

A REVIEW OF THE OVERSEAS TERRITORIES ENVIRONMENT PROGRAMME (OTEP)

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SUMMARY

OTEP is a joint programme of the Department for International Development and the Foreign and Commonwealth Office. It supports the implementation of the Environment Charters and environment management more generally in the UK Overseas Territories (OTs). Since its inception two years ago, OTEP has established itself as a highly valued leader in supporting sustainable development in the OTs, particularly in conserving the OTs' rich biodiversity. It has been well run, is well received by both UK and OT stakeholders, and is committed to continuous improvement. There is considerable demand in the OTs for OTEP to continue.

OTEP projects have focussed on biodiversity conservation. This is appropriate given the OTs' global significance for biodiversity. However, a *clear biodiversity strategy* is needed to prioritise biodiversity conservation, to address the sustainable use of biodiversity, and to maximise the global contribution of many separate OTEP biodiversity projects. There is also much potential, and considerable demand, for OTEP to increase its attention to other environmental priorities – particularly local *pollution and waste issues, and the integration of environment into development planning*. Such issues are under-addressed by OTEP yet are critical to the OTs' future. Again, a clear strategy is required that assures a more integrated approach to sustainable development.

Two major challenges constrain the effectiveness of OTEP in most OTs. Firstly, OTs' capacity for environmental planning and management is often inadequate and/or under considerable pressure. Secondly, the political profile of environmental issues often remains low. A more overt focus by OTEP on *improving capacity and political awareness* would also help to identify and confirm priority environment themes in a given OT. OTEP may therefore wish to consider new, centralised schemes, notably for capacity building and supporting multi-stakeholder environment fora in each OT.

OTEP's administration has been very effective, but two changes would enable improved services. Firstly, the large number of projects now warrants a *strategic overview maintained at programme level*, covering the themes, activities, progress, and lessons arising. Secondly, the high demand for the excellent technical support offered by the UK secretariat warrants increased staffing levels.

With such improvements, a continued OTEP is likely to fulfil its potential to be *the most significant, catalytic programme for sustainable development* in the Overseas Territories.

1. Background to the OTEP Review

1.1 Need for a programme-level review of OTEP

OTEP is a joint programme of the Department for International Development (DFID) and the Foreign and Commonwealth Office (FCO). It offers advice, support and small grant funding to enable implementation in the Overseas Territories of their Environment Charters and environment management more generally. OTEP builds on FCO's previous Environment Fund for the Overseas Territories (EFOT) and is an active DFID response to the commitment in the 1999 White Paper, *Partnerships for Progress and Prosperity: Britain and the Overseas Territories*, to 'provide additional assistance to the poorer territories in addressing global environmental concerns'. FCO and DFID have each committed £1,500,000 to the fund, spread over a three-year period FY2004/05-FY2006-07. Bids are accepted from OT governments, NGOs, community-based organisations, individuals, educational institutions and the private sector, and are assessed on a competitive basis. After two years of operation, the London-based OTEP secretariat judged it timely to appoint an independent team to conduct a forward-looking review, with a view to OTEP's continued strategic development. The review focused on the programme's purpose, scope, approach and evolution – rather than at the level of the multiple individual projects. The review's objectives are at Annex 1.

1.2 Activities of the Review Team

The team began by analysing all OTEP applications, generating a programmatic picture of the 48 approved projects¹ as well as rejected applications. This took the form of a working matrix of projects against key criteria, which revealed thematic, input and outcome trends.² The team analysed programme documentation, including minutes of OTEP's Assessment Panel and management records, to assess how programmatic and administrative decisions were made. Very few project outputs were as yet available for review.

The lead reviewer, Stephen Bass undertook a five-day field trip to Anguilla, the British Virgin Islands and Montserrat to interview key informants from government departments, Governor's Offices, and NGOs. These discussions addressed project-level issues as well as the Programme as a whole, in order to gain in-depth insight into how OTEP projects were addressing local needs, as well as the effectiveness of OTEP management and administration. The review team conducted similar consultations through phone interviews and

¹ OTEP's 48 approved projects to date include 44 projects awarded on a competitive basis and four capacity supporting activities awarded on a non-competitive basis.

² The matrix included: project title; key environmental theme addressed; key activities proposed; project applicant plus type (government/NGO/etc); main project partners; types of expertise (UK and OT); total cost; OTEP funding level; duration; and DFID or FCO lead. It covered both selected and unsuccessful applications. The matrix was created purely to gain a programmatic overview, rather than to act as a full project baseline. For this reason, and because it is too large once printed, it does not appear in this report.

email correspondence with stakeholders from all OTs. Personnel were targeted from Governors' Offices, environment ministries, National Trusts, local NGOs and UK project partners. Discussions were held in London with representatives from DEFRA (Darwin Initiative), members of the UK Overseas Territories Conservation Forum (UKOTCF), and OTEP's Assessment Panel. Throughout the review, discussions continued with previous and existing members of the DFID and FCO secretariat. Annex 2 lists the people consulted.

The Review Team is grateful for the many rich insights received, and was impressed by the evident enthusiasm with which OTEP is greeted.

2. Analysis

2.1 'Mapping' all the OTEP projects – revealing programmatic trends

Biodiversity conservation is the major theme. Conservation of key species and/or habitats is the most prominent theme in 75% of approved projects. The remainder mainly tackle environmental issues generally. Relatively few projects address air, water, solid waste, soils or other specific environmental issues.

Approved projects focus on 'soft' activities including capacity development, awareness, and planning. Less emphasis is given to 'hard' activities such as policy development, environmental impact assessment (EIA) and legislation.

The project approval rate is high at 68% (48 projects). However, there seems to be no single 'key' that correlates with approval. Most of the approved applications to date have been submitted by OT stakeholders (31), a further 16 being led by UK-based applicants and 1 from Ireland.³

2.2 Summary of interviewee responses – a strong appreciation for OTEP

The majority of interviewees from all backgrounds were keen to demonstrate support for OTEP. They believe its most significant role is as a *small grants* source, referring to OTEP variously as:

- 'Our major funding source for biodiversity'
- 'A lever for obtaining further government, private, corporate funding'
- 'The best organised external support for environment'.

Interviewees appreciate OTEP's capacity to *empower local practitioners*,

³ There is a good spread of project applicants and collaborators. Approximately half of the approved OT applications have come from government departments, the remainder mainly from National Trusts and NGOs. Of the approved applications from UK-based entities, the vast majority have come from NGOs (RSPB and UKOTCF stand out as major recipients) and others mainly from academia. 67% of all approved applications are from UKOTCF members – but 78% of non-approved projects are from non-members.

whilst at the same time facilitating the introduction of *appropriate UK expertise* to the OTs:

- ‘OTEP enables national trusts to work alongside government’
- ‘OTEP enables NGOs to have some independence from government’
- ‘Our home-grown projects become internationally recognised through OTEP support’
- ‘OTEP improves OT environment expertise, ideas, and credibility’
- ‘OTEP brings in good UK expertise to do key environment work for us, where our own staff are in very short supply’ (this from the smallest OTs)’

Not one interviewee called for radically alternative uses of OTEP funds (i.e. towards non-environmental purposes) but many had thoughtful ideas on further improvement that are reflected in our recommendations.

2.3 Coverage of environmental themes – a major focus on biodiversity

OTEP’s mandate is to facilitate the implementation of the Environment Charters, ensuring that relevant local and global environmental issues are integrated into national development strategies and approaches. This is not a simple task. There are many environmental issues and associated institutional challenges, as reflected in the breadth of the OT Environment Charters and the various multilateral environmental agreements (MEAs) that have been – or are likely to be – extended to the OTs.

However, biodiversity – and specifically the conservation of key species and habitats – is the dominant theme across OTEP. Indeed many interviewees did not know that OTEP was open to further issues. Several believe that a biodiversity focus is justified by the OTs being home to endemic species and habitats of worldwide significance, and by the threats posed to these assets by invasive species and development pressures. Most environmental NGOs in the OTs have been established primarily for biodiversity conservation and OTEP was appreciated for supporting this – one interviewee described it as *‘the biodiversity lifeline for the OTs’*.

However, there are two problems with such a biodiversity focus. Firstly, *OTEP lacks a clear strategy for its biodiversity interventions*: there is no definitive overview of biodiversity priorities within the OTs to which OTEP can target its resources. Thus its interventions – given the current small grants process – are in danger of being somewhat *ad hoc* and piecemeal. If biodiversity is to continue as a core focus for OTEP, then interventions should be guided by some kind of strategic framework. .

Secondly, an *inadvertent biodiversity bias* may have been built into OTEP through the interaction of several factors:

- The predecessor programme, EFOT, was overtly focused on biodiversity
- A majority of the Assessment Panel have biodiversity backgrounds
- The biodiversity community is better organised at the international level

- than are other environmental communities
- The UK Overseas Territories Conservation Forum (UKOTCF), which focuses on biodiversity, has a contract to publicise OTEP – and it reaches the biodiversity community very effectively

There is a need to ensure that this apparent biodiversity ‘bias’ operates as a biodiversity ‘strength’ and does not preclude wider environmental roles.

2.4 Other environment and development issues – many needs to be met

Interviewees frequently cited *waste management, sanitation and pollution control* as pressing local environmental needs (addressing both existing legacies of degraded land and polluted water, and the risks posed by continued development patterns). They noted *climate change* as a major global threat that OTs are currently unable to address (mainly through adaptation, but also through sustainable energy sources). *Sustainable use of biodiversity* (as opposed to conservation) was cited as a major potential in the OTs, with significant livelihood benefits. Some felt that OTEP might wish to be open to the *conservation of built heritage*, which in some OTs is considered to be as significant an environmental asset as biodiversity, and which preoccupies many National Trusts. Finally, many informants pointed to the need to bridge the gap between the biodiversity community (supported by OTEP almost to the point of saturation in some OTs) and larger numbers of people engaged in development more generally, who should be integrating environmental issues into their work.

However, apart from climate change (one project) and broad environment management plans (three projects) few approved OTEP projects have addressed issues beyond biodiversity conservation. The OTEP secretariat is aware of this imbalance. It is currently putting in place means to support other environmental priorities and a more integrated approach to sustainable development, including new Assessment Panel members with broader sustainable development backgrounds. A further need will be a more active strategy to address local environmental issues and the integration of all environmental issues with development. We address this at 3.1.

2.5 Challenges to OTEP’s effectiveness – limited environment capacity and low political profile in the OTs

Two major challenges constrain the effectiveness of OTEP, and are common to most OTs. Firstly, the *capacity for environmental planning and management is low in most OTs* – some interviewees called on OTEP to think about support through staffing models rather than small grants, noting that ‘staff are scarcer than funds’. Environment ministries have an important role in ecologically rich but vulnerable small territories, especially those that are subject to significant pressure from development and/or natural hazards. Yet environment ministries tend to have a low profile, rather complex mandates (including other more ‘pressing’ functions such as fisheries or tourism which tend to take precedence) and few drivers to keep environmental issues on the

agenda. Some OT governments are unable to meet even routine environment needs such as waste management. Single events, e.g. hurricanes, can cut capacity and set back progress many years. There are few OTs where environment stakeholders (including environment authorities) are able to keep up with fast-changing development plans. Apart from the National Trusts, there is rarely more than one environment NGO to champion a range of issues, either as partner to government or as 'watchdog'. Partly as a result, there is little political space and capacity to: assess or challenge development plans; identify their associated environmental threats and opportunities; and develop 'pro-environment' solutions in tourism, infrastructure, agriculture, etc – or to do so in a timely, coherent, economically rational manner.

Furthermore, the *isolation of OTs* – from their neighbours, from the SIDS network, and from global environmental institutions – is by definition difficult for each OT to tackle on its own. There is little regional specialisation or sharing of facilities, and the diseconomies of small scale mean that environmental issues are not prioritised in government budgets.

Such capacity constraints have had implications on OTEP projects. Many have been delayed, and one or two have 'disappeared', albeit temporarily. At the same time, some OTEP projects that are on schedule may be distracting available OT capacity from attending to other priorities.

Secondly, the political profile of environmental issues often remains low. The environment is not always high on the OT public agenda. Given a huge number of other (shorter-term) imperatives, and a lack of awareness of how environmental issues affect both short- and long-term success, it is not surprising that the environment is considered a low priority by many politicians, senior civil servants and private sector individuals. However, there are cases where this has been tackled effectively, including through OTEP activity. Linking environmental costs and benefits to economic development opportunities and risks, and/or demonstrating strong public concern have been key. The Environment Charters potentially provide both inspiration and a high-level policy mandate to do this. Yet awareness and active implementation of Environment Charters varies between OTs: they are almost invisible in some OTs; they serve as a broad guiding framework in others; and in yet others they are highly valued as a tool to hold government accountable. But most Charters are not actively reviewed by Overseas Territories' governments.

It is now clear that OTEP's success in its current form, offering small grants for largely biodiversity projects, will become increasingly limited by these capacity and political constraints. It is now timely to strengthen OTEP's strategy to tackle them. *There is merit in 'elevating' the constraints to the level of objectives* – strengthening OTEP's attention to capacity development and improving political treatment of key environmental issues. One opportunity is emerging in several OTs, where there are plans to strengthen environment authorities and calls for multi-stakeholder engagement with them. Such a *capacity-politics focus* would help to determine which of the 'further' environment themes (2.4) to address in a given OT.

2.6 OTEP's management and administration – an effective system

Since OTEP's inception two years ago, the secretariat has faced various challenges to its staffing levels, including a six-month vacancy prior to the appointment of the current FCO programme manager. At DFID, the programme has not been afforded a full-time position, but is supported by three staff members whose contribution to the programme accounts for a differing proportion (ranging from 5-40%) of their overall workload. OTEP's achievements and options for development should be considered in this light.

a. OTEP's reliance on a competitive approach is accepted by applicants as pragmatic, posing no significant limitations to progress. OTEP works by inviting competition between OTs, and between stakeholders within OTs. This applicant-driven process assures 'ownership' of the proposals, and the stringent application form assures clarity on how OTEP's funds will be spent. However, in practice, there are few competitors within each OT – hence the 68% success rate. Furthermore, DFID/FCO ensure a balance of funding between the OTs – thus every OT is covered to some degree. OT stakeholders appreciate FCO/DFID efforts to be flexible and even-handed, even if the criteria for competing are not always clear to them.

The competitive small-grants approach cannot by itself, however, assure the full implementation of the Environment Charters in each OT. The Programme's logical framework envisaged Charter Action Plans being put in place, followed by a forward programme of activities and the gradual extension of MEAs. Such an approach would be possible through an orderly, centralised process of agreement in each OT – but this is a more 'top-down' strategy than the current applicant-driven process.

b. OTEP's small component of proactive funding has been a good complement to competitive grants. Whilst most of the funding has been allocated to applicants' projects, DFID/FCO have used a small amount to link activities between regions, to improve OT capacities to develop proposals, and to enable inter-OT learning. This is a good complement to a purely competitive approach and begins to address capacity needs.

c. The small grants/short-term project model has been appropriate – at least for a first phase. OTEP was partly modelled on the small grants programme of the Global Environment Facility (GEF). It has supported small projects, small government units, and small NGOs over the short term – all with a view to catalysing bigger change. However, there are limits to how many more 'small' activities can be sustained usefully in each OT without larger-scale work on the critical constraints, or identified environmental priorities, over a rather longer time frame. Funding additional capacity, including staff time, will be key – going beyond the current approach where only consultants on short-term contracts have been supported.

d. OTEP's promotion and uptake has been excellent for biodiversity. As noted at 2.3, this is partly due to OTEP working with the UKOTCF, which has a very

effective network. Promotion and uptake has been less good – but still effective – for wider environmental issues. OTEP has explored eco-tourism as a way to reach one of the many development sectors that faces a wide range of environmental threats and opportunities. Due to staffing constraints the secretariat has been thus far unable to engage with other development sectors that fall into this category.

e. The project proposal form is adequate, but could be streamlined. Some interviewees contrasted the rigour required by the current system with the looseness of the previous EFOT scheme. In general, there is good understanding of the need for rigour and an appreciation that this will improve the long-run competitiveness of OT stakeholders. However, many felt the proposal form too be too long and repetitive, even if it was easier than the more scientifically rigorous Darwin Initiative (DI) form. Some would welcome a two-part process similar to DI; but most would welcome a streamlining of the current form. Annex 3 provides suggestions for improving the current form.

f. OTEP's assessment and screening of proposals is fair, efficient and scientifically sound. The Assessment Panel does a very sound job for biodiversity proposals, although as noted at 2.3 it is not working to a stated set of global biodiversity priorities or criteria. In contrast, the Panel does not always receive adequate advice on the context for the project, notably on how it 'fits' with developmental and institutional trends. Partly this is the fault of the proposal form; and partly the paucity of detail offered by (admittedly pressured) Governors' Offices.⁴

g. The involvement of UK institutions in OTEP activities is helpful, but does not correlate with either 'success' or 'failure'. On the one hand, UK institutions can bring desired expertise and the ability to deliver to demanding objectives and time frames. On the other hand, it is too easy for some regional and OT-wide activities led by UK institutions to lack 'ownership' and commitment within the OTs – stakeholders in the OTs simply sign up to proposals at little real cost. But neither these cons nor the pros are universal: their manifestation is case-specific.

h. The involvement of UKOTCF is an asset to OTEP, but independence needs to be assured. UKOTCF's membership, communication vehicles and Secretariat are key existing resources on which OTEP can build. The UKOTCF Secretariat has been contracted to manage OTEP's communication strategy as well as a major OT-wide conservation conference. OTEP also purchases page space in the newsletter produced by the UKOTCF. There is some overlap apparent between the OTEP and UKOTCF activities, which – in the reviewers' opinion – may compromise the UKOTCF Secretariat's need for independence.

i. Communication between OT project implementers and DFID/FCO project managers is adequate, although somewhat limited by staff availability.

⁴ Whilst form-filling was often cryptic, most Governors and Staff Officers consulted made very relevant contextual observations about OTEP projects – and sometimes offered in-depth environmental knowledge.

Managers of OTEP projects feel that FCO and DFID communications on administrative/ financial issues is excellent (especially the FCO, which indicates the value of the FCO committing greater staff time to the task). In contrast, reporting by project implementers themselves is not always very timely or complete. However, the secretariat seeks to explore and address the reasons for this as quickly as possible. During the application review period, Assessment Panel members occasionally raise the need for further information, clarification or re-working of an application prior to its approval. The secretariat will then raise any such points with the applicant. There is no formal process, however, to keep Panel members informed of application progress or approval. Although this is not strictly necessary, it could provide panel members with a better overall understanding of the programme. Follow-up technical advice from DFID to project implementers is highly valued (especially face-to-face during trips), but is not sufficient to meet demand. Consequently, project implementers can sometimes become stuck on relatively small matters for some time.

j. The obligation on project implementers to report quarterly is acceptable, but there is ambiguity about what other project outputs are required. Quarterly reports are not used fully as a management tool by the OT project partners beyond meeting OTEP requirements to facilitate the release of quarterly funds. The OTEP secretariat is keen to continue developing its own use of quarterly reports as a programme management tool, building on their current use in following up individual projects' slippage in particular. There is however, no clarity on the requirement to submit a full final report or outputs, or to promote any outputs.

k. Links between OTEP and other funding sources are limited and could improve. One or two OTs actively use their OTEP projects as a lever for bigger funding (private foundations or government sources), but most are not yet able to do this and require support. However, whilst the OTEP secretariat maintains good links with the Darwin Initiative (e.g. mutual proposal reviews), there are surprisingly few links with other funds. The OTEP secretariat circulates some information to OTs on other funding sources in the UK, EU and further afield – but more could be done. The secretariat could explore sources such as the UK 2010 Biodiversity Action Fund, the Big Lottery Fund, Conservation International's Critical Ecosystem Partnership Fund, and Flora and Fauna International's Arcadia Fund. They could address some of the policy constraints circumscribing the ineligibility of OTs for certain key funds that are otherwise promising – especially UK/EU funds. Close to home, there is much potential in the current FCO initiative to create a more strategic approach to the range of FCO-OT funds. The OTD Good Government and Economic Diversification funds in particular may help to improve the integration of environmental concerns across OT development support.

l. The absence of any significant HMG (Defra) funds to complement OTEP's small grants is considered a major constraint by the OTs. This is especially the case if one considers the increasingly apparent environmental capacity gaps in the OTs. Defra involvement in the OTs is currently limited to a few Darwin Initiative grants, some support on issues around MEAs, and

occasionally supporting greater access by OTs to EU environment funds. However, further involvement is unlikely in the absence of clear contingent HMG environmental liabilities in OTs (cf. maritime and aviation safety liabilities, which encourage HMG action in the OTs). The issue is primarily a budgetary one: the OTs White Paper conferring no additional resources on Defra to support the OTs.

m. FCO-DFID collaboration has been very effective, and current 'learning' activities could serve to improve it. OTEP set out to bring together the best of what DFID has to offer (notably technical expertise, development understanding, and programme planning and management) with the best of FCO's attributes (notably an acute understanding of local contexts, small grants management, multiple networks, and flexibility). It has succeeded well in this, exhibiting consistency, coherence, and good cooperation between DFID and FCO. Joint working has been excellent from OTEP programme planning, to promotion, to assessment, right up to the selection stage and allocating different projects to either FCO or DFID programmes. It has been largely separate through the stages of contracting and project management, mainly because it is managerially easier to use existing FCO or DFID systems. There appear to be no real advantages, but potentially some drawbacks, in a 'joint fund'.

n. There are pros and cons to the annual OTEP funding round, but its predictability offers valuable benefits. DFID and FCO have noted the 'deluge of work' which faces them with each funding round. However, this does help to improve predictability of which tasks are required when, and helps with planning the promotion and selection tasks in particular. It also offers some certainty as to overall application levels and thus likely funding disbursement.

o. Strategic overview and learning have been limited to date, but the current Review was initiated as a timely baseline. There are gaps in the overview of environmental progress at three levels:

- For OTEP, this Review was planned to offer the first baseline on the 'portfolio' of OTEP activities at programme level. Where appropriate, the next step is for the secretariat to communicate this synthesis widely and use it to adjust and develop OTEP strategy. Impacts are yet to be evaluated at a project or programme level – largely as it is too early, but this should now be considered.
- For each OT, there is no periodic review of how the Environment Charters are being implemented and of any changes in the wider context – either by the OTs themselves or by HMG.
- At the OT-wide level, there are no cross-OT learning (support) vehicles for the range of environmental issues dealt with by OTEP – UKOTCF is a powerful vehicle for biodiversity, but not for all issues.

3. Recommendations

After only two years of operation, OTEP has become a highly valued source of support to environment stakeholders in the OTs – both governmental and non-governmental – and is a particularly key player in biodiversity conservation. With increasingly urgent needs to address a breadth of OT environmental challenges now clearly apparent, we strongly recommend that the programme should continue.

The following may therefore be considered in a possible follow-up 'OTEP2':

3.1 Focal themes – building on the biodiversity conservation niche

- a) *Continue OTEP's clear niche in biodiversity, but broaden its scope from species and habitat conservation to include sustainable use of biodiversity for economic and livelihood purposes. A clear OTEP biodiversity prioritisation framework is needed – either a global assessment of biodiversity needs, and/or scientific criteria.*
- b) *Actively seek to support other environmental issues (brown and blue as well as green) but only where their priority can be demonstrated in an OT and funding levels allow. Examples include waste management, water and air quality, and possibly built heritage. Selection should refer more to the OT context, seeking input from Governor's Offices and development actors.*
- c) *As a result, whilst 75% of projects currently focus on biodiversity conservation, this might be expected to be about 50% in the next 2-3 years*

3.2 Focal activities – complementing 'soft' awareness work with 'hard' capacity installation

- a) *Continue work in improving awareness, but strengthen its focus on senior decision-makers in development positions, both governmental and private sector. Whilst OT-level activities will be appropriate, regional or OT-wide seminars etc might also be offered by OTEP.*
- b) *Put much more emphasis on building OT environmental systems and capacities – environment policies, laws, plans, institutions, and their links to development. Whilst many stakeholders agree that government capacity is the most critical need at present, efforts to broaden the civil society base which 'drives' environmental concern are also welcomed. Irrespective of what environmental themes are chosen, a 'local capacity utilisation and development' objective would be helpful in most OTEP projects.*
- c) *Ensure that any field activities (i.e. in specific sites) play a very strategic role in relation to the points above. In other words, they should*

either be critical sites in their own right judged against environmental criteria, or be strategic vehicles for awareness- or capacity-building judged against visibility/exemplary criteria.

3.3 Strategic engagement with OTs – introducing complements to competitive, applicant driven projects

The first two OTEP objectives of ‘*advice, support and funding*’ will not always be best delivered through competitive models and/or scattered applications. Consideration could be given to:

- a) *Offering central OTEP schemes based on common needs.* For example, some capacity development activities will not be efficient if confined to an individual OT. There is a strong demand for short courses in ‘hot topics’ – notably climate change, EIA and SEA, and economic aspects of environmental issues – both in the UK and within OTs and especially to engage senior decision-makers. A further suggestion is an OTEP job swap/job shadowing scheme.
- b) *Achieving OT stakeholder agreement on how to implement Environment Charters.* If the OTs have limited capacities, as a minimum they need to agree their environmental priorities so they do not waste effort on less important issues. Ideally they would also work to ‘create a vision to offset the dominant crude models of development’ – which is an overriding need according to one very senior OT informant. Thus OTEP should consider supporting a multi-stakeholder *Environment Charter Forum* in each OT (or similar environmental leadership groups, learning groups, or shared facilities) as well as their coordinators.⁵
- c) *Supporting any overriding priority that has been agreed within an OT.* A mechanism might be developed to favour applications that have gained clear multi-stakeholder backing through e.g. a Charter Forum (as above).

3.4 International engagement – raising the profile of OTEP

- a) *Ensure OTEP makes an increasingly major contribution to global environmental services – particularly for biodiversity.* OTEP has the potential to offer far more than a set of small, unrelated conservation projects. In part this will mean the secretariat engaging with the multilateral conventions on biodiversity, climate change, etc, accessing internationally significant environmental information and intelligence on funding, and enabling OTs to engage with global initiatives. It may also mean inviting the scrutiny and gaining the recognition of global institutions such as IUCN and WWF.
- b) *Improve efforts to reduce OTs’ isolation* from other OTs and from key

⁵ Staff Officers could also have a role in facilitating such groups.

non-OT neighbours and peers, where this is relevant to the theme at hand (e.g. supporting initiatives that link OTs with the OECS or similar, and with SIDS).

3.5 Further improving OTEP's management – options to consider

Section 2.6 gives rise to some more specific management suggestions:

- a) *Capacity support:* We propose supporting permanent salaries for positions that can be demonstrated as absolutely key in Environment Charter implementation (such as a coordinator). One option would be to fund positions on a sliding scale, reducing over time, as operated by the Good Government Fund.
- b) *Communication:* We propose a more active communication with development stakeholders through the Governors' offices and DFID, OT media, and the FCO's Good Government and Economic Diversification mailing lists.
- c) *Proposal form:* We propose one slightly shorter, more concise proposal form, plus promotion of the facility to contact FCO/DFID informally beforehand. Suggested amendments to the proposal form are noted at Annex 3.
- d) *Proposal assessment:* We propose further enrichment of the Assessment Panel with economics, development and 'brown/blue' environment skills. We encourage Governors' offices to provide more complete advice on proposals.
- e) *UK institutional involvement:* We propose that OTEP puts in place checks and balances to ensure there is no token involvement of OTs in UK-led regional or OT-wide projects. Furthermore, that feedback on the utility of UK institutional roles in OTEP projects is sought from the OTs.
- f) *Outsourcing:* We propose that any out-sourced central OTEP services, such as communications and a regular OT-wide forum, should (a) be run as distinct OTEP activities with their own clear objectives, irrespective of who has the contract to run them; and (b) that the contractor does not face any incompatible incentives to apply for OTEP competitive grants.
- g) *On-call technical advice:* We propose that the OTEP secretariat should explore possible sources of technical advice within FCO, DFID and elsewhere in order to 'fill the gap' between very occasional (perhaps once-per-project) field visits and full-time (UK) technical partners.

- h) *Reporting by OTEP projects:* We propose a simple ‘traffic light’ system for quarterly reports.⁶ We also propose a short mandatory final report, illustrated with photos and other evidence, in a form suitable for generating ‘OTEP News’. Clarity must be offered on what key outputs to submit, and how to communicate key lessons. Finally, there should be a more systematic follow-up to projects, inquiring as to use of the outputs.
- i) *Other funding sources:* We propose that OTEP advises key UK, EU, US and international funding sources of OTEP objectives and potentials, and reports to them on OTEP project achievements. OTEP should, in turn, inform both Staff Officers and OTEP project implementers of the range of other international funds available. The FCO’s Good Government and Economic Diversification Funds should aim to identify and support environmental governance needs and sustainable use potentials respectively.
- j) *Other Government Department roles:* We propose that Defra be requested to consider a lead involvement in reviewing progress in the Environment Charters (both OT and HMG commitments), perhaps through the JNCC. We further propose that the case for larger or more routine funding from HMG is explored, particularly for capacity development, in which the Environment Agency would be well-placed to play a technical role: a submission to the Inter-Ministerial Working Group on Biodiversity should be considered.
- k) *Strategic overview of OTEP:* We propose that DFID and FCO build on their very effective collaboration by focusing more on maintaining a joint strategic overview of OTEP, largely through improved monitoring that builds on the current Review. OTEP might organise a ‘lean’ annual review that addresses (a) Environment Charter progress, (b) progress in a *sample* of OTEP projects – covering process, outcomes and impacts, and (c) the cross-project composition at Programme level. For both deeper and broader reflection, a (triennial) OTEP programme conference might be considered.

4. Conclusion

OTEP has established itself as an extraordinarily valuable player in supporting the conservation of OT’s rich biodiversity. It has been well run, and equally well received. There is much potential to address *priority* needs in other environmental fields – particularly local pollution and waste issues, and the integration of environment into development planning. Such fields are currently under-addressed by OTEP, yet are critical to the OTs’ future. To explore them will require an improved ability by OTEP to offer centralised schemes e.g. for capacity building; and to support multi-stakeholder fora in each OT to agree priorities. As such, a continued and strengthened OTEP is

⁶ For example, ‘Green’ signifies progress to schedule, with a very short note of any key achievements. ‘Amber’ warns of possible delay or constraint, with a short note explaining its nature and severity. ‘Red’ is a major blockage requiring mandatory action by both the project manager and OTEP.

very likely to succeed in its potential to be the most significant, catalytic programme for sustainable development in the Overseas Territories.

Annex 1: Objectives of the OTEP Review

- a) Assess the progress of the programme against its original objectives.
- b) Consider, in the light of experience to date, the extent to which:
 - programme objectives and approaches remain valid and practicable and continue to meet the needs of the Overseas Territories;
 - programme management arrangements and administrative procedures are appropriate and efficient;
 - the territories have taken advantage of the opportunities afforded by the programme and have been able to make effective use of programme resources;
 - the programme is having and/or is likely to have a positive impact in contributing to the implementation of the Environment Charters.
- c) Make recommendations, in the light of review findings, for any changes in approach (based on any thematic gaps identified), management arrangements or administrative procedures, that could contribute to more effective delivery of the programme and uptake by recipients.
- d) Make recommendations as to the future of the programme beyond its currently scheduled completion date of end-March 2007.

FCO/DFID
September 2005

Annex 2. Consultations held during the OTEP Review

People met in Montserrat:

Margaret Dyer-Howe, Minister of Agriculture, Lands, Housing & Environment
Eugene Skerritt, Permanent Secretary, MALHE
Claude Gerald, Director of Agriculture
Lady Eudora Fergus, Director, Montserrat National Trust
Jean Kelsick, President MNT
Gerard Gray, Consultant to MNT *
HE Deborah Barnes-Jones, Governor of Montserrat
Russ Jarvis, Head of Governor's Office, Government House
David Sharpe, Staff Officer, Government House
Ian Young, DFID Engineering Sector Manager

Persons met in the British Virgin Islands (BVI):

Jennifer Hodge-Penn, Assistant Secretary Min Natural Resources & Labour
Mark Hayward, GIS Officer, Min Natural Resources & Labour
Kelvin Penn, Conservation Officer, Dept Conservation and Fisheries
Lynda Varlack, Env Education Officer, Dept Conservation and Fisheries *
Joseph Smith Abbot, Director BVI National Parks Trust
Nancy Woodfield, Planning and Development Coordinator NPT
Simone Lettsome, Marine Conservation Programme Coordinator NPT
HE Tom Macan, Governor of the British Virgin Islands

People met in Anguilla:

James Gumbs, Director Fisheries
William Vanterpool, Director Agriculture
Wilma Proctor, Deputy Director Agriculture
Gina Brooks Hodge, Deputy Director Anguilla Tourism Authority *
Karim Hodge, Director Environment
Farrah Mukhida, Acting Director Anguilla National Trust
Joe Legg, Staff Officer to the Governor
David Carty, Speaker

People met in the UK:

Mike Pienkowski, UKOTCF
Vin Fleming, JNCC
Sarah Sanders, RSPB
Alex Page, Fauna & Flora International
Dick Beales, DFID
Adam Manktelow, DFID
Martin Rapley, DFID
Shaun Earl, FCO
Rebecca Claxton, FCO
Rob Bowman, FCO
Karen Slater, FCO

* Tyndall Climate Change Fellow

Samuel Paice, FCO
Fraser Wilson, FCO
Angela Christie, FCO

People consulted by telephone:

Frank Roulstone, Exec Director, Cayman Islands National Trust
Kate Joad, Staff Officer, Government House
Ethlyn Gibbs-Williams, Exec Director, TCI National Trust
Michelle Fulford-Gardiner, Dep Director Environment and Coastal Resources
Jack Ward, Dept Conservation Services, Govt Bermuda
Samia Sarkis, Dept Conservation Services, Govt Bermuda
Glenys Parry, Defra
Sarah Moon, Defra (Darwin Initiative)
Ian Orr, BioDiplomacy (ex-FCO)
Clive Warren, ex-Head of DFID Overseas Territories Department
Emma Bennett, Marine Scientific Officer, St Helena Agriculture and Natural Resources Department
Rebecca Cairns-Wicks, President, St Helena National Trust
John Cortes, General Secretary, Gibraltar Ornithological & Natural History Society
Stephen Waldren, Lecturer, Trinity College Dublin
Mike Hentley, Administrator, Tristan da Cunha
Charles Sheppard, Lecturer, Warwick University
Tara Pelembe, Conservation Officer, Ascension
Annette Broderick, Exeter University
Gordon Liddle, Operations Manager SGSS

People consulted by email

Heather Christie, Third Secretary Political/Pitcairn
Martin Fenner, Staff Officer, Gibraltar
William Marsden, Chairman, Chagos Conservation Trust
Grant Munro, Falklands Conservation
Harriet Hall, Governors Office, Falklands
Dominique Giudicelli, Falklands Government Planning Office
James Glass, Head, Tristan da Cunha, Natural Resources Department

Annex 3: Some suggestions for improving the OTEP application form

Question(s)	Problem	Suggestion
General	Long and unclear structure	Divide into clear sections: <ul style="list-style-type: none"> • Qs 1-10 Summary Information (option: use as the basis of a separate first-phase application form) • Qs 11,12, 20: Background Information • Qs 14-22, 27 and 28: Project Details • Qs 23-26: Anticipated Impacts • Qs 30-32: Financial Details
6-9	Repetition	Delete Q 8
13	Issue also covered in Q 19	<ul style="list-style-type: none"> • Delete Q 13 • Rephrase Q 19: <i>STAKEHOLDERS – Who will contribute to the success of the project (including relevant govt depts and NGOs)? What steps have been taken to engage with them in project design and to ensure their full support for the project and its outcomes? Please provide details of those consulted.</i>
16	Muddling of issues	Delete reference to costs and timing (covered elsewhere)
18, 21, 29	Muddling of issues	<ul style="list-style-type: none"> • Rephrase Q 18: <i>WIDER SIGNIFICANCE – Does the project contribute to wider goals within the OT or across the OTs?</i> • Rephrase Q 21: <i>LESSON LEARNING – How will lessons learned be shared with project stakeholders, within the OT and with other OTs?</i> • Delete Q 29.
23-26	Not all relevant	Group these questions together under heading “ANTICIPATED IMPACTS” and include preamble to answer only those that are relevant. Rephrasing will be necessary eg: Will the project contribute to local livelihoods? Will the project contribute to enhanced environmental awareness? and so on.
30, 31	Too many issues in one question	Rephrase into a number of separate questions: <ul style="list-style-type: none"> • <i>How much funding will be available from other sources (including your own organisation)? How much is guaranteed? (If the support is ‘in-kind’ please give an approximate value.)</i> • <i>Does your organisation receive core funding from the FCO or DFID (or any other sources)?</i> • <i>What financial control procedures will be put in place and who (a named individual) will be responsible for accounting for expenditure?</i> • <i>How will you ensure that the project achieves value for money?</i>