

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, 2019]



Basic Project Information

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| UNDP Award ID | 00074724 |
| UNDP Project ID | 00087001 |
| Reporting Period | 1 July 2019 – 30 September 2019 |
| Participating UN agencies | UNOPS |
| Implementing Partners/ National collaborating agencies | Ministry of Natural Resources 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 | www.yslmep.org |

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 |
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| <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>Ad hoc ICC was held on 15-16 July 2019. The two countries agreed to prepare a MOU to conclude the YSLME mechanism. The infrastructure of the mechanism, staffing and location of the PMO will be developed bilaterally, and the PMO needs to agree with the ICC with regarding to the timelines, mechanisms among others being agreed bilaterally in ICC-4;</p> <p>Consultant Prof. Paul Gremillion need to finalize the TDA update based on comments from PR China for review at the meeting by the RWG members immediately before the ICC-4 (November 27)</p> <p>Project Board to evaluate the approach and process along with RWG, MSTP for update of the SAP at the ICC-4. SAP update pending consultation through a workshop in 2020 and consolidation for submission by Prof. Paul Gremillion before June 2020 (ICC-5).</p> <p>UNDP/UNOPS needs to seek clarity from the two countries with regard to end of project targets in relation to “establishment and operationaling the YSLME Commission” and agreed on the need to draft a revised Results Framework (if applicable).</p> <p><u>Issues captured:</u> (1) As the updated TDA serves as the basis for SAP update, the it is necessary to complete the update of TDA before update of the SAP, which is best postponed to 2020. (2) Uncertainties exist in continued engagement of stakeholders and operation of IMCC and SAP implementation with ecosystem-based approach putting YSLME mechanism under an existing bilateral mechanism. ICC-4 should establish minimum level of conformity with project commitments to the GEF.</p> <p><u>Follow-on:</u> Extend Paul Gremillion's contract for SAP</p> |

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| <p>Indicator 1.5: Agreement on the financial arrangement for the YSLME Commission</p> | <p>RAMSAR, CBD, and UNFCCC conventions joint review on implementation on YSLME was completed with identification of gaps and recommendations. Such resources should be translated into KM resource to showcase how international convention implementation can contribute to the ecosystem-based management of YSLME and regional cooperation mechanism.</p> <p>The Financing Specialist contracted by UNOPS submitted the YSLME Partnership Trust Fund to the countries but the proposal was rejected at the meeting as non-relevant to YSLME context.</p> <p>Financing agreement to the post-YSLME governance mechanism is yet to be developed.</p> <p>Audit and terminal evaluation should be organized in June 2020</p> <p>Partners need to agree at the ICC-4 with regard to the financial arrangements (including staffing) being agreed bilaterally in ad hoc ICC.</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>Yantai University is yet to train 250 displaced fishermen on alternate employment through the PCA with YSFRI. First payment was made, and second payment was received.</p> <p>Nanjing University to assess the socio-economic implications of fishing vessel buy-back scheme - pending</p> <p>With project support, effectiveness of license system was assessed in PR China by YSFRI and recommendations were proposed and should be communicated to MARA for consideration.</p> <p><u>Follow-ups:</u> 1) Though with good progress under a conducive policy framework, baseline number of fishing vessels is determined for China yet progress is unknown. Baseline year and number of fishing vessels for RO Korea needs to be confirmed as well to showcase the progress of the project. 2) In addition, the policy recommendations of the license system in PR China should be brought to the attention of MARA for consideration in their policy making. 3) Check the fishery bulletin issued by the Fishery Bureau(s) of PRC for reduced vessel number in China, and similar check</p> |

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| <p>Indicator 3.1: Level of pollutant discharges particularly Nitrogen in YSLME tributaries</p> | <p>The diagnostic analysis of ID sources and sinks of pollutants is ongoing.</p> <p>Through NMEMC the following studies are being conducted: 1) methods for assessing deposition flux of nitrogen and phosphate in various forms and final loading report of Haizhou Bay of Jiangsu Province; 2) marine environment monitoring from sources of atmosphere, fertilizer use and sea and production of data products.</p> |
| <p>Indicator 3.2: Types of technologies applied for pollution reduction</p> | <p>KM activities are needed to share the data and information, and advocacy for implementation of best-practices and better governance for reduction of pollutants (fertilizers from agriculture etc.)</p> <p>(NCSMEC) wetland survey of Jiaozhou Bay is ongoing - report expected by Oct/Nov 2019.</p> <p>Follow-up: provide guidance to NCSMEC on the structure and outline of the interim report, and expedite delivery</p> |
| <p>Indicator 3.3: Status of legal and regulatory process to control pollution</p> | <p>Replication to 2 other sites - not delivered. - KM activities for replication</p> <p>Legal analysis of the policies and regulations of PRC and ROK in relation to pollution reduction is ongoing. PMO should follow-up and expedite delivery.</p> <p>Revision of the marine environmental protection law in PR China provides a timely opportunity to transform the results of the assessment into policy recommendation for consideration in the revision process.</p> |
| <p>Indicator 3.4: Status of the control of marine litter at selected locations</p> | <p>A further YSGP grant of 46,312 USD was awarded to Shanghai Rendu Ocean NPO Development Center (Rendu) for a marine debris monitoring project to strengthen the marine debris survey network in 6-8 locations in the Yellow Sea area. It will focus on fishery and aquaculture marine debris. Based on the survey data collected, Rendu will produce an analysis report and propose potential solutions.</p> <p>In order to further achieve the vision of zero litter, the project is supporting the establishment of the Clean Beach City Alliance. The evaluation committee concludes that the proposal would be granted and a</p> |

II. 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 | 995,973 | 751,690.75 | | | 76% | ICC-4 planned in Q4 |
| 2. Improved Ecosystem Carrying Capacity with respect to provisioning services | 724,958 | 156,690.40 | | | 22% | 4 received reports under revision Delay in PCA implementation by YSFRI |
| 3. Improved Ecosystem Carrying Capacity with respect to regulating and cultural services | 806,019 | 118,405.89 | | | 15% | Delayed implementation by NCSEMC |
| 4. Improved Ecosystem Carrying Capacity with respect to supporting services | 2,240,884 | 579,797.70 | | | 26% | 14 reports received on August 31, and now under revision |
| 5. Project Management Cost | | 99,612 | | | | Wrong recording of expenditure |
| Total | \$4,767,833 | \$1,706,196.74 | | | 36% | |

3. Project Management and Oversight

3 Risk Log Status Update

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

| # | Description | Status | Management Response |
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| 1 | Potential partners unwilling to make formal commitments | <i>new</i> | Sustaining EBM of YSLME and stakeholder participation through bilateral mechanism may limit participation of key line ministries in both countries and endorsement of the SAP by all members of the IMCC |
| 2 | Communication with partners | | Partners' activities are well coordinated to avoid overlapping. There is also a need to regularly update partners of YSLME progress |
| 3 | MPA designation | | Provincial and local governments may not agree to the establishment of new MPAs |