

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

[April 18, 2017]



Basic Project Information

UNDP Award ID	00074724
UNDP Project ID	00087001
Reporting Period	1 July 2017 – 30 September 2017
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

For Component 1, the 1 meetings of the Management, Science and Technical Panel (MSTP) and the Interim YSLME Commission Council (ICC) approved the project three year workplan (2017-2019), AWP 2017, terms of reference of the Interim YSLME Commission and subsidiary bodies, as well as the Guidelines for Strengthening the YS Partnership. The Inception ceremony was addressed by Deputy Minister of MOF, RO Korea, Vice Mayor of Incheon City and RTA of UNDP/GEF Both China and RO Korea have conducted inter-ministerial coordination committee (IMCC) meeting before the inception. The 1st Meeting for RWG-Habitat was held on 5-6 September with participation from designated experts from both countries to 1) review and refine TOR of RWG-H and workplan for 2017-2019; 2) discuss and agree on the draft program of YSLME Biodiversity Conservation Planning Workshop and 3) review and agree on TORs of the regional activities. RWG meetings on pollution reduction, sustainable mariculture, fish stocks, monitoring and assessment and governance were scheduled on October 10-12, Oct 17-18, Oct 26-27, November 21-22 and December 14-15.

For implementation of the project component 2-4, the 1st meeting of the ICC approved SOA to implement a list of project activities and total budget in accordance with the implementation arrangements of the Project. The draft MOU was prepared by PMO and was submitted to SOA for signing. It will serve as the legal basis for UNOPS to sign Project Cooperation Agreement with three institutions in China to implement the activities approved by the ICC.

Specific to Component 2, according to workplan 2017-2019 which was approved at ICC, several activities under Output 2.2.1. were proposed to achieve targets assigned in the Outcome 2.2. Expected targets to be achieved this year include 1) Methodologies and guidelines in stock assessment agreed; 2) 1 regional training on stock assessment; 3) national science-based workshop and 4) baseline assessment of demo sites. More detailed plans to meet the targets this year will be discussed in upcoming RWG- Fish group in October 2017.

For Component 3, 19 terms of reference of project activities for year 2017 have been prepared by PMO and RWG members and will be discussed in the RWG meeting on pollution reduction from October 10 to 12, 2017, in Dalian, China. Request for quotations will be launched immediately after the consensus on the TORs among members of the RWG-P. Demonstration sites for pollution reduction and wetland restoration will also be discussed and agreed in both countries at RWG-P meeting.

For Component 4, The 1st Meeting for RWG-Habitat, held on 5-6 September with participation from designated experts from both countries, reviewed and refined TOR of RWG-H and workplan for 2017-2019; agreed on the draft program of YSLME Biodiversity Conservation Planning Workshop and agreed on TORs of the regional activities. PMO has launched 5 vacancy announcements for implementing activities related to habitat conservation listed in the workplan and will be carried out from September until December 2017. Outcomes will be reviewed by RWG members and PMO, then reporting process will be initiated by the Chair to the upcoming MSTP meeting.

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

1.1 Outcome & Output Progress Report

UNDP SP Indicator(s)

Indicator Description	Progress Report
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<p>UNDP Strategic Plan 2014-2017: Outcome 2: citizen expectations for voice, development, the rule of law and accountability are met by stronger systems of democratic governance</p> <p>Primary Outcome: Output 2.5: Legal and regulatory frameworks, policies and institutions enabled to ensure the conservation, sustainable use, and access and benefit sharing of natural resources, biodiversity and ecosystems, in line with international conventions and national legislation.</p> <p>Output indicator 2.5.3: number of countries implementing national and sub-national plans to protect and restore the health, productivity and resilience of oceans and marine ecosystems</p> <p>UNDP Strategic Plan Secondary Outcome: Output 2.4: Frameworks and dialogue processes engaged for effective and transparent engagement of civil society in national development</p>	<p>In the Strategic Action Programme (SAP) for the YSLME, PR China and RO Korea recognized the need to establish the YSLME Commission as a soft, non-legally binding and cooperation based institution to contribute to better coordination of national efforts and to enhancing effectiveness of regional efforts. In this regard, the project support a consultancy to enable the stakeholders to have a clear understanding of the key elements of the institutional framework, process, a feasible plan on how to launch the YSLME Commission at the early stage of implementation of the Project. This consultancy will help clarify the framework and key elements of the YSLME Commission, identify the gaps and barriers in terms of institution, policy and good governance for a sustainable Commission, and propose a plan of activities and timeframe for establishment of the Commission.</p> <p>The 1st meeting of the Interim YSLME Commission Council (ICC) approved the Guidelines for Strengthening the YS Partnership, a document that specifies the criteria, eligibility, areas of collaboration and modality of establishing such partnership. The document also serves as the basis for the project to launch its Small Grant Program.</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>The 1st meeting of the Interim YSLME Commission Council has approved the terms of reference of the Interim YSLME Commission and subsidiary bodies, as well as the Guidelines for Strengthening the YS Partnership. The Project also established NWGs and RWGs as well as IMCC in RO Korea, while the membership of NWG and</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>RWG from PR China is still pending.</p> <p>Both countries established IMCC for YSLME Phase II for the effective coordination of proposed activities which were described in the workplan as well as in ToR. Prior to having Meetings for Management, Science and Technical Panel (MSTP) and Interim Commission Council (ICC) held in July 2017, meetings for IMCC composed of national experts with respective governmental officers were organized and discussed on meeting agenda.</p> <p>The YSLME Strategic Action Plan (SAP) will be implemented as planned through the Yellow Sea Partnership (YSP), a multi-stakeholder initiative at global, regional, national and local scales continuously facilitated by the UNDP/GEF YSLME Phase II Projects. Existing and initial potential partners of the YSP include several stakeholder groups including 1) governments; 2) UN agencies, Global and regional institutions; 3) Academia; 4) NGOs; and 5) Private sector groups such as aquaculture associations. During the YSLME Project Phase II, it is expected that the number of partners sharing common goals of YSP will be increased and their participation will be enhanced as projects is going to be implemented as planned.</p> <p><i>Not started</i></p> <p><i>Not started</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>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>According to workplan 2017-2019 which was approved at ICC, several activities under Output 2.2.1. were proposed to achieve targets assigned in the Outcome 2.2. Expected targets to be achieved this year include 1) Methodologies and guidelines in stock assessment agreed; 2) 1 regional training on stock assessment; 3) national science-based workshop and 4) baseline assessment of demo sites. More detailed plans to meet the targets this year will be discussed in upcoming RWG- Fish group in October 2017.</p> <p>RWG-F meeting is scheduled in October 17-18 will review the TORs of all planned activities in 2017.</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>19 terms of reference of project activities for year 2017 have been prepared by PMO and RWG members and will be discussed in the RWG meeting on pollution reduction from October 10 to 12, 2017, in Dalian, China. Request for quotations will be launched immediately after the consensus on the TORs among members of the RWG-P.</p> <p>Demonstration sites for pollution reduction and wetland restoration will also be discussed and agreed in both countries at RWG-P meeting.</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>The 1st Meeting for RWG-Habitat, held on 5-6 September with participation from designated experts from both countries, reviewed and refined TOR of RWG-H and workplan for 2017-2019; agreed on the draft program of YSLME Biodiversity Conservation Planning Workshop and agreed on TORs of the regional activities.</p> <p>MO has launched 5 vacancy announcements for implementing activities related to habitat conservation listed in the workplan and will be carried out from September until December 2017. Outcomes will be reviewed by RWG members and PMO, then reporting process will be initiated by the Chair to the upcoming MSTP meeting.</p> <p>One of the targets expected to be achieved during the YSLME Project Phase II is the development of a YSLME Biodiversity Conservation Plan. Assessment of coastal and marine critical habitats in the YS will be carried out by focusing on 23 Potential Priority Areas (PPAs) with collection of distribution of engendered and threatened marine organisms, spawning, nursery and feeding grounds, cold water mass (CWM), and endangered migratory waterbirds. Terms of Reference (TOR) for hiring consultant biodiversity planning specialist was prepared in consultation with experts from both countries and then put on the post of UNOPS in September and will be initiated in September and completed in December 2017.</p> <p>As for the preparation of TOR for activity 2 of Output 4.2.: analysis of country coastal management guidelines, identification of conservation areas according to planning zones, as one of regional activities, the 1st Meeting of</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>RWG-H group suggested to consider to mainstream the concept of “connectivity” in marine spatial plan or other zoning schemes as far as species migration is concerned in addition to its integration at MPA or site level. The activity will begin in 2017 and expect to be completed in 2018.</p> <p>Subsequent to the identification of Rudong Xiaoyangkou as a site to be established as a potential MPA in the first quarter, the project supported the preparation of a technical proposal to list Xiaoyangkou as a national MPA at the request of local Ocean and Fisheries Bureau. It is expected that the proposal will be completed in October to facilitate the inclusion in the YSLME MPA Network.</p> <p>Detailed plans together with subsequent activities were discussed during Regional Working Meeting for Habitat Group and was recommended to have cooperative work with RWG-Assessment/Monitoring Group. Several activities under Outcome 4.3. in the workplan 2017-2019 were proposed to be implemented. The RWG-Assessment and Monitoring group will gather in 21-22 November and discuss the potential activities to be implemented to meet the targets.</p>
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1.1 Activity Implementation Status Report

In addition to the above progress, the following activities have been undertaken:

1. *the project inception workshop was held on July 11-13 in Seoul, RO Korea. Attended by approximately 50 participants, the first meetings of the MSTP and ICC approved a 3-year workplan and budget (2017-2019), AWP 2017, the TORs of YSLME Commission and its subsidiary bodies, as well as the workplans of the six Regional Working Groups. The Inception ceremony was addressed by Deputy Minister of MOF, RO Korea, Vice Mayor of Incheon City and RTA of UNDP/GEF. .*
2. *Training modules for integrated multi-tropic aquaculture are now being prepared by a team of experts and outlines were agreed under the leadership of Prof. Jianguang FANG from Yellow Sea Fisheries Research Institute;*
3. *The Seminar on Marine Protected Areas in YSLME and North-East Asia was held on Ganghwa Island on July 14 in collaboration with Ganghwa County aiming to appreciate the Island as the largest breeding site for endangered Black-faced Spoonbill and to catalyze interest from the local government in furthering their efforts to designate remaining critical habitat for the species in southern coast as MPA. A field trip will also be organized for participants at project Inception Workshop.*
4. *RWG meetings on pollution reduction, sustainable mariculture, fish stocks, monitoring and assessment and governance were scheduled on October 10-12, Oct 17-18, Oct 26-27,*

November 21-22 and December 14-15 respectively.

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	327,427	229,795	91,872	80,002	70%	
2. Improved Ecosystem Carrying Capacity with respect to provisioning services	356,609	36,123	30,113	18,146	10%	A project cooperation agreement is to be signed with YSFRI of CAFS this year with a total amount of about \$500k subject to signing of a MOU between SOA and UNOPS. TORs of listed activities will be discussed and agreed by the Regional Working Group meeting on Fish Stock and Mariculture to be held

						on Oct 17-18 and Oct 26-27.
3. Improved Ecosystem Carrying Capacity with respect to regulating and cultural services	426,722	33,963	30,386	18,603	8%	A project cooperation agreement is to be signed with NMEMC/SOA this year with a total amount of nearly \$450k subject to signing of a MOU between SOA and UNOPS. TORs of listed activities were already agreed by the Regional Working Group meeting on Pollution Reduction On Oct 10-12.
4. Improved Ecosystem Carrying Capacity with respect to supporting services	580,846	44,450	51,559	24,120	8%	A project cooperation agreement is to be signed with FIO/SOA this year with a total amount of nearly \$480k subject to signing of a MOU between SOA and UNOPS. TORs of listed activities were already agreed by the Regional Working Group meeting on Habitat
5. Project	103,200	89,647	22,250	23,578	87%	

Management Cost						
Total	\$1,794,803	\$433,979	\$226,179	\$164,451	24%	

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>increasing</i>	<p>1, the engagement of DPR Korea in project was formally discussed at the board meeting held on July 13, 2017 concluding with continued interest of China and</p> <p>RO Korea to engage DPR Korea to participate in project activities. PMO was directed to identify resources other than GEF grant to support representatives of DPR Korea in participation.</p> <p>2, Letter of invitation to participate in YSLME Biodiversity Conservation Planning Workshop to be held in PF China was sent to Ambassador of DPR Korea in Beijing.</p> <p>3, PMO regularly touches base with both China and RO Korea about establishment of YSLME Commission, participation in RWG meetings and provides support in implementation of Project activities. So far both countries have showed continued interest in participating in implementation of YSLME Phase II Project implementation.</p>
2	Potential partners unwilling to make formal commitments	<i>no change</i>	1, Project Board has adopted the guidelines for strengthening the Yellow

3	Stakeholders unwilling to participate	<i>Reducing</i>	Sea Partnership and directed PMO to organize one Yellow Sea Forum each year.
4	Governments unwilling to actively engage the NGO community	<i>Reducing</i>	<p>2, PMO has maintained close collaboration with regional organizations in jointly implementation of the YSLME SAP. It has collaborated with UNESCAP 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>	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.
6	Provincial and local governments may not agree to the establishment of new MPAs	<i>unchanged</i>	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

			<p>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 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	Lack of trust between participating countries may delay the nomination of Chairs of Regional Working Groups and implementation of regional activities	<i>emerging</i>	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.
8	Government policy changes, making boat buyback a low priority.	<i>Reducing</i>	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

			<p>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 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	National, Provincial and Local Governments continue to encourage land reclamation.		<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	Difficulties in negotiating the joint fisheries stock assessment, causes delay or cancellation	<i>no change</i>	<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	Mariculture enterprises unwilling to adopt integrated multi-trophic aquaculture	<i>no change</i>	<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</p>

	(IMTA) in place of monoculture		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 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.

3.2 Communication and advocacy

N/A

3.3 Management Recommendations

3.4 New opportunities/Initiatives

YSLME launched its intern program

Since the launch of the internship program on June 15, the PMO received the first intern, Mr. YoungHyun Cho as the third Korean Intern based in Dalian Office. He will assist the PMO to prepare the legal clearing house in collaboration with an intern recruited through UNOPS with environment law as the background. The intern on environment law will be on board in Incheon Office from October 13, 2017 until April 13, 2018. Another intern, to be on board from November 1, 2017 on, is being recruited to help develop the content of the project website.

3.5 Engagement of target groups

