

Quarterly Project Progress 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
[July 1, 2018]



Basic Project Information

UNDP Award ID	00074724
UNDP Project ID	00087001
Reporting Period	1 April 2018 – 30 June 2018
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	
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Project website	www.yellowseapartnership.org

Executive Summary

Recognizing the decision made at the ICC-2 to extend the project until December 31, 2019, the 2nd regional working group on assessment and monitoring (RWG-A) was held back to back with 1st China-Korea workshop in harmful marine organisms in Yellow Sea (YS). Progress in implementation of NSAPs of both PR China and RO Korea in relation to the mandate of RWG-A was also reviewed.

Organized by SOA of PR China, MOF of RO Korea, and PMO of YSLME Project, the 1st China-Korea workshop in harmful marine organisms in Yellow Sea was held in Kunming, PR China on 25-26 June 2018 to understand current status of harmful marine organisms and exchange up-to-date knowledge on harmful marine organisms in YS. Through this workshop, partnership in harmful marine organisms in YS among government, academia and NGOs is expected to be strengthened and awareness among the public of the threats and status of harmful marine organisms be also improved.

The consultant on MPA planning was hired on the YSLME MPA network, and the workshop planned to be organized in July focusing on connectivity analysis.

1. Project Implementation Status and Progress Report (Report against AWP)

1.1 Outcome & Output Progress Report

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>The 2nd regional working group on monitoring and assessment was held in Kunming, PR China on 27th June 2018 back to back with 1st China-Korea workshop in harmful marine organisms in Yellow Sea. Review of several activities being implemented was conducted which include 1) stock-taking of vulnerabilities of coastal communities and ecosystem services in YSLME to impact climate change; 2) developing the monitoring programs of jellyfish, HAB and drifting macroalgal blooms and N/P/Si; 3) regional assessment and policy relevant recommendations; 4) development of regional strategies for long-term ecosystem forecasts, and conduct modeling and scenario analysis; 5) development of climate change adaptation ICM model framework plan for Lianyungang, PR China; and 6) relationships between the sea surface temperature changes of YSCWM and structure of plankton communities and development of regional strategy for adaptive management. Progress in implementation of NSAPs of both PR China and RO Korea in relation to the mandate of RWG-A was also reviewed.</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>OFP of GEF China was notified of the imperative of project extension. Request for extension is being prepared by PMO for review and apply for extension to OFP.</p> <p>. The 3rd targeted regional workshop for GEF IW projects in east Europe and Asia Pacific was held on 30 April – 2 May 2018 in Bangkok, Thailand with a goal of raising capacity among GEF IW projects on technical and practical information leading to operationalizing benefit sharing mechanisms and agreements in the context of transboundary water resource management. The 16th CEARAC of NOWPAP Focal Point meeting was held in Toyama, Japan and a representative of YSLME PMO participated in the meeting and shared views on conservation of marine biodiversity.</p> <p>The Legal Expert was hired to prepare assessment report the weakness and gaps of China’s legal framework in compliance with international and regional treaties and guidelines related with coastal and oceans, and recommendations for improvement and strengthening</p> <p>At the ICC-2, the countries agreed to establish a task force on sustainable financing to help develop a trust fund for the YSLME Commission. Also, a consultant is being hired to prepare the documents to establish sustainable financial mechanism including fund raising issues.</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>Indicator 2.2: Status of major commercially important fish stock from restocking and habitat improvement</p> <p>Indicator 2.3: Level of pollutant</p>	<p>Good progress has been made in this regard, but data is being generated from the ongoing review NSAP in China and RO Korea.</p> <p>The PCA with YSFRI has been signed and first payment is being processed focusing on review of progress with demonstration of artificial reef, transplantation of macroalgae and marine ranching.</p> <p>PCA signed and first payment is being processed for</p>

<p>discharge from mariculture operations</p>	<p>YSFRI to support demonstration sites. Monitoring equipment is being purchased for collect data.</p> <p>The training module for application of integrated multitrophic aquaculture (IMTA) has been prepared and printed. This training module has six chapters focusing on development of IMTA in China and in the world, steps in the design of IMTA system, methods in valuation of mariculture ecosystem services, assessment of carrying capacity of IMTA, and environmental quality monitoring of the IMTA, followed with outlooks and recommendations for its future application. The module has been translated into English, and will be used as materials in the IMTA training workshop to be held in May this year for replication elsewhere in Shandong Province.</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>Contract for assessment of marine litter and policy development in Weihai is at the stage of review.</p> <p>Also, a consultant is being hired to prepare the documents to analysis inconsistency and gaps of domestic laws and regulations dealing with pollution control in PR China and RO including recommendations on legal and regulatory reforms.</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>A proposal to establish Xiaoyangkou Intertidal mudflat as a national MPA was prepared by FIO, and report was published. If successful, the critical habitat of 42.88 square kilometers will be under effective protection from reclamation and other development activities. The proposal was already through a review by a panel.</p> <p>The consultant on MPA planning was hired on the YSLME MPA network, and the workshop planned to be organized in July focusing on connectivity analysis.</p> <p>ICC-2 approved to establish Yellow Sea Grant Program to support CSOs in implementation activities reaching out to local communities.</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>Organized by SOA of PR China, MOF of RO Korea, and PMO of YSLME Project, the 1st China-Korea workshop in harmful marine organisms in Yellow Sea was held in Kunming, PR China on 25-26 June 2018 to understand current status of harmful marine organisms and exchange up-to-date knowledge on harmful marine organisms in YS. Through this workshop, partnership in harmful marine organisms in YS among government, academia and NGOs is expected to be strengthened and awareness among the public of the threats and status of harmful marine organisms be also improved.</p>
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1.1 Activity Implementation Status Report

<p>In addition to the above progress, the following activities have been undertaken:</p> <ol style="list-style-type: none"> 1. By following the decision made at the ICC-2 approved the request of the PMO to extend the project until December 31, 2019, a draft extension plan has revised and shared with partners.

2. Finance Management

Please mark with **red** the 'Accumulated Quarterly Delivery Rate' box (Accumulated Expenditure/ Accumulated Budget) if the delivery rate is under 60%. For delivery rate ranging from 60% to 85%, please mark with **yellow**. For delivery rate in the range of 85% - 100%, please mark with **green**. Comments must be provided for delivery rates of outputs marked with red and yellow texts. The content of comment should cover reasons for low delivery rate and action plans for catching up.

Output	Annual Budget (incl UNOPS fee)	Accumulated Expenditure	Qtr Budget (USD)	Qtr Expenditure (USD)	Accumulated Annual Delivery Rate%	Comments
1. Sustainable Regional and National Cooperation for Ecosystem-Based Management	630,290	238,409.86		155,910.18	38%	Payments for the meeting venue, catering services and interpretation for the ICC-2 were processed.
2. Improved Ecosystem Carrying Capacity with respect to	502,282	137,264.21		124,135.78	27%	The first payment of \$90,000 was processed for the PCA agreement,

provisioning services						YSFRI of CAFS.
3. Improved Ecosystem Carrying Capacity with respect to regulating and cultural services	534,776	97,927.55		86,115.84	18%	The first payment of \$80,000 was made after signing of the PCA
4. Improved Ecosystem Carrying Capacity with respect to supporting services	1,038,897	287,776.84		239,687.56	4%	The first payment of \$87,400 was processed after signing of the PCA.
5. Project Management Cost	47,664	53908.06		41,486.06	113%	
Total	2,753,908	\$815,286.52		179,049.79	30%	

3. Project Management and Oversight

3.1 Risk Log Status Update

below is the table updating the risks and management responses in the project.

#	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>decreasing</i>	The recent developments between north and south and between DPRK and China reveals the ease of tensions between north and south, and hence more rooms for environmental diplomacy.
2	Potential partners unwilling to make formal commitments	<i>no change</i>	1, Project Board has adopted the guidelines for strengthening the Yellow Sea Partnership and directed PMO to organize one Yellow Sea Forum each year. 2, PMO has maintained close collaboration with regional organizations in jointly implementation of the YSLME SAP. It has collaborated with UNESCAP
3	Stakeholders unwilling to participate	<i>Reducing</i>	
4	Governments unwilling to actively engage the NGO community	<i>Reducing</i>	

			<p>in jointly organization of MPA Seminar in Ganghwa, RO Korea, and participated in PEMSEA Partnership Council meeting to renew the partnership and collaboration in the 6th EAS Congress. NOWPAP participated in Inception workshop and YSLME has introduced its marine litter program through WebEx with CEARAC focal point meeting.</p> <p>3, Program for SGP is currently being developed to strengthen partnership NGOs in China and RO Korea.</p>
5	Government Ministries/departments unwilling to share development and management plans	<i>Reducing</i>	<p>In the RWG meetings, the Project has scheduled presentations by China and RO Korea on developments in legal and regulatory reforms related with ocean and seas; update reclamation in the past and in the future. Through information sharing, governments are more inclined to showcase the developments with potential implications on the achievements of the project targets in conservation of critical coastal wetlands, and monitoring of marine litter, etc.</p>
6	Provincial and local governments may not agree to the establishment of new MPAs	<i>unchanged</i>	<p>1, Currently four MPAs in China and one MPA in RO Korea are identified as coastal areas with global significance with conservation gaps. In China, Project supported a study on development of the critical habitats for spoon-billed sandpiper into a special MPA and the proposal will be submitted to local government for consideration. In addition, a workshop is being proposed to be held in Rudong County which harbors the habitat to further raise the awareness of the significance of conservation of the intertidal mudflat of Rudong.</p> <p>2, In RO Korea, conflicts between conservation of Black-faced spoonbill in</p>

			<p>the Ganghwa and local livelihoods exist. The Project has organized a regional MPA Seminar in collaboration with UNESCAP, KOEM and Ganghwa government to highlight the significance of wetland of Ganghwa as the world largest breeding site for the species, and appreciation of the conservation efforts of the local government in restoring the coastal wetland. Experiences of co-management, community management and other sustainable use management modalities were shared at the meeting as well.</p>
7	<p>Lack of trust between participating countries may delay the nomination of Chairs of Regional Working Groups and implementation of regional activities</p>	<i>emerging</i>	<p>As an interim arrangement, CTA served as the Chair of the RWG Habitat meeting. The host country of the RWG meetings will serve as Chair of the RWG meetings, and this is currently proposed by PMO and agreed by RO Korea and China. PMO will continue to follow up with Implementation of the decisions of the Project Board.</p>
8	<p>Government policy changes, making boat buyback a low priority.</p>	<i>Reducing</i>	<p>Fishing policies in China are changing but to the positive side. In addition to the conventional approach of buying back fishing vessels, China is gradually reducing the fuel subsidies to fishing vessels as an additional measure to support the implementation of the scheme. The project will also address the reemployment of displaced fishermen participating in the buy-back scheme through design and implementation of microfinance, ecotourism and other sea-based income-generating opportunities. 2, In RO Korea, conflicts between conservation of Black-faced spoonbill in the Ganghwa and local livelihoods exist. The Project has organized a regional MPA Seminar in collaboration with UNESCAP, KOEM and Ganghwa government to highlight</p>

			<p>the significance of wetland of Ganghwa as the world largest breeding site for the species, and appreciation of the conservation efforts of the local government in restoring the coastal wetland. Experiences of co-management, community management and other sustainable use management modalities were shared at the meeting as well.</p>
9	<p>National, Provincial and Local Governments continue to encourage land reclamation.</p>		<p>The project will support studies of past, ongoing and future reclamation in coastal areas in Yellow Sea. Results will be presented to assess the overlapping with potential priority sites identified by WWF Japan as well as areas with conservation gaps in coastal areas by Chinese Academy of Sciences. Results of the studies will be presented to SOA for their consideration in developing the ecological redline system in coastal areas which will subject reclamation to very strict control.</p>
10	<p>Difficulties in negotiating the joint fisheries stock assessment, causes delay or cancellation</p>	<p><i>no change</i></p>	<p>This risk still exists and PMO will organize a regional workshop to draw experiences from other LMEs in joint fisheries management. Harmonizing assessment methodologies is listed on the agenda of the Regional Working Group on Fish Stocks to be held in October 17-18.</p>
11	<p>Mariculture enterprises unwilling to adopt integrated multi-trophic aquaculture (IMTA) in place of monoculture</p>	<p><i>no change</i></p>	<p>In addition to studies in China proving the increased productivity in IMTA operations than in monoculture, studies in RO Korea by National Institute of Fisheries Science indicate 2.7 times faster of sea cucumber growth, 40% increase in survival rate of rockfish, no report of disease in IMTA system and 5.5 times stronger in pollution mitigation. With these studies, IMTA proves to be real sustainable mariculture practices for replication in China, now in</p>

			RO Korea and in other LMEs through trainings facilitated by IW:Learn. In China IMTA Promotion Plan will be developed with project support, along with support to development of IMTA standards and a training manual.
12	Possible risk of non-compliance by polluting enterprises	<i>Reducing</i>	The project approach to addressing non-compliance is through strengthening legal and regulatory framework, training in law enforcement for improved compliance with existing environmental laws. Opportunities for enterprises to develop business cases for recycling economies will also be explored and piloted.
13	New techniques for pollution reduction not widely adopted	<i>no change</i>	The risk may continue exist. A review of best available technologies and economic analysis of pollution reduction in compliance with national pollution control standards will be conducted by consultants. Identification and development of policy and financial incentives in pollution reduction and use of wetland as nutrient sinks will be supported by project.