

# Annual Project Report

UNDP/GEF Implementing the Strategic Action Programme for the Yellow Sea Large Marine Ecosystem: Restoring Ecosystem Goods and Services and Consolidation of a Long-term Regional Environmental Governance Framework  
[January 9, 2017]

## 1. Basic Project Information

Project Title: Implementing the Strategic Action Programme for the Yellow Sea Large Marine Ecosystem: Restoring Ecosystem Goods and Services and Consolidation of a Long-term Regional Environmental Governance Framework

UNDP Award ID	00074724
UNDP Project ID	00087001
Project Duration	23 May 2014 – 22 May 2018
Reporting Period	January – December, 2016
Total Approved Project Budget	331,453.00
Participating UN agencies	UNOPS
Implementing Partners/ National collaborating agencies	State Oceanic Administration of China, and Ministry of Ocean and Fisheries of RO Korea
International collaborating agencies	
Cost-sharing third parties	
UNDP Contact officer	Jose Padilla, RTA, UNDP/GEF Chaode Ma, Program Manager, UNDP CO
Project website	

## 2. Executive Summary

Much progress has been made in 2016 in implementation of the Yellow Sea Large Marine Ecosystem Strategic Action Programme (YSLME SAP) through government co-financed programs and initiatives. In particular, China has set the national targets to reduce 20,000 fishing boats with a total capacity of 1.5 million kW and reduce fish landings by 15 percent during 13<sup>th</sup> FYP. Specific fishing boat reduction target for Yellow Sea is under development. In addition, a universal fishing moratorium in Chinese coastal waters from May 1 to Sept 16 will be imposed by Ministry of Agriculture to restore the declining fish stock. In alignment with UNDAF and CPD Outcome 2, 8 key coastal wetland habitats critical for migratory water birds in Yellow Sea and Bohai Sea areas yet to put under effective protection are identified and defined, providing a solid basis for strengthening the MPA network for migratory water birds in YSLME and development and adoption of regulations, ordinances and standards to bring about stronger biodiversity protection. Major efforts are made by Chinese government in addressing the carrying capacity of the regulating services of coastal and marine ecosystem. Since 2016 China has initiated Blue Bay Action Plan incentivizing local governments to adopt integrated approaches to address coastal and marine challenges through innovative investment modalities to leverage knowledge and know and financing from private sector through public private partnership in sewage treatment, beach management, sea water desalinization, etc. In YSLME, Rizhao, Dalian, Qingdao, Weihai, Yantai are selected as demonstration sites in the action plan.

Due to the regional nature of the project, implementation is slow in progress. While the project is expected to close on May 22, 2018, project inception is still under preparation which necessitates a full extension of 18 months. However, considering low delivery of project resources (around \$300,000 of a \$7.5 million and close relevance of the project approach of adaptive ecosystem-based management in implementation of YSLME SAP, achieving the project objectives with a 18 month extension is highly likely.

For the objectives to be achieved, the following recommendations are proposed for consideration in the years to come:

- ❖ The Project has maintained the momentum of the phase I due to the continued relevance of EBM to national contexts and its integration into coastal and ocean management planning in the two countries. A systematic approach should be taken by the Project focusing on creating a long-term cooperation arrangement between the two countries and among stakeholders. During inception phase, UNOPS should allow the project to take flexible contract arrangements in engaging consultancies to improve implementation efficiency and harmonization of contracting process for consultancies in implementation of government-co-financed activities and GEF-funded activities. This can be achieved through signing of MOAs with local governments implementing demonstration projects instead of bidding for consultancy components of the demonstrations. In addition, based on lessons learnt in hiring of PMO staff, and practical need of project implementation, UNOPS should also consider delegating CTA/Manager the authority to mobilize project inputs below \$50,000 to fully exploit the knowledge and experiences of CTA/Manager and the Administrative Assistant in project management. Such delegation of authority should fall in line with the scope of MOU entered into between UNOPS and UNDP in July 2014 allowing UNOPS to provide services in mobilizing human resources to the project.

- ❖ Science-based approach should continue to be adopted for adaptive coastal and marine management in the YSLME. This necessitates partnership development with academic institutions with progressive transfer of knowledge and skills in applying EBM at local level.
- ❖ There is a need to apply effective knowledge management in disseminating good practices and knowledge accumulated in the first phase and to be generated in this project. Capturing the knowledge of integrated multitrophic aquaculture through development of training modules for replication to other LMEs, and use of artificial wetland for pollutant reduction are good examples of good practices worth of replication through knowledge management. And
- ❖ More effective ways should be explored to engage local governments in implementation of the SAP in the YSLME region. Efforts in facilitating local government participation in the regional mechanism and networking among peers in the YSLME can be further strengthened in achieving the targets of the SAP and objectives of the Project.

### 3. Background

#### ▪ Development Context

Yellow Sea Large Marine Ecosystem is a water body bordered by China, RO Korea and DPR Korea, covering an area of 400,000 km<sup>2</sup>. Rivers discharge about 1.6 billion tons of sediment and 1,500 billion tones of freshwater into the Yellow Sea. The low flushing rate between Yellow Sea and East China Sea of one every seven years, combined with weak water circulation, makes this sea vulnerable to pollution and its coastal areas highly susceptible to localized pollution discharges. Qingdao, Dalian, Shanghai, Seoul/Incheon (RO Korea) and Pyongyang/Nampo (DRP Korea) are the five cities with over tens of millions of inhabitants bordering the sea. This population relies on the Yellow Sea LME's ecosystem carrying capacity to provide capture fisheries resources in excess of two million tonnes per year, mariculture over 14 million tonnes per year, support for wildlife, provision of bathing beaches and tourism, and its capacity to absorb nutrients and other pollutants. Yet fishing efforts increased threefold between the 1960s and early 1980s, during which time the proportion of demersal species, such as small and large yellow croakers, hairtail, flatfish and cod, declined by more than 40 percent in terms of biomass. Other major transboundary problems include increasing discharge of pollutants; changes to ecosystem structure leading to an increase in jellyfish and harmful algal blooms; 40 percent loss of coastal wetlands from reclamation and conversions projects. Severe environmental degradation has cost the country approximately nine percent of its gross national income in 2009<sup>1</sup>. This situation has been further exacerbated by incomplete legislation and insufficient enforcement. The environmental foundation needed to sustain economic growth may be irreversibly altered, and the important human health implications of a deteriorating environment such as increased agriculture and food contamination and air and water pollution, have resulted in a series of efforts to improve the environment. In recent years, the Government aims to establish an 'ecological civilization' which indicates readiness for environmental transformation.

#### ▪ Project Objectives and Strategy

The objective of the regional project is to achieve adaptive ecosystem-based management of the Yellow Sea Large Marine Ecosystem bordered by China, RO Korea and DPR Korea by fostering long-term sustainable institutional, policy and financial arrangements for effective ecosystem-based management of the Yellow Sea in accordance with the YSLME Strategic Action Programme (YSLME SAP) adopted by China and RO Korea in 2009. To achieve this objective, the project will support the formation of the YSLME Commission oversee the implementation of the YSLME SAP,

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<sup>1</sup>China 2030: Building a Modern, Harmonious and Creative Society. The World Bank and Development Research Center of the State Council, 2013.

innovate institutional arrangements, improve management capacity and quality of function. This includes, developing robust governmental coordination mechanisms, strengthening regulatory mechanisms while strengthening the incentive structure to promote environmental protection, developing mechanisms to link land and sea and resource use to carrying capacity, and systems for the participation of a range of stakeholders. The key benefits of the project include recovery of depleted fish stocks and improved mariculture production and quality; improved ecosystem health; maintenance of habitat areas; strengthened stakeholder participation in management and improved policy making; and skills and capacity significantly developed for region-wide ecosystem-based management. This project is in line with Outcome 2 of the Priority Area of Improved and Sustainable Environment of the UNDAF 2016-2020 in China: more people enjoy a cleaner, healthier environment as a result of improved environmental protection and sustainable green growth.

#### 4. Project Implementation Status and Progress Report (Report against AWP)

- Outcome & Output Progress Report

##### UNDP China CPD Indicator(s)

Indicator Description	Progress Report
<p><b>UNDAF/CPD Outcome 2) More people enjoy a cleaner, healthier environment as a result of improved environmental protection and sustainable green growth.</b></p> <p><b>UNDAF Indicator 2.3: Number of hectares of land covered by protected area measures</b></p> <p><b>Indicative Country Program Output 2.1: China’s actions on climate change mitigation, biodiversity and chemicals across sectors are scaled up, funded and implemented.</b></p> <p>2.1.3: Extend to which adopted regulations, ordinances and standards bring about stronger biodiversity protection</p> <p>Baseline (2015): Not adequately (1) Target (2020): Largely (4)</p> <p><b>Indicative Country Program Output 2.2: Regulatory and capacity barriers for the sustained and widespread adoption of environmentally sustainable strategy implementation identified and taken up/committed to remove by the Government</b></p>	<p><i>8 key coastal wetland habitats critical for migratory water birds in Yellow Sea and Bohai Sea areas yet to put under effective protection are identified and defined by Paulson Institute, China Wetland Center and Institute of Geographic Sciences and Natural Resources Research of CAS. The study provides a good basis for strengthening the MPA network for migratory water birds in YSLME. These findings serve as sound basis for adopting regulations, ordinances and standards to bring about stronger biodiversity protection.</i></p>

<p>Indicator 2.2.2: Number of barriers inhibiting the implementation of the multi-lateral environmental agreements in China</p> <p>Baseline technical barriers (2015): 9 Baseline capacity barriers (2015): 61 Baseline institutional barriers (2015): 32 Baseline regulatory barriers (2015): 22</p> <p><b>Indicative Country Program Output 2.4: Preparedness systems in place to effectively reduce risks, prevent crisis and enhance resilience at all levels of government and community</b></p> <p>Indicator 2.4.1: Number of early warning systems for major natural hazards (e.g., geophysical and climate-induced hazards) and man-made crisis</p> <p>Baseline (2015): 1 Target (2020): 3</p> <p>Indicator 2.4.2: Percentage of people at risk of major natural hazards and man-made crisis that are covered by multi-hazard preparedness plans</p> <p>Baseline (2015): 10% Target (2020): 20%</p>	<p><i>Regulatory and capacity barriers are identified as key bottlenecks to implementation of multilateral environment agreements in China and RO Korea, in particular UNCLOS, 1972 Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, CBD, RAMSAR, the FAO Code of Conduct for Responsible Fisheries and bilateral agreements between China and ROK on fisheries. At the 16<sup>th</sup> meeting of the China-RO Korea Fishery Committee held in December 2016, the progress has been made to address illegal fishery operations in estuarine areas of Han River of RO Korea by Chinese fishing boats. Other collaborative efforts include joint patrolling, and participation in patrolling activities of collaborating country, etc.</i></p>
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**UNDP SP Indicator(s)**

Indicator Description	Progress Report
<p>Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded</p> <p><b>Outcome: Scalable initiatives on sustainable productive capacities</b></p> <p><b>Output: Effective maintenance and protection of natural capital.</b></p> <p>Indicator: areas of marine and coastal areas restored or protected.</p> <p>Indicator: number of public-private</p>	<p><i>8 key coastal wetland habitats critical for migratory water birds in Yellow Sea and Bohai Sea areas yet to put under effective protection are identified and defined by Paulson Institute, China Wetland Center and Institute of</i></p>

<p>initiatives tested and scaled up that can increase employment and livelihoods opportunities using production technologies that are sustainable and markets that are inclusive.</p>	<p><i>Geographic Sciences and Natural Resources Research of CAS. The study provides a good basis for strengthening the MPA network for migratory water birds in YSLME. These findings serve as sound basis for adopting regulations, ordinances and standards to bring about stronger biodiversity protection.</i></p>
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### Project Outcome/Output Indicator(s)

Indicator Description	Progress Report
<p>1. Ensuring Sustainable Regional and National Cooperation for Ecosystem-Based Management</p> <p>Indicator 1.1: Status of YSLME Commission and subsidiary bodies at regional level</p> <p>Indicator 1.2: Status of Inter-Ministerial Coordinating Committee (IMCC)</p> <p>Indicator 1.3: Number of the YS Partners in support of YSLME SAP;</p> <p>Indicator 1.4: Status of recognition and compliance to regional and international treaties and agreements</p> <p>Indicator 1.5: Agreement on the financial arrangement for the YSLME Commission</p>	<p><i>A draft regional guidelines for the involvement of stakeholder groups for the implementation of the Yellow Sea Large Marine Ecosystem Strategic Action Programme was prepared for review and adoption by the 1<sup>st</sup> meeting of the Interim Commission Council to be held in 1<sup>st</sup> quarter of 2017. The guidelines describe the structure, functions and rules of procedures of subsidiary bodies of the Commission</i></p> <p><i>Inter-Ministerial Coordinating Committees are already established in both China and RO Korea and will be fully functional in approval of annual workplan and TORs of the Interim Commission Council and its subsidiary bodies in the implementation of the Project.</i></p> <p><i>A document entitled Yellow Sea Large Marine Ecosystem Partnership is prepared for adoption at the 1<sup>st</sup> meeting of the YSLME Interim Commission Council. The documents will guide the eligibility, procedure, roles and responsibilities, in implementation of the YSLME SAP. NOWPAP, PEMSEA, UNESCAP East Asia, EAAFP, CI China, WWF Japan, IW:Learn, IOC/WESTPAC, KIOST, KOEM, NMEMC (China), FIO/SOA, CIMA/SOA, China-PEMSEA Sustainable Coastal Development Center, China Ocean University, YSFRI/CAFS, Qingdao Municipal Government, Dalian Municipal Government, Incheon Municipal Government, Rongcheng Municipal Government have or will participate in the implementation of the SAP. Partnership with private sectors and more NGOs will be further explored during inception phase.</i></p>
<p>2. Improving Ecosystem Carrying Capacity with Respect to Provisioning Services</p> <p>Indicator 2.1: Number of fishing boats decommissioned from the fleet in YSLME waters</p>	<p><i>China has set the national targets to reduce 20,000 fishing boats with a total capacity of 1.5 million kW and reduce fish landings by 15 percent during 13<sup>th</sup> FYP. Specific fishing boat reduction target for Yellow Sea is under development. In addition, a universal fishing moratorium in Chinese coastal waters from May 1 to Sept 16 will be imposed by Ministry of Agriculture to restore the declining fish stock.</i></p>

<p>Indicator 2.2: Status of major commercially important fish stock from restocking and habitat improvement</p> <p>Indicator 2.3: Level of pollutant discharge from mariculture operations</p>	
<p>3. Improving Ecosystem Carrying Capacity with respect to Regulating and Cultural Services</p> <p>Indicator 3.1: Level of pollutant discharges particularly Nitrogen in YSLME tributaries</p> <p>Indicator 3.2: Types of technologies applied for pollution reduction</p> <p>Indicator 3.3: Status of legal and regulatory process to control pollution</p> <p>Indicator 3.4: Status of the control of marine litter at selected locations</p>	<p><i>Since 2016 China has initiated Blue Bay Action Plan incentivizing local governments to adopt integrated approaches to address coastal and marine challenges through innovative investment modalities to leverage knowledge and know and financing from private sector through public private partnership in sewage treatment, beach management, sea water dessalizacionation, etc. In YSLME, Rizhao, Dalian, Qingdao, Weihai, Yantai are selected as demonstration sites in the action plan.</i></p>
<p>4. Improving Ecosystem Carrying Capacity with respect to Supporting Services</p> <p>Indicator 4.1: Areas of critical habitats;</p> <p>Indicator 4.2: level of ecological connectivity in expansion of the Yellow Sea MPA system.</p> <p>Indicator 4.3: Status of incorporation of adaptive management of climate change regional strategies and in ICM plans for selected coastal communities</p> <p>Indicator 4.4: Status of Regional Monitoring Network for application of ECBM</p>	<p><i>8 key coastal wetland habitats critical for migratory water birds in Yellow Sea and Bohai Sea areas yet to put under effective protection are identified and defined by Paulson Institute, China Wetland Center and Institute of Geographic Sciences and Natural Resources Research of CAS. The study provides a good basis for strengthening the MPA network for migratory water birds in YSLME.</i></p>

▪ **Activity Implementation Status Report**

*In addition to the above progress, the following activities have been undertaken: 1, both China and RO Korea organized consultation meetings with national governments and stakeholders on the implementation of the YSLME Strategic Action Programme, including revision of project activities to keep relevant with current situation, establishment of national inter-ministerial coordination committees, appointment of national coordinators, and members of IWCC, etc. 2, procurement and installment of partitions and tables in office, and IT equipment, and*

recruitment of Environment Officer, Environment Economist and Administrative Assistant; 3, consultation and planning for inception workshop and preparation of necessary documents; and 4) conduct of desk review and interviews with resources persons on continued relevance of project with national and local priorities.

## 5. Project Management and Oversight

*In the first half of 2016, the project implementation was still being suspended. In July 2016, the project began to recruit a new CTA/Manager who was only on board from November 1, 2016. Currently hiring of Environment Officer, Environment Economist and Administrative Assistant are still ongoing to fully staff the PMO. An MOU on provision of premises and working conditions for Environment Officer in Dalian between National Marine Environment Monitoring Centre and UNOPS was agreed for signing in January 2017. Oversight of the project implementation is timely and adequate from UNDP through its support to UNOPS in staff mobilization and technical supervision. In spite of the delay in implementation the two countries continued to demonstrated enthusiasm in establishing the Yellow Sea Large Marine Ecosystem Commission and channelling co-financing to project implementation as reported in the previous sections of this report. Political, institutional, technical and managerial risks of the project are successfully maintained at levels that will not affect the implementation of the project. With new CTA/Manager in pace, work planning for 2017-2018 is envisaged to be completed in the first quarter of 2017. Contractually UNOPS continued to keep three of the four recruited PMO staff in 2016 in the absence of 2016 workplan agreed by China, RO Korea and UNDP CO which resulted in staff costs of over 150,000 US dollars with submission of two reports by the CTA/Manager .*

### ▪ Implementation status

*The project document was signed on May 23, 2014, and is expected to close on May 22, 2018. Yet the project has not yet launched due to delay. Obviously there is a need to request a full extension of the project up to 18 months allowable by the GEF. Yet the project implementation arrangements are still relevant to the two participating countries. Considering low delivery of project resources (around \$300,000 of a \$7.5 million), the objectives of the project are still likely to be achieved.*

### ▪ Monitoring and Evaluation

*Monitoring and evaluation of the project implementation is non-existent on the ground as project resources are not yet disbursed. Yet close tracking of progress with national co-financing is being made through desk review and research by CTA/Manager. In advance of the Project inception workshop the results framework of the project including indicators will be reviewed again. As a project to support the implementation of the YSLME SAP using ecosystem-based management approach, the project needs to carefully review the responsiveness of M&E framework and indicators to ecosystem-based management during the inception phase.*

### ▪ Partnership Effectiveness

*Partnership approach is key to the success of the implementation of the YSLME SAP. Both international and national partners have expressed interest in collaborating with YSLME Project. More partners will be engaged during the inception workshop of the project. For more information on partnership, please refer to progress under output 1.3 under the section Project Outcome and Output Indicators.*

### ▪ Human Resource Management



*Under the project context human resources are managed in accordance with UNOPS HR policies and administrative orders which are professionally undertaken by UNOPS. In the hiring of PMO staff, there is concern over the slow progress with engaging project key staff by one participating country. Efficient hiring of project human resources can be improved after the Admin Assistant is on board.*

▪ **Risk Log Status Update**

#	Description	Status	Management Response
1	External risks stem from the geopolitical situation and may result in one or more countries either not participating or participating only partially	<i>no change</i>	<i>N/A</i>
2	Potential partners unwilling to make formal commitments	<i>no change</i>	<i>N/A</i>
3	Stakeholders unwilling to participate	<i>Reducing</i>	<i>N/A</i>
4	Governments unwilling to actively engage the NGO community	<i>Reducing</i>	<i>N/A</i>
5	Government Ministries/departments unwilling to share development and management plans	<i>Reducing</i>	<i>N/A</i>
6	Government policy changes, making boat buyback a low priority.	<i>Reducing</i>	<i>N/A</i>
7	Difficulties in negotiating the joint fisheries stock assessment, causes delay or cancellation	<i>no change</i>	<i>N/A</i>
8	Mariculture enterprises unwilling to adopt integrated multi-trophic aquaculture (IMTA) in place of monoculture	<i>no change</i>	<i>N/A</i>
9	Possible risk of non-compliance by polluting enterprises	<i>Reducing</i>	<i>N/A</i>
10	New techniques for pollution reduction not widely adopted	<i>no change</i>	<i>N/A</i>
11	National, Provincial and Local Governments continue to encourage land reclamation.	<i>Reducing</i>	<i>N/A</i>
12	Provincial and local governments may not agree to the establishment of new MPAs	<i>no change</i>	<i>N/A</i>

## ▪ **Communication and advocacy**

- ❖ *Generally speaking there is much room for elevation of public environmental awareness and participation in China with increasing understanding among policy makers and project stakeholders that public awareness and engagement in protecting environment have impacts on environmental performance and the market in terms of behavior and consumption. During the project reporting period a laptop with the functionalities of film and photo editing and a camera are procured to enable conduct of communication activities within project life cycle. In addition, a 12-page project profile is being prepared to help raise awareness of the environmental stresses of YS and promote the YSLME SAP and UNDP/GEF initiative for partnership development. A communication strategy to garner the wider stakeholder support in implementation of the YSLME SAP and argue for adoption of cost-efficient ecosystem-based integrated coastal and ocean management measures will be developed and implemented in the first year of the project.*

## ▪ **New opportunities/Initiatives**

- ❖ *At the 21<sup>st</sup> IGM of NOWPAP held on November 23-25 in Seoul, Dr. Lev Neretin, Senior Coordinator of NOWPAP and Ms. Lisa Svernsen, Coordinator of RSPs of UNEP, responded positively to collaboration with UNDP/GEF YSLME SAP Implementation Project, suggesting NOWPAP to champion the RSP in terms of collaboration between UNEP and UNDP. UNDP Seoul Policy Centre through which RO Korea is able to host the PMO in Incheon also demonstrated key interests in positioning UNDP as a leader in protecting marine environment of YSLME in line with SDG 14 by taking an integrated approach for progress across multiple goals of SDG.*

## ▪ **Engagement of target groups**

- ❖ *Engagement of youth in protecting marine environment and cleaning up marine litter in beaches is under way. This will be achieved through working with Blue Ribbon Ocean Conservation Association who has volunteer programs in 13 colleges and universities in the provinces of Liaoning (1), Shandong (10), Jiangsu (1) and Shanghai (1) neighboring the Yellow Sea with potential of mobilizing nearly 2,000 student volunteers in marine litter survey and clean-up programs, community outreach and other conservation-oriented activities. MOU will be prepared and signed during the inception phase.*

## ▪ **Gender equality and gender activities**

- ❖ *Gender mainstreaming in project will focus on identifying re-employment opportunities for women in implementation of boat buy-back scheme through vocation training and skills development to reduce pressure on fishery stocks. Programs will be designed and implemented in 2017 in selected demonstration sites in China.*

## 6. Financial Management

	Source of Fund	Budget	Expenditure (including commitments)
<b>Expenditure Vs. Approved project budget by source of funding</b>	UNDP		
	Government Cost Sharing		
	Third Party Cost-sharing		
	Other (the GEF)	331,453	148,868
	<b>Total</b>		

Output	Activities	Source of Funding	Budget Description	Annual Budget (USD)	Annual Expenditure (USD)	Note	
1. Ensuring Sustainable Regional and National Cooperation for Ecosystem-Based Management	1.1 Regional governance structure, the YSLME Commission established, operational and sustained	GEF	International consultants fee	0	111,887		
		GEF	UNOPS fees		10,629		
	1.2. Improved inter-sector coordination and collaboration at national level based on more effective IMCCs;	GEF					
		GEF					
	1.3 Wider participation in SAP implementation fostered through capacity building and public awareness	GEF					
	1.4 Improved compliance with regional and international treaties, agreements and guidelines	GEF					
		GEF					

	1.5 Sustainable financing for regional collaboration on ecosystem-based management secured based on cost-efficient & ecologically effective actions	GEF				
2. Improving Ecosystem Carrying Capacity with Respect to Provisioning Services	2.1 Recovery of depleted fish stocks as shown by increasing mean trophic level	GEF				
	2.2 Enhanced stocks through restocking and habitat improvement	GEF				
	2.3 Enhanced and sustainable mariculture production by increasing productivity per unit area as a means to ease pressure on capture fisheries	GEF				
3. Improving Ecosystem Carrying Capacity with respect to Regulating and Cultural Services	3.1 Ecosystem health improved through reductions in pollutant (e.g., Nutrient) discharge from land-based sources	GEF				
	3.2 Application of artificial wetlands to reduce the pollution discharge at the demonstration sites	GEF				
	3.3. Strengthened legal and regulatory process to control pollution	GEF				
	3.4 Marine litter controlled at selected locations	GEF				
4. Improving Ecosystem Carrying Capacity with respect to Supporting Services	4.1 Maintenance of current habitats and the monitoring and mitigation of the impacts of reclamation	GEF				
	4.2 Stronger regional MPA network established and functioning	GEF				
	4.3 Adaptive management mainstreamed to enhance the resilience of the YSLME and reduce	GEF				

	the vulnerability of coastal communities to climate change impacts on ecosystem processes & other threats identified in the TDA and SAP					
	4.4. Application of Ecosystem-based Community Management (EBCM) in preparing risk management plans to address climate variability and coastal disasters	GEF				
Project Management		GEF	Equipment, furniture, etc	331,453	24,065	
		GEF	UNOPS fees		2,286	
			<b>Total</b>		148,868	

## 7. Management recommendations

The second phase of the YSLME Project is designed to assist the countries to implement the YSLME SAP through establishment and operationalization of a sustainable regional framework for cooperation among participating countries and stakeholders. To achieve these objectives, the following recommendations are made on the basis of project documents and interaction with the two countries at the inception phase of the project:

### Management recommendations:

**7.1** While experiencing delays in implementation YSLME Phase II Project has maintained the momentum of the its phase I due to the continued relevance of EBM to national contexts and its integration into coastal and ocean management planning in the two countries. In this regard, a systematic approach should be taken by the Project Office focusing on creating a long-term cooperation arrangement between the two countries and among stakeholders. During inception phase, UNOPS should allow the project to take flexible contract arrangements in engaging consultancies to improve implementation efficiency and harmonization of contracting process for consultancies in implementation of government-co-financed activities and GEF-funded activities. This can be achieved through signing of MOAs with local governments implementing demonstration projects instead of bidding for consultancy components of the demonstrations. In addition, based on lessons learnt in hiring of PMO staff, and practical need of project implementation, UNOPS should also consider delegating CTA/Manager the authority to mobilize project inputs below \$50,000 to fully exploit the knowledge and experiences of CTA/Manager and the Administrative Assistant in project management. Such delegation of authority should fall in line with the scope of MOU entered into between UNOPS and UNDP in July 2014 allowing UNOPS to provide services in mobilizing human resources to the project.

**7.2** Science-based approach should continue to be adopted for adaptive coastal and marine management in the YSLME. This necessitates partnership development with academic institutions with progressive transfer of knowledge and skills in applying EBM at local level.

**7.3** There is a need to apply effective knowledge management in disseminating good practices and knowledge accumulated in the first phase and to be generated in demonstration project. This is particular relevant to capturing the knowledge of integrated multitrophic aquaculture through development of training modules for replication to other LMEs. Use of artificial wetland for pollutant reduction is another example of good practices worth of replication through knowledge management.

7.4 More effective ways should be explored to engage local governments in implementation of the SAP in the YSLME region in the two countries. For the time being the project is too much focused on regional mechanism and engagement of private sector and NGOs. Facilitating local government participation in the regional mechanism and networking among peers in the YSLME in the two countries can be further explored in achieving the targets of the SAP.

## **8. Annex/s**

*None*