



SPC/BSRP II/PSG2/Agenda Item 2

Date: 20 March 2024

2nd Project Steering Group Meeting for the Building Safety and Resilience in the Pacific Project – Phase II

Nadi, Fiji, Tuesday 09th April 2024

2024 WORKPLAN & BUDGET

Purpose and Recommendations

Purpose

This paper presents the project Workplan and Budget for 2024 for members review and endorsement.

It also describes an issue relating to budget allocations for SPC technical positions and SPC travel and proposes possible solutions for members to consider.

Summary

- The proposed Workplan and Budget are annexed.
- The BSRP II project design and budget is outputs-based, with several technical positions funded under respective outputs, rather than under the PMU as was the case in BSRP I.
- Similarly, the PMU does not have a budget for SPC travel. Rather sub-budgets for SPC travel are included under each of the four outputs.
- The way the budget is structured means that funding for SPC technical positions to support implementation, as well as SPC travel, need to be 'recovered' or 'paid for' from regional and national activity allocations.
- Regional activity allocations are not sufficient to carry this burden alone, meaning that countries need to contribute from their national allocations.
- With the current portfolio of output-based technical positions, the amounts that need to be 'recovered' from national allocations is fairly high sitting at 9% across the board. However, this is an average and, as the amount to be recovered is based on several factors (e.g. share of output budget in relation to number of activities that technical positions will provide support to), the required contribution from some countries may be higher; e.g. Fiji and PNG would end up contributing 14% and 12% respectively, and others lower, e.g. Cook Islands (0.5%) and Solomon Islands (1.6%).

- The paper includes a proposal to rationalise the number of technical positions to reduce the burden of payment on countries.
- It also includes two alternative options for members to consider regarding how national allocation contributions towards SPC travel costs are calculated, again with a view to reducing their burden of payment.

Recommendations

The Project Steering Group members are invited to:

- i. **Note** The challenges that the PMU is facing regarding budget allocations for SPC output-based technical positions and SPC travel.
- ii. **Consider and endorse** the proposal to rationalize SPC technical positions which would reduce the amount to be set aside from national budget allocations from 9% to 5% on average. The amount to be set aside from regional activities will remain at 31%.
- iii. **Consider** the current and proposed alternative options for calculating national budget allocation contributions to SPC travel.
- iv. **Decide** on the best option.

INTRODUCTION

This session will present the BSRP II 2024 workplan and budget for consideration and endorsement by members. Copies of the 2024 Workplan and Budget are annexed to this paper.

The session will also be used to discuss the budgetary issues related to SPC Travel and Technical Positions funded under regional and national allocations. The remainder of this paper describes these issues in more detail with the aim of generating a shared understanding amongst PSG members and presenting possible options for moving forward.

TECHNICAL POSITIONS FUNDED UNDER REGIONAL AND NATIONAL ALLOCATIONS

BACKGROUND

Given its wide geographical scope and multiple activities at both regional and national levels, the Building Safety and Resilience in the Pacific (BSRP) is a challenging project to manage and implement. It follows that the project requires adequate resourcing in terms of project implementation and support staff so ensure that countries receive effective support in carrying out project activities. To illustrate this point, BSRP Phase I included 355 activities implemented regionally and in each of the 15 participating Pacific Island Countries. To effectively deliver on this ambitious portfolio of activities, the Project Management Unit was resourced with a core team of six implementation staff.¹

While BSRP Phase II is equally ambitious (the project currently has 160 activities on its books), the project design includes a change in approach to project staffing. This change involved a reduction in the PMU core staff number from six to three, and the establishment of technically specialised positions aligned to specific project outputs. This model was adopted to ensure that the project could provide more technically focused support to countries in carrying out specific activities, as opposed to the more generalised support offered by the Implementation Officers. As a result there are ten specialist positions that are funded under budgets allocated to the four project outputs. While this number may sound high, it should be noted that only four are fully funded fulltime positions. The remainder are funded on a percentage fulltime equivalent basis ranging from 5 – 75%. These technical positions are budgeted for under project outputs and are funded from national and regional allocations linked to these outputs. A related issue is that the PMU budget does not include a budget for SPC travel; rather the project budget

¹ Project Manager, a Deputy Project Manager and three Implementation Officers at the 'Adviser' level, one of whom was based in the SPC Micronesia Sub-Regional Office, and a dedicated Media and Communications Officer.

contains budget lines for SPC staff travel under each of the four project outputs, which implies that the cost of SPC staff travel is also included in the allocations for regional and national activities. This is illustrated below.

	EUR	%
Allocation for Regional Activities	3,486,838	25%
Allocation for National Activities	7,898,000	56%
Programme Management Unit	1,749,274	12%
SUBTOTAL	13,134,112	93%
Project Management Fee	919,388	7%
TOTAL	14,000,000	100%

Inclusive of non PMU technical staff and SPC travel

The below table illustrates the costs associated with SPC technical staff and SPC travel in relation to regional and national allocations. As can be noted, 32% of the allocation for regional activities goes towards meeting the cost of SPC technical staff, whereas 9% of the allocation for national activities is used to co-fund these positions. The respective contributions towards the costs of SPC travel are more evenly spread at 5% and 4% respectively.

In the interests of transparency, BSRP II PMU has comprehensively mapped out the amount of each country's' respective activity budgets that they will need to contribute to technical staff and SPC travel costs and have included this breakdown in the country budgets contained in the Country Implementation Plans.

	EUR	%
Allocation for Regional Activities	3,486,838	
- SPC technical staff	1,116,115	32%
- SPC travel	189,278	5%
Allocation for National Activities	7,898,000	
- SPC technical staff	690,425	9%
- SPC travel	285,642	4%
Programme Management Unit	1,749,274	
SUBTOTAL	15,415,573	
Project Management Fee	919,388	
TOTAL	14,000,000	

THE ISSUE

While the new output-based staffing structure was discussed at the 1st Project Steering Group meeting, it was not clearly communicated to members that a portion of the costs associated with these positions would need to come from national allocations. It was also not clear at the time that a portion of SPC travel costs would need to be funded from national allocations. Subsequent iterations of the Country Implementation Plans include a breakdown of the costs associated with technical positions and SPC travel under each KRA. Upon seeing these more detailed breakdowns, some countries are naturally questioning the need for these positions and seeking clarity on the benefits that they will derive in return.

SPC RESPONSE

While SPC understands the concerns raised by some countries about having to contribute to some of the technical positions and SPC staff travel from national allocations, the following reasoning also needs to be considered:

- A key objective of the 11th EDF EU ACP Natural Disaster Risk Reduction (NDDR) Programme is to strengthen of the capacity of regional organisations to effectively deliver DRM and CC support to countries. The technical positions supported under BSRP II allow SPC to broaden its human resource and associated skills base to provide more focused and specialised technical support to countries in the region. The field of DRM and CC is becoming more diverse and challenging requiring more specialised skills in areas such as disaster risk financing, loss and damage, risk assessment and modelling, etc. For example, SPC, through BSRP, has identified the need for an in-house 'procurement engineer' to support infrastructure investments and more specialised 'capability development' personnel to support the increased focus on developing accredited CCDRM courses to strengthen the qualifications and skills of the CCDRM workforce in the region.
- Part-funding of existing SPC positions on a cost-recovery basis feeds in to SPC's staff sustainability plan by allowing the organisation to retain project-based staff, rather than have skilled and experienced staff leave once projects end.
- The project design, with its associated staffing structure and output-based funding modality, was approved by the EU and SPC is contractually bound to it. It is unrealistic to make substantial changes at this point in the project life-cycle and such changes would require an 'addendum' to the Contribution Agreement, which is a time-consuming exercise that would set the project back in terms of delivery.
- The idea that countries do not derive benefit from work that SPC supports at the regional level is not entirely accurate. Countries make up the region and all work done at the regional level is designed to further the interests of the region and the countries that constitute it.
- Countries with national activities under the respective KRAs that the technical SPC staff are appointed to support, will receive direct technical support in implementing their activities; i.e. benefit. This is particularly the case for smaller countries that have limited human resources and skills base in-country.
- Countries consistently call for greater levels of engagement with SPC technical staff through country missions. Countries need to accept that this comes with a cost and be prepared to contribute to these costs from national allocations, where dedicated SPC travel budgets do not exist.

TECHNICAL STAFF POSITIONS

This section provides more detail on the technical staff positions including which countries will be contributing to and benefitting from these positions.

It has been mentioned earlier that of the ten technical staff positions, four are fulltime positions.

The four fulltime positions are:

- CCDRM Senior Technical Officer (Outputs 1.1 & 2.2)
- Knowledge and Capacity Development Officer (Output 2.1)
- Procurement Engineer (Output 2.1)
- Communications Officer (Output 2.2)

Of these, the Knowledge and Capacity Development Officer and the Procurement Engineer are 100% funded from regional budget lines. The CCDRM Senior Technical Officer is largely funded by drawing on national activity budget lines as the budgets for regional activities under Outputs 1.1 and 2.2 are extremely limited. The cost of the Communication Officer is funded from both national and regional budget lines in a 60:40 ratio.

The total cost of the ten technical positions amounts to EUR1,750,253 with 60% of the funding drawn from regional budget allocations and 40% from national allocations.

As can be observed from the tables below, it is the technical staff positions under Outputs 1.1 and Output 2.2 that draw significantly on national funding allocations.

Output 1.1 - Increased availability of reliable disaster and climate risk data, information and knowledge					
<i>POSITION</i>	<i>FTE</i>	<i>BUDGET</i>	<i>FUNDING SOURCE</i>	<i>CONTRIBUTING</i>	<i>COUNTRIES BENEFITTING</i>
Senior Technical Officer DRM & CC	50%	130,808	National: 98% Regional: 2%	FJ, KB, NR, PW, PG, MH, TL, TO, TV, VU, REG	FJ, KB, NR, PW, PG, MH, TL, TO, TV, VU
Systems Engineer	25%	85,364	National: 98% Regional 2%	FJ, KB, NR, PW, PG, MH, TL, TO, TV, VU, REG	FJ, KB, NR, PW, PG, MH, TL, TO, TV, VU
GIS Officer	25%	48,945	National: 98% Regional 2%	FJ, KB, NR, PW, PG, MH, TL, TO, TV, VU, REG	FJ, KB, NR, PW, PG, MH, TL, TO, TV, VU
Information Management and Governance Specialist	25%	54,701	National: 98% Regional 2%	FJ, KB, NR, PW, PG, MH, TL, TO, TV, VU, REG	FJ, KB, NR, PW, PG, MH, TL, TO, TV, VU
TOTAL COST		319,818			
Funded from national activities		313,421	98%		
Funded from regional activities		62,684	2%		

Output 1.2 - Supported increase of integrated and risk-informed regulations, planning, and financing					
<i>POSITION</i>	<i>FTE</i>	<i>BUDGET</i>	<i>FUNDING SOURCE</i>	<i>CONTRIBUTING</i>	<i>COUNTRIES BENEFITTING</i>
DRM/CC Adviser	75%	307,942	Regional: 100%	REG	ALL (Indirectly)
DRM/CC Analyst	50%	143,594	National: 56% Regional: 44%	FJ, FM, NU, MH, WS, SB, TL, TO, TV, REG	FJ, FM, NU, MH, WS, SB, TL, TO, TV
Risk Financing Specialist	50%	103,157	Regional: 100%	REG	3 – 5 tbc
Gender Equality and Social Inclusion (GESI) Officer	5%	15,173	Regional: 55% National: 45%	FJ, FM, NU, MH, WS, SB, TL, TO, TV, REG	FJ, FM, NU, MH, WS, SB, TL, TO, TV
Data and Records Assistant	50%	47,758	Regional: 55% National: 45%	FJ, FM, NU, MH, WS, SB, TL, TO, TV, REG	FJ, FM, NU, MH, WS, SB, TL, TO, TV
Total Cost		617,624			
Funded from national activities		108,732	18%		
Funded from regional activities		508,892	82%		

Output 2.1 - Strengthened capabilities, collaboration and coordination for risk reduction, response and recovery					
<i>POSITION</i>	<i>FTE</i>	<i>BUDGET (EUR)</i>	<i>FUNDING SOURCE</i>	<i>CONTRIBUTING</i>	<i>COUNTRIES BENEFITTING</i>
Knowledge and Capacity Development Officer	100%	250,627	Regional: 100%	REG	ALL (Directly)
Procurement engineer	100%	202,269	Regional: 100%	REG	CK, FJ, FM, KB, WS, SB, TL, TV
Total Cost		452,896			
Funded from national activities		-	0%		
Funded from regional activities		452,896	100%		

Output 2.2: Increased risk awareness and reduction actions with sub-national, community and local stakeholders					
<i>POSITION</i>	<i>FTE</i>	<i>BUDGET</i>	<i>FUNDING SOURCE</i>	<i>CONTRIBUTING</i>	<i>COUNTRIES BENEFITTING</i>
Communications and Stakeholder Engagement Adviser	100%	229,107	Regional 40% National 60%	All countries	ALL
Senior Technical Officer DRM & CC	100%	130,808	National: 100%	KB, NR, NU, PW, PG, MH, WS, SB, TL, TO, TV, VU	KB, NR, NU, PW, PG, MH, WS, SB, TL, TO, TV, VU
Total Cost		359,915			
Funded from national activities		269,279	75%		
Funded from regional activities		90,636	25%		

PROPOSED WAY FORWARD

To reduce the burden on national allocations associated with Output 1.1, it is proposed that the positions of ‘System Engineer’, ‘GIS Officer’, and ‘Information Management and Governance Specialist’ be dropped. The roles played by these positions can equally effectively be delivered by TA consultants funded under activity budgets. It is proposed however that the post of ‘Senior Technical Officer DRM & CC’ be retained to complement the current limited staffing of the PMU, regarding implementation support. The cost to countries would amount to EUR128,192, down from EUR313,421 (a saving of 60%).

For Output 2.2 it is proposed that the Band 8 (international) position of Communications and Stakeholder Engagement Adviser be replaced by two Band 7 (national) officer positions to be fully funded from the regional activity allocation, removing the burden of cost to countries. One of these positions would be a Communications Officer to assist the PMU and countries with product development and branding, desktop publishing, social media, etc. The other would be a MERL Officer position required to provide in-country support for monitoring and evaluation including the establishment of indicator baselines and to record impact stories, etc. It is estimated that two Band 7 positions over the remainder of the project will cost in the range of EUR100,000. This is significantly less than the EUR229,107 currently budgeted and represents a saving of 56%. This would also mean that countries retain the full amount of their allocations for Communications activities, addressing their concern regarding insufficient budget for Communications.

With these changes, the total cost of the technical positions drops from EUR1,750,253 to EUR1,432,136 with the amount drawn against national allocations dropping from 40% to 25% and the amount drawn against regional budget allocations increasing from 60% to 75%.

The share of the **national** budget allocations going towards supporting the technical staff positions similarly decreases from 9% to 5%.

CURRENT SITUATION			WITH PROPOSED CHANGES		
	EUR	%		EUR	%
Allocation for Regional Activities	3,486,838		Allocation for Regional Activities	3,486,838	
- SPC technical staff	1,116,115	32%	- SPC technical staff	1,064,244	31%
- SPC travel	189,278	5%	- SPC travel	189,278	5%
Allocation for National Activities	7,898,000		Allocation for National Activities	7,898,000	
- SPC technical staff	690,425	9%	- SPC technical staff	367,732	5%
- SPC travel	285,642	4%	- SPC travel	285,642	4%
Programme Management Unit	1,749,274		Programme Management Unit	1,749,274	
SUBTOTAL	15,415,573		SUBTOTAL	15,041,009	
Project Management Fee	919,388		Project Management Fee	919,388	
TOTAL	14,000,000		TOTAL	14,000,000	

	Country Allocation	SPC Technical Staff		%	
		Current	Adjusted	Current	Adjusted
Cook Islands	540,000	2,518	-	0.5	-
Fiji	740,000	104,887	37,046	14.2	5.0
FSM	505,000	19,684	12,131	3.9	2.4
Kiribati	635,000	42,808	13,390	6.7	2.1
Nauru	385,000	27,700	10,300	7.2	2.7
Niue	210,000	12,626	7,591	6.0	3.6
Palau	585,000	24,341	5,837	4.2	1.0
PNG	770,000	95,692	37,079	12.4	4.8
RMI	550,000	17,295	7,758	3.1	1.4
Samoa	525,000	17,362	14,845	3.3	2.8
Solomon Islands	490,000	7,625	5,108	1.6	1.0
T-L	550,000	56,816	21,792	10.3	4.0
Tonga	435,000	49,779	19,642	11.4	4.5
Tuvalu	405,000	23,380	15,901	5.8	3.9
Vanuatu	523,000	54,501	24,587	10.4	4.7
Regional	3,486,838	1,061,523	1,068,051	30.4	30.6

SPC TRAVEL

With regard to funding the SPC Staff Travel budget, three options are presented below:

- i) Remains as it is currently calculated with both regional and national allocations contributing proportionately based on their **share** of the total budget under the respective project outputs. Countries with a larger share of the budget will contribute more to SPC travel in dollar terms than countries with a smaller share. Column 'CURRENT' in the table below.
- ii) Adjusted to reflect actual average costs of travel to different countries in the region and based on number of countries with activities under the respective project outputs. This approach takes into consideration the differences in travel costs from Fiji to countries in the region (with

countries in the North Pacific and Timor-Leste being significantly more expensive to travel to). However, countries with more activities in Outputs 1.1 and 2.2 end up carrying the burden of cost. This is because there is sufficient budgets for regional activities in Outputs 1.2 and 2.1 to carry most of the SPC travel cost. The contribution from regional activities remains based on share of the total budget; i.e. 5.4%. Column 'ADJUSTED 1' in the table below.

iii) All countries contribute an equal share of their national allocation towards making up the SPC travel deficit; i.e. 3.6%. The contribution from regional activities remains based on share of the total budget; i.e. 5.4%. This is the most equitable approach, although some countries end up contributing more than their fair share. Column 'ADJUSTED 2' in the table below.

	Country Allocation	SPC Travel			%		
		Current	Adjusted 1	Adjusted 2	Current	Adjusted 1	Adjusted 2
Cook Islands	540,000	11,067	9,298	19,656	2.0	1.7	3.6
Fiji	740,000	41,895	7,576	18,382	5.7	1.0	3.6
FSM	505,000	11,584	27,948	26,936	2.3	5.5	3.6
Kiribati	635,000	23,939	21,116	23,114	3.8	3.3	3.6
Nauru	385,000	15,818	18,088	14,014	4.1	4.7	3.6
Niue	210,000	5,680	24,618	7,644	2.7	11.7	3.6
Palau	585,000	19,210	61,013	21,294	3.3	10.4	3.6
PNG	770,000	45,723	4,051	28,028	5.9	0.5	3.6
RMI	550,000	13,839	22,872	20,020	2.5	4.1	3.6
Samoa	525,000	12,855	4,831	19,110	2.4	0.9	3.6
Solomon Islands	490,000	9,457	4,831	17,836	1.9	1.0	3.6
T-L	550,000	22,948	47,379	20,020	4.2	8.6	3.6
Tonga	435,000	16,677	8,041	15,834	3.8	1.8	3.6
Tuvalu	405,000	11,652	12,970	14,777	2.9	3.2	3.6
Vanuatu	523,000	23,325	8,847	19,057	4.5	1.7	3.6
Regional	3,486,838	189,278	189,278	189,278	5.4	5.4	5.4

ANNEX 1 – BSRP II 2024 Workplan

Indicative Annual Workplan 2024				
Activity	Timeframe			
	Q1	Q2	Q3	Q4
Project Management				
Regional Steering Group Meeting				
Regional Programme Steering Committee - PACIFIC				
NDRR Programme Steering Committee Meeting				
Country MoUs				
Grant Agreements				
Procurements				
Country Missions				
Output 1.1 - Increased availability of reliable disaster and climate risk data, information and knowledge				
Recruitment: CCDRM Senior Technical Officer				
KRA 1: DRM/CC Information Management Governance				
Kiribati - Centralised Risk Data System				
Tuvalu - Centralised Risk Data System				
Palau - PALARIS				
Fiji - Centralised Risk Data System				
Papua New Guinea - Multihazard EW Centre				
KRA 2 Upgrade ORSNET Capacity				
Fiji - Equipment & Capacity Building				
Papua New Guinea - Upgrade of Infrastructure				
KRA 3 Disability Data Collection, Storage and Analysis for Decision-Making				
Papua New Guinea - Standardise data sets				
KRA 4 Sub-National Risk Assessments, Risk Profiles and Tools				
Fiji - Intergated Vulnerability Assessment				
Timor-Leste - Local-level Risk Profiles				
Output 1.2 - Supported increase of integrated and risk-informed regulations, planning, and financing				
Recruitment: DRM/CC Analyst				

Indicative Annual Workplan 2024				
Activity	Timeframe			
	Q1	Q2	Q3	Q4
KRA 5 Legislative, Policy, and Institutional Arrangements				
Samoa - Disaster and Emergency Management bill/regulations				
Tuvalu - National Disaster Management Plan				
Fiji - Online tracking system for NDRRP				
Niue - National Disaster Legislation				
REG: Regionalisation of Disability Inclusive DRM				
KRA 6 Risk-Informed Planning and Budgeting				
FSM - Joint State Action Plans				
Niue - NDC Meetings				
Solomon Islands - National Health Emergency Plan				
KRA 7 Risk Financing and Insurance Strategy and Solutions				
REG - Financing instruments for 3-5 countries				
Output 2.1 - Strengthened capabilities, collaboration and coordination for risk reduction, response and recovery				
Recruitment: Knowledge and Capacity Development Officer				
Recruitment: Procurement Engineer				
Appointment of In-country Coordinators				
KRA 8 Professional Capability Building and Exchange				
Professional capability building and exchange				
KRA 9 In-Country Coordinators				
Cook Islands				
Fiji				
FSM				
Kiribati				
Nauru				
Niue				
RMI				
Solomon Islands				
Timor-Leste				
Tonga				
Tuvalu				
Vanuatu				

Indicative Annual Workplan 2024				
Activity	Timeframe			
	Q1	Q2	Q3	Q4
KRA 10 EOCs, Evacuation Centres and/or Pre-Positioned Supply Facilities				
Cook Islands - NEOC				
Kiribati - Arorae Multipurpose Evacuation Centre				
Samoa - Savai'I EOC				
Solomon Islands - Central Province EOC				
Timor-Leste - EEC SOPs				
Fiji - Renovation of EOCs				
FSM - Furnishing of Chuuk EOC; Power supplies				
Output 2.2 - Increased risk awareness and reduction actions with sub-national, community and local stakeholders				
Recruitment: CCDRM Senior Technical Officer				
Recruitment: Communications Officer				
KRA 11 Urban Resilience				
Palau - Fire hydrants				
Vanuatu - Municipal Disaster Committees				
KRA 12 Targeted Community-Based Resilience and Risk Reduction Initiatives				
Kiribati - Island Community Resilience Workers				
Nauru - Training and Simulation Exercise; Vehicle				
Niue - Relocation technical studies				
Palau - CBDRR trainings				
Samoa - CDCRM Program roll-out				
Solomon Islands - Savo Emergency Evacuation Plan				
Timor-Leste - CBDRR activities				
Tuvalu - Refresher trainings				
KRA 13 Safer Schools				
Kiribati - National Infrastructure Standard				
Nauru - Evacuation Route Clearance				
Papua New Guinea - School Building Infrastructure Policy				
Solomon Islands - Education Setor DRM Plans				
Tuvalu - Fire drills				
KRA 14 Communications				
Communications, engagement, awareness and visibility				

Annex 2 – BSRP II 2024 Budget Forecast

Building Safety and Resilience in the Pacific II Budget Forecast 2024			
Output	Budget Allocation EUR	Budget Remaining EUR	2024 Budget Forecast EUR
Project Management Unit	1,749,274	1,476,668	274,615
Output 1.1 - Increased availability of reliable disaster and climate risk data, information and knowledge	1,905,000	1,905,000	568,509
Output 1.2 - Supported increase of integrated and risk -informed regulations, planning, and financing	1,946,204	1,793,755	484,126
Output 2.1 - Strengthened capabilities, collaboration and coordination for risk reduction, response and recovery	4,663,635	4,459,515	1,592,628
Output 2.2 - Increased risk awareness and reduction actions with sub-national , community and local stakeholders	2,820,000	2,811,278	954,067
Total direct costs	13,084,112	12,446,217	3,873,945
Total administrative cost (7% of Direct Cost)	915,888	871,235	271,176
Total Balance	14,000,000	13,317,452	4,145,122

