tropical coastal and marine ecosystems in the world, including mangroves and other coastal forests and wetlands, estuaries, lagoons, sandy beaches, sand dunes, coral reefs and seagrass communities. These natural ecosystems provide essential "infrastructure" for coastal development — in other words, they form a vital part of the stock of assets, facilities and services that are needed for the economy and society to function properly. In order to ensure ecosystem productivity and continued support to human development, ecosystems need to be maintained and improved to meet both today's needs as well as future demands and pressures, just like any other component of infrastructure. Degrading this valuable stock of natural capital puts a serious strain on the economy and society.

This project responds to the needs to ensure that coastal ecosystems are conserved and restored in tsunami-affected countries. It forms a component of the Mangroves for the Future Initiative (MFF), a multi-country, multi-sector programme involving tsunami-affected countries of the Indian Ocean. The project addresses the second Programme of Work specified under MFF: *designing ecologically and socio-economically sound coastal ecosystem rehabilitation*.

The post-tsunami reconstruction process involved many efforts at coastal ecosystem rehabilitation, particularly of mangroves. However, coastal ecosystems are complex and diverse, and while the post-tsunami experience has generated notable successes, some of the efforts at ecosystem rehabilitation have failed to reach their intended targets. The desire for quick effects meant that, often, little attention was paid to the skills and technical knowledge needed. In a number of cases ecosystem rehabilitation were not based on a clear understanding of the biophysical, socio-economic and institutional conditions necessary for successful rehabilitation, or the needs and priorities in coastal development. Although well-intentioned, such efforts have in the event had little impact on local livelihoods and ecosystem status.

There remains a pressing need for better coastal ecosystem restoration and conservation in areas where severe degradation has taken place, and natural processes of regeneration have been undermined. A key challenge is however to ensure that such measures are based on sound science, techniques and approaches, and are socio-economically acceptable and sustainable. This project aims to address these needs, and to rehabilitate and conserve degraded and threatened coastal ecosystems in tsunami-affected countries of the Indian Ocean, using ecologically and socio-economically sound methods.

This project was formulated in response to interest shown by the Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ) in supporting ecosystem restoration and conservation activities, at the MFF donor meeting of October 31 2006. A proposal was submitted by IUCN to BMZ in November 2006, and a grant of €1,500,000 was made available for this project, via an agreement signed between BMZ and IUCN in December 2006. The project runs over a three year period, from January 1 2007 to December 31 2009.

This document reports on progress made during the first year of the project (January 1 – December 31 2007). A financial report covering the same period has been prepared and submitted along with this document.

2. Project summary

This project intends to facilitate coastal ecosystem rehabilitation and conservation activities in critically degraded and threatened ecosystems in tsunami-affected countries of the Indian Ocean. It operates in two of the six focal countries of MFF (India, Indonesia, Maldives, Seychelles, Sri Lanka, and Thailand, which were among the worst-affected nations in the December 26 2004 Indian Ocean tsunami).

The immediate purpose of the project is that degraded and threatened coastal ecosystems in tsunami-affected countries of the Indian Ocean are rehabilitated and conserved using ecologically and socio-economically sound methods. The specific objectives, outputs and activities that will contribute towards the project goal are detailed in the project planning matrix, appended as Annex I of this report.

The core focus of the project is to undertake concrete investments in measures to conserve and renovate ecosystems which have been severely damaged and degraded, and to thereby restore their biodiversity and provision of ecological services. Work will be undertaken in two pilot sites, selected from the following coastal ecosystems: mangroves and other coastal forests and wetlands, estuaries, lagoons, sandy beaches, sand dunes, coral reefs and seagrass communities. Measures will be undertaken to both restore and rehabilitate degraded ecosystems at these sites, as well as to set in place long-term measures for their continued conservation in the future.

The intended beneficiaries of the project are local stakeholders who live in coastal areas, depend on or are impacted by natural ecosystem status, and whose actions in turn influence local ecological and socio-economic conditions. These stakeholders include the government agencies who are mandated to oversee coastal development and conservation, local communities, civil society groups and organisations, and the industries and commercial enterprises who operate in coastal zones. Within these stakeholder groups, the project has a particular emphasis on benefiting the more vulnerable and marginalised members of coastal communities (such as women and the poor) who suffer disproportionately from the effects of ecosystem degradation, and who have often been excluded from coastal management planning and decision-making in the past.

The 3-year project period includes two phases of activity: first the selection of pilot sites and design of measures (years 1 and 2), and then the actual implementation of site restoration and conservation actions (years 2 and 3). Details of the activities to be carried out during the course of the project, as specified in the original project proposal, are appended to this report as Annex II.

The project is founded on a participatory approach which involves, benefits and coordinates the multiple stakeholders who depend or impact on coastal ecosystems in the pilot sites. It intends to foster better dialogue and communication between coastal stakeholders at the local level, and to actively engage different sectors and groups in working together to design and undertake coastal ecosystem rehabilitation and conservation and to strengthen the management of these restored ecosystems so as to offset future threats and pressures. There is also a strong emphasis on generating information on, and informing project design with, a sound understanding of ecological and socio-economic conditions and needs in pilot sites, and using the most up-to-date science, techniques and approaches to ecosystem conservation and restoration.

IUCN provides the overall management and lead in implementing this project, working in collaboration with MFF partners (national governments, UNDP, UNEP, FAO, CARE, WWF and Wetlands International). Specific arrangements are formed at the field level with coastal stakeholders at each of the pilot sites, who will take the lead in actually implementing ecosystem conservation and restoration measures with the technical support and facilitation of the project team. The project is being coordinated and run as a component of the Mangroves for the Future (MFF) initiative. It will share experiences and lessons learned with other activities taking place under MFF and being undertaken by MFF partners, and it is expected that other actions and projects taking place under MFF Programme of Work #2 (designing ecologically and socio-economically sound coastal ecosystem rehabilitation) will provide substantive synergies, complementary activities and inter-agency connections in relation to this project.

3. Report for 2007

Summary of progress

The focus of work during the first year has been on the inception phase of the project including the identification of countries and target coastal stretches for project implementation and conducting biodiversity and socio-economic assessments, institutional analyses, vulnerability threat assessments and multi-stakeholder dialogues in preparation for the planning phase of the project which shall entail the identification and development of investment options (management actions and interventions) and conservation/management plans.

From a project management perspective, the first year has seen the establishment of regional and country level project coordination and management units and two project field offices in each of the selected coastal stretches, one in Kuraburi, Thailand and the other in Puttalam, Sri Lanka. By the 3rd quarter of the year the full compliment of project staff were in place.

In the 1st quarter work commenced on selecting the countries and specific coastal stretches for the project to work in and on designing and planning the rapid assessments. As part of this process the Mangroves for the Future (MFF) Steering Committee met in Bangkok on May 8-10 and provided the final approval for the selection of Sri Lanka and Thailand as focal countries for this project.

Consultations for the selection of specific coastal stretches for project implementation in each country were held between national government agencies and other key stakeholders in each country. Three provisional coastal stretches in each country were selected for further assessment, using a set of predetermined criteria. In Sri Lanka, a Technical Advisory Committee (TAC) was established by IUCN to advise on all coastal sector projects, including the BMZ project. It is anticipated that the TAC shall evolve into being a sub-body of the National Coordination Body (NCB) of the MFF initiative. A similar stakeholder advisory and coordinating group was established between the Department of Marine and Coastal Resources (DMCR) of Thailand and IUCN, to oversee the work of the project, during in the interim while the MFF National Coordinating Body was establishing itself.

The national steering/advisory groups for the project in both countries met for the first time in June (2nd quarter) marking a significant milestone and achievement for the project. The meetings resulted in the selection and approval of a single coastal stretch in each country for the implementation of the project. Another notable achievement in June was the completion of field reconnaissance surveys in the selected coastal stretches in both Sri Lanka and Thailand and the planning of detailed field surveys for early July.

Building on the preparatory stages of the 1st and 2nd quarters, the 3rd quarter saw significant progress with initiating progress on-the-ground in the selected coastal stretches of both countries. Detailed field assessments of the ecological, socio-economic, institutional and vulnerability status of the coastal stretches in both countries were nearly completed and initial assessment reports drafted. GIS land-use maps have were produced in both countries, forming the basis of information management systems to be added to as further site level information is generated.

Findings of the detailed assessments were presented to key provincial level stakeholders through consultation meetings in both Sri Lanka and Thailand during the 3rd and 4th quarters. The meetings served to validate the initial findings of the assessment, and to build consensus with regard to site selection and direction for ground-level project implementation. These meeting initiate a series of stakeholder consultation meetings planned for the development phase of the project and a fundamental part of the consensus building process for identifying relevant and detailed approaches to project implementation.

The overall focus and direction of the project for the 4th quarter was on developing local level coordination networks in selected sites of the coastal stretches. As the project enters the second year, the development planning phase, the focus continues to be on identifying priority conservation and rehabilitation interventions/ investments options and conservation management plans through participatory processes.

The rehabilitation of mangrove habitat in disused and abandoned prawn farms, using natural regenerative processes, is one of the key priority areas of management to have emerged through the assessment process in both Thailand and Sri Lanka.

Overall, slight delays have been experienced in implementing the program of work as outlined in the inception report for both countries. These delays have been mainly due to the cumulative delays encountered in the 1st and 2nd quarters, including the delay in establishing national advisory bodies and in identifying and hiring project personnel.

A key principal and feature of the project implementation approach adopted by both countries is the use of a participatory processes to develop bottom up development of coastal management initiatives. This approach has achieved considerable success in Thailand involving, 16 community based organizations or their representatives, 20 non-governmental organizations and 14 government agencies (local/provincial/national) in producing the outputs in the first year. In the case of Puttalam Lagoon, in Sri Lanka, the opportunities to collaborate with established NGOs and CBOs is relatively limited in scope, although the potential for working through local government councils is good. It is anticipated that the participatory approach will bear dividends in the long-term by allowing for the actions initiated through the project of be sustained beyond the life of the project.

In terms of progress against the work plans outlined in the inception report, the delays experienced in implementing the program of work up to the 3rd and 4th quarters do continue to have an effect on the overall progress of project implementation. This was discussed in detail as part of the third quarter progress report, and in particular with regard to investigating flexibility in spending year one allocated funding and the options for maintaining a strategic process oriented approach to project implementation. The flexibility permitted in spending year one allocated funding has been well appreciated and crucial in allowing IUCN to overcome some of the delays encountered in the 1st and 2nd quarters and still maintain a strategic approach in project implementation. Measures have been identified through the 2008 Annual Plans to catch up on progress in line with the original schedule of work outlined in the inception report.

Overall review of the work carried out during the first year indicates that the project is progressing well in both countries, and recognises that local level coordination and consensus building in planning processes takes time but is essential for long-term and sustainable project success.

Progress in project outputs and activities

Output 1.1: Practical and policy-relevant information made available on ecological, livelihood and institutional status, vulnerability, threats and needs for rehabilitation/conservation in at least two coastal stretches in two tsunami-affected countries of the Indian Ocean

Activity 1.1.1 Assessment of ecological, socio-economic and institutional status, vulnerability, threats and needs

Milestone for 2007: Status, vulnerability and threats assessment report produced (Q3)

The detailed integrated assessments have generated information on ecosystem status, management and institutional arrangements, socio-economic linkages, and provide an overview of threats, vulnerability and priority sites for rehabilitation and conservation for the coastal stretches.

The assessment process was based on a participatory approach, capturing both (social and scientific) technical information and local knowledge into the decision making process and was broadly based on the Millennium Ecological Assessment (MEA) criteria.

Both countries followed a stepwise process of collating and conducting the assessments that included:

1. Collating available information on Biodiversity, socio-economic and other relevant data for the selected coastal stretches and identifying information gaps
2. Conducting participatory rapid assessments of biodiversity and socio-economic status of representative sites of the coastal stretch, including sites of degraded habitat.
3. Collating information from the rapid assessments and available secondary data to determine biodiversity and socio-economic values and threats.
4. Presenting information on data collected to local stakeholders for input and validation.
5. Implementing detailed biodiversity and socio-economic assessments for selected priority sites.
6. Conducting site specific consultations to gain input and validation of information by local level stakeholders (this step is planned for the 5th quarter 2008).

The main part of the assessment activity was completed in the 4th quarter, with the finalization of the remaining areas of socio-economic assessment and institutional analysis in the coastal stretches. Some specific data gathering for the migratory bird survey work remains to be completed in Thailand in Q5, but all initial survey work is otherwise complete.

Assessment reports have been drafted and shall continue to function as working documents to be added to as further site specific information is gathered through the management planning consultations in selected pilot sites. Final first phase assessment reports shall be available by the end of Q5.

The assessments provides the direction for identifying specific local level ecosystem rehabilitation and conservation interventions/ investment options and are key to defining the conservation management plans.

Activity 1.1.2 Production of land use-zone based GIS maps and other decision-support tools summarising assessment findings

Milestone for 2007: Land use-zone based GIS maps produced (Q3)

GIS maps have been produced in both countries and shall continue to be developed as more detailed area specific information is generated through the consultative management planning process. The GIS maps provide the foundation for GIS based integrated information management systems in both countries, with the possibility of functioning to integrate a wide range of information generated directly through this project (e.g. information from the assessments) as well as from other projects, initiatives and organisations, and include satellite imagery. The GIS maps serve as a basis for centralising and managing information, and have played a valuable role as decision-support tools for the site selection process. There is also the strong possibility that the GIS base maps may be used for spatial planning in parts of the coastal stretches, depending on management priorities and the choice of implementation solutions.

Output 1.2: Priority sites and methods for coastal ecosystem rehabilitation and conservation identified in two tsunami-affected countries of the Indian Ocean

Activity 1.2.1 Facilitation of pilot site selection through multi-stakeholder dialogue and negotiation

Milestone for 2007: Site selection made and investment plans approved (Q4)

Findings of the assessments were presented to key provincial level representatives and stakeholders in both Sri Lanka and Thailand, during the 3rd and 4th quarters. The meetings served to validate the initial findings of the assessment, and to build consensus with regard to site selection and project implementation. These meetings initiate a series of stakeholder consultation meetings planned for the development phase of the project and a fundamental part of the consensus building process for identifying relevant and detailed approaches to site selection and project implementation.

In Sri Lanka, findings of the detailed assessment were presented at the 2nd Technical Advisory Committee (TAC) (national advisory group) on August 24 and the process for proceeding with site selection was discussed in detail.

For Thailand the first major multi-stakeholder dialogue meeting for the coastal stretch was held on October 2-3. The specific purpose of this meeting was; to identify and investigate the most suitable methods for coastal rehabilitation and management for the selected coastal stretch, to share and validate the findings of the preliminary assessments of damaged ecosystems in the area, including an assessment of post tsunami rehabilitation activities, and to bring together key stakeholders to identify mechanisms to ensure that project implementation is integrated into ongoing activities in the area. Fifty participants from government and NGO sectors participated, and also community representatives. A final report of the meeting has been produced and shall be used in the process of developing the conservation management plans as well as contributing to the assessment reports.

These provincial level meetings represent part of a series of stakeholder consultation meetings planned for this stage, and fundamental to the consensus building process for identifying relevant and detailed approaches to project implementation.

The continuing process of site selection and conservation management plan preparation is expected to take place through a series of local level stakeholder consultations in order to ensure the relevant level of participation. This process is expected to take place during the 5th quarter.

Activity 1.2.2 Technical, economic and institutional appraisal of rehabilitation investment options

Milestone for 2007: Investment appraisals to be completed (Q4)

This activity is planned to have taken place over the 2nd, 3rd and 4th quarters, and while preliminary investment options have been identified as part of the assessment and consultation process to date there is further work to be completed in the 5th quarter (2008) in parallel to the development of the conservation management plans (Activity 2.1.1).

The rehabilitation of abandoned/ disused prawn farms through natural regenerative processes, for the recovery of mangrove habitat, is an example of a preliminary investment option identified through the assessment process, by both countries. Investment options and management plans shall be further developed and appraised in order to determine final priority management options for investment.

Initial ideas related to the approach/ process for developing investment options and conservation management plans was presented and discussed at the December annual planning meeting. Detailed guidance for the process shall be developed at the beginning of the 5th quarter. A framework for appraising and approving investment option shall be developed to facilitate the appraisal process.

Activity 1.2.3 Approval of investment plans for ecosystem rehabilitation

Milestone for 2007: Site selection made and investment plans approved (Q4)

Approval of investment plans originally scheduled for completion by the end of the 4th quarter was rescheduled during the 3rd quarter for completion in the 5th quarter in parallel to the development of the conservation management plans (Activity 2.1.1), as outlined above. A framework and mechanism for appraising and approving investment options and management plans shall be developed as part of Activity 1.2.2 and Activity 1.2.3 during the 5th quarter.

Output 2.1: Coastal ecosystem rehabilitation and conservation plans produced in partnership with local stakeholders at pilot sites, as part of integrated land-use plans

Activity 2.1.1 Develop site ecosystem rehabilitation and conservation plans as part of integrated land use planning

Milestone for 2007: N/A

Milestone for 2008: Q6

In preparation for the development of the conservation management plans attention is being made to learning from successful planning and implementation approaches of other similar projects in the participating countries and in the region. This activity is planned to be completed in the 6th quarter and the process is expected to begin early in the 5th quarter.

Discussions of the methods and approaches for developing conservation management plans were presented at the December annual planning meeting. Further guidance on the recommended processes and approaches shall be produced by the management unit during the early part of the 5th quarter.

Output 2.2: Effective institutional arrangements in place in pilot sites to facilitate participatory mechanisms for the implementation of coastal ecosystem rehabilitation and conservation activities through stakeholder partnerships

Activity 2.2.1 Stakeholder and institutional mapping of implementation mechanisms and arrangements

Milestone for 2007: N/A

This activity was planned for the 2nd and 3rd quarter. Initial institutional analysis was completed during the 4th quarter as part of initial assessments (Activity 1.1.1).

Progress in building local level networks and coordination units continues to facilitate the process of understanding local level/ operational arrangements, as the project moves into a preparation phase for developing investment options and conservation management plans, including the identification of long-term sustainable management mechanisms.

Details institutional analysis shall build on the initial assessment work and be completed as part of the identification of sustainable financing mechanisms (Activity 3.1.1)

Activity 2.2.2 Establish contracts to undertake rehabilitation and conservation activities

Milestone for 2007: N/A

This activity is expected to take place in the 6th quarter, upon completion and approval of investment options (Activity 1.2.3) and the completion and approval of the conservation management plans (Activity 2.1.1).

A sub-contracting framework and financial management mechanism are to be developed in the 5th quarter to facilitate the process of sub-contracting for project implementation.

Output 2.3: Rehabilitation and conservation of degraded and threatened coastal ecosystems in pilot sites

Activity 2.3.1 Implement ecosystem rehabilitation and conservation plans

Milestone for 2007: Rehabilitation and conservation measures underway (Q4-Q12)

The bulk of the implementation is expected to take place after the 6th quarter upon completion, appraisal, and adoption of the investment options and conservation management plans.

Output 3.1: Methods and information made available on needs and opportunities for local benefit-sharing and financing mechanisms for coastal ecosystem rehabilitation and conservation in pilot sites

Activity 3.1.1 Assess needs and opportunities for local benefit-sharing and sustainable financing

Milestone for 2007: N/A

This activity is planned for the 6th quarter. Some information relevant to identifying sustainable management mechanisms, such as preliminary institutional analyses, part of the assessment activity (Activity 1.1.1)

Output 4.1: Project management, reporting and implementation structures in place and functioning

Activity 4.1.1 Establish and maintain project management and technical support unit

Milestone for 2007: Inception report produced (Q1), Project management and technical support unit in place (Q1), Field staff recruited (Q2), Monitoring framework designed and in place (Q2).

The 1st quarter set in place structures for project management and work planning (activities 4.1.1 and 4.1.2). Staff were recruited for the regional project management unit, and a technical support team for the project was established. Project inception and work planning meetings were held, resulting in the preparation of detailed work plans for the first phase. Initial work was undertaken on developing frameworks and indicators for project progress reporting, monitoring and evaluation.

In the 2nd quarter project staff were interviewed and recruited in Sri Lanka, joining the regional management unit that had been set in place during the 1st quarter. Slight delays occurred in the recruitment of field staff in Thailand and in developing the project monitoring framework.

During the 3rd quarter a new and permanent project manager took up post, taking over all aspects of project management and support for the coordination of technical inputs. Field coordinators for both Sri Lanka and Thailand were also appointed, and efforts to establish field offices in the respective coastal stretches were made. The project monitoring and evaluation plan was also drafted and agreed.

Regular communications between the project management and country office components have taken place throughout the year. Two regional level work planning and technical sharing meetings took place during the year, the first taking place during the 1st quarter, and the second bringing together the full compliment of BMZ project personnel, took place in December of the 4th quarter.

The regional annual planning and technical sharing meeting on December 10-14, held in Sri Lanka, brought together all the key people working on the project for the first time since the full compliment of staff have been in place. The meeting provided a valuable opportunity for the regional team to share overall progress of the first year, both with regard to project management and on the ground project implementation. The meeting served as a venue to express ideas and concerns and to build consensus with regard to the way forward in prioritising management (investment) options and the development of conservation management plans in the sites. Specific technical guidance was discussed in relation to these subjects and also on how implementation mechanisms can best contribute to strengthening governance for integrated coastal management in the specific country contexts and selected coastal stretches. A BMZ project communication strategy was also finalized at the December meeting, providing a framework for process documentation and knowledge management, as well as to plan for stakeholder awareness raising and participation. The key output of the meeting was the production of targeted work plans and annual budgets for 2008 for each country and a site visit to Puttalam Lagoon, the selected coastal stretch in Sri Lanka.

Activity 4.1.2 Project work planning, reporting and monitoring

Milestone for 2007: Monitoring framework designed and in place (Q2).

Two regional level work planning meetings took place during the year, the first taking place in February of the 1st quarter, and the second in December of the 4th quarter. Work plans were also modified in the interim period as the relevance of defined activities and outputs as elements of a broad process approach to planning and implementing coastal ecosystem conservation/ management became clearer. This was discussed in great detail as part of the 3rd quarter progress report. The 2008 work plans also include a new component; communication and knowledge management strategic planning.

During the 4th quarter a draft project communication strategy was finalized providing a framework to ensure process documentation and knowledge exchange, as well as to provide the framework to plan for stakeholder awareness raising and participation. As an output of the communication strategy a BMZ project webpage is to be designed and launched during the 5th quarter and a file sharing system shall be established to facilitate regional and local level project communications for all those involved in the project. Guidance on branding and the development of project related communication products will also be developed during the 5th quarter.

Quarterly and Annual Progress Reports:

Quarterly progress and financial reports have been finalized and sent for the 1st, 2nd, 3rd, and 4th quarters as scheduled for Year 1.

This report constitutes the first annual progress report for the project.

It is recommended that the annual (external) financial audit (stimulated in the Agreement between BMZ and IUCN) for the first year (2007) take place in March 2008 to reflect 'real' progress with regard to year one expected outputs in accordance with the work plans outlined in the inception report. Overall delays to the project have meant that project implementation in 'real' terms is delayed by approximately 3 months.

The project monitoring and evaluation plan was drafted and agreed during the 3rd quarter.

Achievements of milestones in the delivery of project outputs

Milestones		Achievement for 2007 (Q1-Q4)
Q1	Inception report produced	Achieved
Q1	Project management and technical support unit in place	Achieved
Q2	Field staff recruited	Achieved
Q2	Monitoring framework designed and in place	Achieved
Q3	Status, vulnerability and threats assessment report produced	Draft reports available
Q3	Land use-zone based GIS maps produced	Achieved and are being further developed
Q4	Investment appraisals completed	In progress completion delayed to Q5
Q4	Site selection made and investment plans approved	In progress completion delayed to Q5
Q6	Site rehabilitation and conservation plans produced	N/A
Q6	Implementation contracts signed	N/A
Q4	Rehabilitation and conservation measures underway	N/A
Q6	Benefit-sharing and finance assessment report produced	N/A
Q7	Mid-term review	N/A
Q12	Terminal report	N/A
Q12	End of project evaluation	N/A

4. Changes to the work plan

Changes in internal and external context, and influences on project progress

There have been no changes in internal and/or external aspects that has influenced the progress of the project in either country, during the year.

Reasons for changes and delays in the work plan

Project activities have progressed as planned, with minor delays registered:

- Activity 1.2.2 Technical, economic and institutional appraisal of rehabilitation investment options scheduled to be completed by the end of Q4 is likely to extend into Q5.(as confirmed in the 3rd Quarter progress report)
- Activity 1.2.3 Approval of investment plans for ecosystem rehabilitation scheduled to be completed by the end of Q4 is likely to extend into Q5 running in parallel to Activity 1.2.2 and the development of the conservation management plans (Activity 2.1.1). (as confirmed in the 3rd Quarter progress report)

These delays are due to:

- The cumulative delays from Q1 and Q2 have resulted in subsequent delays in project implementation. All efforts are being made to catch up to the agreed program of work. The 2008 regional annual planning and budgeting exercise identified specific targets to address delays.
- Selection of the coastal stretches for the two countries did not take place until the end of Q2, and therefore resulted in delays of initial project implementation.
- Delays in hiring field staff in both Thailand and Sri Lanka resulted in delays in the establishing field offices and subsequent delays in progress with local level coordination in Sri Lanka and Thailand. This is expected to be resolved by the end of Q5.
- Project activities and outputs are tied into an ongoing and dynamic participatory process of engaging multiple stakeholders in consensus building (Integrated Coastal Management (ICM) processes). Process oriented project implementation has meant that the original time frame set for the completion of activities and outputs has been, not uncommonly, slow in gaining momentum.

5. Lessons learned and plans for 2008

Lessons learned during the reporting period

Integrated Coastal Management (ICM) - process & participation

The key lesson and challenge of the first year has been to take the broad concept described in the project document and break it down into meaningful, tangible pieces to meet ground-level implementation goals for effective and sustainable coastal ecosystem rehabilitation and conservation. Far from being a series of activities and outputs, the BMZ project concept represents a blue print for implementing Integrated Coastal Management (ICM), a process oriented approach for coastal ecosystems management.

Key lessons:

- The inception phase of the project is crucial for sharing skills and understanding and defining a coherent way forward in each of the country contexts. The greater the understanding of local and national level opportunities and threats for implementing ICM the more targeted and supportive the inputs of the project can be. Progressive national and local level coastal policy, such as in Thailand, presents favourable opportunities for implementing such a project. Similarly the chance to work with established and experienced Government Agencies, NGOs and Community Based Organizations (CBO) also presents good potential for implementing such a project in a short space of time.
- Establishing basic practical principles and approaches for effective project implementation from inception through to implementation should be identified as early as possible. At the heart of the ICM process is the need for meaningful participation and consensus building for all key decisions by all key decision makers. Meaningful participation requires the planning and establishment of dynamic and varied opportunities for information exchange at the local community and national level. This process, done correctly requires good planning and always takes time, and takes more time in areas where the community or stakeholder group less culturally and socio-economically homogeneous, or where there are strong and overriding political influences/ interests at stake. In the case of working in the Puttalan Lagoon area (Sri Lanka) it is established that there are overriding strong political interests to take into consideration.
- Part of achieving good participation is to recognise the need for good communication and awareness among key stakeholders at each stage of the project cycle. Only by being aware are people able to participate to the fullest. Although not 'strictly' a requirement of the project, a communication and knowledge management strategy has been drafted to outline best practice and opportunity for good communication as part of the overall ICM cycle and for the dissemination of lessons learned from the project to other coastal management practitioners. As part of the overall communication strategy for the project, local level communication/ participation strategies are also being drafted for site level implementation in both countries to ensure that the appropriate opportunities to build awareness and encourage participation are made.
- Another core principle adopted by the country components is an 'open access information policy', the establishment of two way sharing of data/ information and a collaborative research approach with all relevant and interested stakeholders at each step of the project. This approach is working particularly well in Thailand and the development of these information sharing partnerships and working synergies has formed the foundation for the continued sustainability of information gathering and adaptive management approach for the area.
- The importance of identifying monitoring and evaluation criteria during the initial stage of the project means that capacity and skills of local organizations can be strengthened as a direct result of the project, and that long-term (post-project) monitoring strategies are more likely to be established and effective.
- One of the key challenges underlying effective long-term coastal conservation for the coastal stretches of both countries are the issues related to land tenure, rights and incentives to manage open access resources. In both coastal stretches there are issues related to migration and re-settlement. Although these are challenging issues this project shall work directly towards investigating opportunities and solutions in relation to the specific on-the-ground management interventions.

- By way of linking and implementing lessons learned from the post-tsunami experience, the project shall work to integrate recognised good practice in disaster risk management (DRM) as part of integrated coastal planning considerations through local level development plans.

Linking ICM Local and ICM National

As the project continues with the development/ planning phase in Year 2, one of the key focuses is on investigating the linkages between village level operational implementation of management actions and the development of area wide policies/ strategies to further capacity for integrated coastal management in the selected coastal stretches at a district and provincial level. Such strategic frameworks support the principles of 'nested governance' and provide context for local level (pilot site) rehabilitation and conservation investments, as well as a mechanism by which to influence/ address local level issues that require attention and response at the provincial/ sub-regional level for long-term and wider scale benefit. The advantage of this approach, particularly in the absence of formal ICM policy, is the opportunity to work directly through local and provincial government structures/ institutional mechanisms, to link with other local level initiatives and to build provincial level capacity for ICM. We are well positioned through the project and to take this approach, while continuing to remain focussed on the key short-term local level deliverables as defined. If successful, such an approach would demonstrate how ICM can be implemented through existing infrastructure and systems and provide 'local' (village, district and provincial) level examples of the more national focused areas of action defined under the Mangrove for the Future Initiative (MFF).

Regional Sharing & Exchange

The technical sharing and work planning meeting conducted on December 10-14, provided a valuable opportunity for the regional project team to share overall progress of the first year, both with regard to project management and on the ground project implementation. The meeting also highlighted the importance of packaging and showcasing good coastal ecosystem management practices in the region. In this respect the BMZ project shall aim to make significant contribution to facilitating regional level exchange of this type and hopes to use the 4th IUCN Congress in October as one of the platforms to achieve this goal and to highlight some of the tangible contributions this project has made to coastal ecosystem conservation.

Project Management – Financial Management

The flexibility in spending year one allocated funding in accordance to project progress on the ground as discussed with BMZ as part of the 3rd quarter progress report has been greatly appreciated and crucial in allowing IUCN to overcome some of the delays encountered in Q1 and Q2 and still maintain a strategic approach to project implementation. The project team recognizes that this flexibility was granted on a rare and exceptional basis and the target remains in catching up on year one delivery and spending by the end of the Q5 and certainly well within Q6.

An additional challenge related to the financial management has arisen during the course of the first year. In relation to the dramatic weakening of the USD over the course of 2007 there has been a consequent reduction in the overall financial value of the project since the start of the project in January 2007. At the time of signing the agreement (December 2006) the total value of the project was set at €1,500,000 not to exceed USD 1,995,915. The exchange rate at the time was USD 1.33. The current exchange rate of approximately €1 = USD1.46 means that the total Euro value of the project has decreased by €132,935, from €1,500,000 to €1,367,065. Based on correspondence with BMZ during the 3rd quarter we understand that the ceiling of funding available for the project is USD 1,995, 915 and that the exchange risk must rest with the recipient of the funding (i.e. IUCN) so as to ensure budget clarity and to prevent Germany from being faced with claims to additional funding.

Where as IUCN accepts that the fluctuations in exchange rate and the decline in the overall Euro value of the project is a matter for IUCN to manage, we would like to advise that as long as the USD continues to decline it would be beneficial for project implementation if future payments can be made in Euro over USD. During the 3rd quarter BMZ expressed that the currency of future payments was yet to be decided.

Finally, with reference to clause 7 (2) of the Agreement between BMZ and IUCN, the requirement for an annual (external) financial audit for Year 1 (2007), IUCN would like to recommend that the audit be completed by the end of March 2008 in order to better reflect the true costs of year one implementation in light of operational delays of at least 3 months. In this regard IUCN is seeking approval from BMZ before proceeding. A financial report of the total annual spending up to December 31 2007 (the same one that was submitted as part of the 4th quarter report) is included with this report.

Plans for 2008

The specific tasks to be undertaken during the next quarter, including those that were delayed during the current quarter, are highlighted below:

	Specific tasks to be undertaken in 2008 (Q5-Q8)
1.1.1 Assessment of ecological, socio-economic and institutional status, vulnerability, threats and needs	<ul style="list-style-type: none"> • Produce Final Report (including ecological, socio-economic and institutional status, vulnerability, threats and needs, as well as 3-5 “short listed” concepts identifying and justifying potential pilot sites for project activities) • Build on the baseline data provided in the initial assessment by ensuring that all relevant data gathered during the stakeholder consultations is incorporated into assessment report.
1.1.2 Production of land use-zone based GIS maps and other decision-support tools summarising assessment findings	<ul style="list-style-type: none"> • Build on base maps by ensuring that all relevant site specific data gathered through the stakeholder consultation process is incorporated into the GIS mapping and information management system. • Continue ground verification of maps Sri Lanka • Build in-house capacity for use of GIS mapping tools
1.2.1 Facilitation of pilot site selection through multi-stakeholder dialogue and negotiation	<ul style="list-style-type: none"> • Continue the series of stakeholder consultation workshop in each country, involving local and national stakeholders
1.2.2 Technical, economic and institutional appraisal of rehabilitation investment options	<ul style="list-style-type: none"> • Identify key investment options as a result of stakeholder consultation, technical opportunities/ capacity, supporting institutional arrangements • Develop draft investment plans • Develop and finalize a framework for appraisal of investment options
2.1.1 Develop site ecosystem rehabilitation and conservation plans as part of integrated land use planning	<ul style="list-style-type: none"> • Develop a guidance framework for developing ecosystem rehabilitation and conservation management plans in line with identified investment options for the selected pilot sites
2.2.1 Stakeholder and institutional mapping to identify mechanisms and arrangements for implementing rehabilitation and conservation plans	<ul style="list-style-type: none"> • Continue stakeholder and institutional mapping in selected pilot sites as part of stakeholder consultation process & in preparation for identifying mechanisms and arrangements for implementing rehabilitation and conservation plans including sustainable financing mechanisms
4.1.1 Establish and maintain project management and technical support unit	<ul style="list-style-type: none"> • Continue to provide technical backstopping, management and coordination from regional project management unit • Initiate implementation of project communication strategy • Establish full compliment of support staff in field offices • Establish of national and local steering committees for project in each country • Finalize communication & knowledge management strategies for country components • Produce guidance for developing project communication products, design project website, establish project blog site. • Organize regional exchange re ICM
4.1.2 Project work planning, reporting and monitoring	<ul style="list-style-type: none"> • Annual and quarterly financial and technical progress reporting • Develop annual work plans and budgets • Mid-term project evaluation

Annex I. Project planning matrix

Purpose and objectives

Intervention Logic	Verifiable Indicators	Source of Verification	Assumptions
Immediate purpose			
Degraded and threatened coastal ecosystems in tsunami-affected countries of the Indian Ocean are rehabilitated and conserved using ecologically and socio-economically sound methods.	<ul style="list-style-type: none"> Improved ecosystem coverage, health and biodiversity status in coastal areas of two tsunami-affected countries of the Indian Ocean 	<ul style="list-style-type: none"> State of the Environment reports District development plans and profiles Forest, wildlife and environment agency statistics MFF ecological and socio-economic monitoring 	<ul style="list-style-type: none"> Continuing policy and political support for environmental conservation Active partnership of all parties
Objectives			
1. Priority coastal ecosystems that require rehabilitation and conservation are identified, based on ecological and socio-economic importance, suitability and needs.	<ul style="list-style-type: none"> Status and vulnerability assessments Meetings and dialogues Land use-zone based GIS maps Economic, institutional and technical appraisals Investment plans 	<ul style="list-style-type: none"> Production and dissemination records for technical and appraisal reports Meeting reports and participant feedback Approved investment plans 	<ul style="list-style-type: none"> Up-to-date and relevant data are available Stakeholders are supportive of ecosystem conservation and rehabilitation Identified investments are feasible in economic, institutional and technical terms
2. Coastal ecosystem rehabilitation and conservation measures are undertaken in pilot sites, using ecologically and socio-economically sound approaches.	<ul style="list-style-type: none"> Site rehabilitation/conservation plans Institutional implementation arrangements Area and quality of ongoing restoration and conservation work 	<ul style="list-style-type: none"> Production and dissemination of plans Signed implementation contracts Progress monitoring reports 	<ul style="list-style-type: none"> Parties willing and able to undertake conservation and rehabilitation Field and policy conditions continue to be supportive of ecosystem conservation and rehabilitation
3. The long-term sustainability of coastal ecosystem rehabilitation in pilot sites is strengthened through local benefit-sharing and financing mechanisms.	<ul style="list-style-type: none"> Benefit-sharing and sustainable financing strategies 	<ul style="list-style-type: none"> Production and dissemination of strategies Progress monitoring reports 	<ul style="list-style-type: none"> Suitable and supportive mechanisms for financing and benefit-sharing can be identified Stakeholders willing and able to engage in pilot initiatives
4. The project is managed and operating successfully.	<ul style="list-style-type: none"> Physical progress Financial progress 	<ul style="list-style-type: none"> Project inception report Quarterly and annual progress and financial reports Terminal report Mid-term and end-project evaluation reports 	<ul style="list-style-type: none"> Staff capacity is adequate

Outputs and activities

Objectives	Main Outputs	Key Activities
1. Priority coastal ecosystems that require rehabilitation and conservation are identified, based on ecological and socio-economic importance, suitability and needs.	1.1 Practical and policy-relevant information made available on ecological, livelihood and institutional status, vulnerability, threats and needs for rehabilitation/conservation in at least two coastal stretches in two tsunami-affected countries of the Indian Ocean	1.1.1 Assessment of ecological, socio-economic and institutional status, vulnerability, threats and needs 1.1.2 Production of land use-zone based GIS maps and other decision-support tools summarising assessment findings
	1.2 Priority sites and methods for coastal ecosystem rehabilitation and conservation identified in two tsunami-affected countries of the Indian Ocean	1.2.1 Facilitation of pilot site selection through multi-stakeholder dialogue and negotiation
		1.2.2 Technical, economic and institutional appraisal of rehabilitation investment options 1.2.3 Approval of investment plans for ecosystem rehabilitation
2. Coastal ecosystem rehabilitation and conservation measures are undertaken in pilot sites, using ecologically and socio-economically sound approaches.	2.1 Coastal ecosystem rehabilitation and conservation plans produced in partnership with local stakeholders at pilot sites, as part of integrated land-use plans	2.1.1 Develop site ecosystem rehabilitation and conservation plans as part of integrated land use planning
	2.2 Effective institutional arrangements in place in pilot sites to facilitate participatory mechanisms for the implementation of coastal ecosystem rehabilitation and conservation activities through stakeholder partnerships	2.2.1 Stakeholder and institutional mapping to identify mechanisms and arrangements for implementing rehabilitation and conservation plans 2.2.2 Establish contracts to undertake rehabilitation and conservation activities
	2.3 Rehabilitation and conservation of degraded and threatened coastal ecosystems in pilot sites	2.3.1 Implement ecosystem rehabilitation and conservation plans
3. The long-term sustainability of coastal ecosystem rehabilitation in pilot sites is strengthened through local benefit-sharing and financing mechanisms.	3.1 Methods and information made available on needs and opportunities for local benefit-sharing and financing mechanisms for coastal ecosystem rehabilitation and conservation in pilot sites	3.1.1 Assess needs and opportunities for local benefit-sharing and sustainable financing
4. The project is managed and operating successfully.	4.1 Project management, reporting and implementation structures in place and functioning	4.1.1 Establish and maintain project management and technical support unit
		4.1.2 Project work planning, reporting and monitoring

Annex II. Description of activities as specified in the project proposal

Objective 1

Priority coastal ecosystems that require rehabilitation and conservation are identified, based on ecological and socio-economic importance, suitability and needs

Output 1.1: Practical and policy-relevant information made available on ecological, livelihood and institutional status, vulnerability, threats and needs for rehabilitation/conservation in at least two coastal stretches in two tsunami-affected countries of the Indian Ocean

Activity 1.1.1 Assessment of ecological, socio-economic and institutional status, vulnerability, threats and needs

It is critical that ecosystem rehabilitation and conservation is based on sound science, and on the best available and most up-to-date socio-economic and ecological information. Rapid integrated assessment methods, based on those developed and refined in the immediate aftermath of the tsunami, will be used to assess biophysical, ecological and socio-economic conditions of key coastal stretches in participating countries. The rapid assessments will yield information on ecosystem status, management and institutional arrangements, socio-economic linkages, and will provide an overview of threats, vulnerability and priority sites for rehabilitation and conservation. Assessments will take place over one coastal stretch in each country, incorporating a series of interconnected ecosystems and falling within well-defined administrative boundaries. The priority sites identified by these assessments will form the "shortlist" from which pilot sites for ecosystem rehabilitation and conservation will be selected (Activity 1.2.1).

Activity 1.1.2 Production of land use-zone based GIS maps and other decision-support tools summarising assessment findings

Based on the findings of the rapid assessments (Activity 1.1.1), land use-zone based GIS maps and site profiles will be produced, together with a summary of key priorities and opportunities for ecosystem rehabilitation and conservation. These decision-support tools will provide the basis for selecting pilot sites for ecosystem rehabilitation and conservation (Activity 1.2.1).

Output 1.2: Priority sites and methods for coastal ecosystem rehabilitation and conservation identified in two tsunami-affected countries of the Indian Ocean

Activity 1.2.1 Facilitation of pilot site selection through multi-stakeholder dialogue and negotiation

Two dialogues will be convened in each country to facilitate the process of selection of the pilot sites in which the project will support ecosystem rehabilitation and conservation works. The first dialogue meeting will be held immediately after the status, vulnerability, threats and needs assessments have been carried out (Activity 1.1.1), in order to feed back and verify the initial findings and site prioritisation. On the basis of this dialogue, potential investment options will be appraised in terms of their technical, economic and institutional feasibility (Activity 1.2.2). The second dialogue meeting will be held after the investment appraisal has been completed, and final maps and "shortlists" of potential sites have been prepared. It will make a final selection of the pilot site in each country in which ecosystem rehabilitation and conservation activities will be undertaken, and formally approve the investment plan for this (Activity 1.2.3). As site selection relies on the input and active support of a wide range of stakeholders, and involves negotiation between different interests and priorities, dialogue meetings will bring together scientific experts, national and local government and line agencies, representatives from affected communities, NGOs, the private sector and other members of civil society.

Activity 1.2.2 Technical, economic and institutional appraisal of rehabilitation investment options

Having identified priority sites through the assessments (Activity 1.1.1), initial broad appraisals of the technical, economic and institutional feasibility of undertaking ecosystem rehabilitation and conservation will be conducted via a desk review. This will act as a cross-check on the likely viability and suitability of the options being proposed. The results of these appraisals will form an important input into the second dialogue meeting being held to select the pilot sites in which the project will operate (Activity 1.2.1).

Activity 1.2.3 Approval of investment plans for ecosystem rehabilitation

Based on the outcome of the second dialogue meeting (Activity 1.2.1), formal approval of the selected investment option for ecosystem rehabilitation and conservation will be sought from government. Such endorsement is required for on-the-ground rehabilitation and conservation activities to be undertaken, and to ensure that project plans are consistent with and supportive of national and provincial/district development strategies and land use plans.

Objective 2

Coastal ecosystem rehabilitation and conservation measures are undertaken in pilot sites, using ecologically and socio-economically sound approaches

Output 2.1: Coastal ecosystem rehabilitation and conservation plans produced in partnership with local stakeholders at pilot sites, as part of integrated land-use plans

Activity 2.1.1 Develop site ecosystem rehabilitation and conservation plans as part of integrated land use planning

In line with the broad investment options which have been identified and approved (Activities 1.2.2 and 1.2.3), detailed ecosystem rehabilitation and conservation plans will be prepared for each pilot site. These will specify the methods, techniques, institutional arrangements and other inputs required to carry out ecosystem rehabilitation and conservation, and will include measurable milestones and an implementation plan against which progress can be measured. They will be formulated as a component of the broader land-use plans which already exist and govern the project sites (for example district land use plans, integrated coastal management plans, or protected area plans).

Output 2.2: Effective institutional arrangements in place in pilot sites to facilitate participatory mechanisms for the implementation of coastal ecosystem rehabilitation and conservation activities through stakeholder partnerships

Activity 2.2.1 Stakeholder and institutional mapping to identify mechanisms and arrangements for implementing rehabilitation and conservation plans

On-the-ground coastal ecosystem rehabilitation and conservation plans will be implemented via direct partnerships between civil society, government and the private sector: the role of the project will be to facilitate the establishment and operations of, and provide technical support to, these multi-stakeholder partnerships. This approach is vital to the uptake, acceptance and long-term sustainability of actions set in place under the project. This activity will undertake a mapping of stakeholders, institutions and capacity to undertake restoration work. It will result in the proposed institutional and contractual arrangements under which the ecosystem rehabilitation and conservation activities will be carried out at each pilot site.

Activity 2.2.2 Establish contracts to undertake rehabilitation and conservation activities

Based on the findings of the stakeholder and institutional mapping (Activity 2.2.1), project partners will be contracted in each site to undertake ecosystem rehabilitation and conservation activities. Binding agreements will be signed, committing to the delivery of concrete restoration activities, according to agreed budgets, work plans and milestones.

Output 2.3: Rehabilitation and conservation of degraded and threatened coastal ecosystems in pilot sites

Activity 2.3.1 Implement ecosystem rehabilitation and conservation plans

This activity will undertake the ecosystem rehabilitation and conservation activities according to the site plans (Activity 2.1.1) and institutional arrangements (Activity 2.2.2) which have been identified. Ongoing technical support and supervision will be provided by the project management and technical support unit (Activity 4.1.1) to the project partners who are leading in the implementation of this activity. A range of coastal ecosystems will be targeted in these investments, including mangroves and other coastal forests and wetlands, estuaries, lagoons, sandy beaches, sand dunes, coral reefs and seagrass communities. Activities will include reforestation/re-vegetation, enrichment planting, active rehabilitation and restoration of degraded or depleted areas, as well as the instigation of long-term conservation plans to ensure that rehabilitated ecosystems are maintained over the long-term. The bulk of the activity will be focused on the direct physical investments required to undertake ecosystem rehabilitation and conservation; where appropriate and where a clear need is demonstrated in

relation to the success of the investment, training and capacity building will also be undertaken as a part of the rehabilitation and conservation measures.

Objective 3

The long-term sustainability of coastal ecosystem rehabilitation in pilot sites is strengthened through local benefit-sharing and financing mechanisms

Output 3.1: Methods and information made available on needs and opportunities for local benefit-sharing and financing mechanisms for coastal ecosystem rehabilitation and conservation in pilot sites

Activity 3.1.1 Assess needs and opportunities for local benefit-sharing and sustainable financing

It is of the utmost importance to consider long-term sustainability and equity issues when planning and undertaking ecosystem rehabilitation and conservation. In particular, and in the light of both urgent development needs and pressures in coastal areas of participating countries and the severe budget constraints facing environmental sectors, local benefits and financial mechanisms are two of the most important factors influencing the long-term success and sustainability of project activities. They are also key considerations in ensuring that future threats to rehabilitated or conserved ecosystems are addressed and offset. An assessment of the needs and opportunities for local-benefit sharing and sustainable financing will be undertaken as ecosystem rehabilitation and conservation measures are initiated in pilot sites (Activity 2.3.1). This will include a review of measures already undertaken and demonstrated to be successful in similar areas and condition, as well as the identification of new measures. The assessment will present concrete and specific recommendations for local benefit-sharing and financing mechanisms to be undertaken, to be incorporated into the actions of project partners at pilot sites.

Objective 4

The project is managed and operating successfully

Output 4.1: Project management, reporting and implementation structures in place and functioning

Activity 4.1.1 Establish and maintain project management and technical support unit

The project will be coordinated through a project management unit, who will be responsible for overseeing and guiding activities, monitoring and evaluating project progress, impact and performance, and reporting to the donor. It will also facilitate and provide the core technical inputs which are required to undertake the pilot site selection and investment appraisal process, and which will support field activities. The unit will be staffed by a full-time project manager, with field coordinators in each pilot site. Technical support in key areas such as ecology, biodiversity, forestry, economics, sociology, communications and monitoring and evaluation will be available to this unit as required by the project.

Activity 4.1.2 Project workplanning, reporting and monitoring

The project will submit to the donor quarterly and annual progress and financial reports, detailing activities undertaken and progress achieved, and the status of project spending. An inception report will be produced within the first quarter of the project period, and a terminal report will outline the overall accomplishments and lessons learned from the project. The project will undertake ongoing monitoring and self-assessment, according to a monitoring and evaluation plan and indicators to be prepared at the beginning of the project period. A review using independent experts will be carried out mid-way through the project, and a final evaluation conducted at its conclusion.

Annex III. Project workplan and milestones

Workplan

	2007				2008				2009				Changes compared to workplan in original project proposal
	1	2	3	4	5	6	7	8	9	10	11	12	
1.1.1 Assessment of ecological, socio-economic and institutional status, vulnerability, threats and needs	■	■	■	■									Extended by 2Q
1.1.2 Production of land use-zone based GIS maps and other decision-support tools summarising assessment findings		■	■	■									Extended by Q
1.2.1 Facilitation of pilot site selection through multi-stakeholder dialogue and negotiation		■	■	■									Extended by Q
1.2.2 Technical, economic and institutional appraisal of rehabilitation investment options		■	■	■									Extended by 2Q
1.2.3 Approval of investment plans for ecosystem rehabilitation			■	■	■								Extended by 2Q
2.1.1 Develop site ecosystem rehabilitation and conservation plans as part of integrated land use planning			■	■	■	■							Extended by 2Q
2.2.1 Stakeholder and institutional mapping of implementation mechanisms and arrangements		■	■	■									No change
2.2.2 Establish contracts to undertake rehabilitation and conservation activities				■	■	■							Extended by 2Q
2.3.1 Implement ecosystem rehabilitation and conservation plans				■	■	■	■	■	■	■	■	■	No change
3.1.1 Assess needs and opportunities for local benefit-sharing and sustainable financing				■	■								No change
4.1.1 Establish and maintain project management and technical support unit	■	■	■	■	■	■	■	■	■	■	■	■	No change
4.1.2 Project workplanning, reporting and monitoring	■	■	■	■	■	■	■	■	■	■	■	■	No change

Milestones

	2007				2008				2009				Comments on achievement as of end Q4
	1	2	3	4	5	6	7	8	9	10	11	12	
Inception report produced	→												Achieved as planned
Project management and technical support unit in place	→												Achieved as planned
Status, vulnerability and threats assessment report produced*			→										Achieved as planned
Field staff recruited		→											Achieved
Monitoring framework designed and in place		→											Achieved
Land use-zone based GIS maps produced*			→										Achieved and being updated
Investment appraisals completed*					→	→							Extended by 2Q in parallel with development of conservation management plans
Site selection made and investment plans approved*				→	→								Site selection & investment plans under development
Site rehabilitation and conservation plans produced*						→							N/A this quarter
Implementation contracts signed*						→							N/A this quarter
Rehabilitation and conservation measures underway				→									N/A this quarter
Benefit-sharing and finance assessment report produced						→							N/A this quarter
Mid-term review							→						N/A this quarter
Quarterly progress and financial reports	→	→	→	→	→	→	→	→	→	→	→	→	Achieved as planned
Annual progress and financial reports					→				→				N/A this quarter
Terminal report												→	N/A this quarter
End of project evaluation												→	N/A this quarter

* Timing of milestone modified, based on revised workplan

Cover picture:
Tsunami-affected coastline, Sri Lanka
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