

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



Basic Project Information

UNDP Award ID	00074724
UNDP Project ID	00087001
Reporting Period	1 January 2020 – 31 March 2020
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	
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Project website	www.yslmep.org

Executive Summary

A total of US\$1,424,733 was programmed for 2020, and as at March 31, US\$185,437 was disbursed, representing 36% of the quarterly delivery target. The low financial delivery is due to delayed payment to four deliverables currently under improvement and revision by NCSEMC and YSFRI as ways for quality assurance. The project implementation is currently adversely affected with cancellation of 4 project events in March and April, slower than expected consultation on the MOU for establishing a post-YSLME Phase II Project mechanism, and the highly likely postponement of regional SAP update workshop scheduled in late April and the Terminal Evaluation scheduled in late June as a result of travel restriction of foreign national to China and RO Korea. Consequently, completing all project activities by June 30, 2020 and operationally closing the project by September 30 appear to be unrealistic, and extending the project operational closure beyond September should be considered. In light of adaptive management of the project and in line with the decision of the ICC-4, PMO should propose alternative use of resources saved from cancelled activities and prepare new schedule of delayed activities in consultation with PR China and RO Korea for approval by the partners in mid April along with revised AWP 2020 and Quarter 2 workplan.

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

1.1 Outcome & Output Progress Report

UNDP China CPD Indicator(s)

Indicator Description	Progress Report
Indicator 2.1.3: Number of Biodiversity policy (regulation, ordinances, guidelines, etc.) identified and taken up/committed to revise by the government.	RWG-F Chair and Vice Chair agreed to the approaches to developing the regional guidelines for implementation of the FAO Code of Conduct for responsible fisheries. Based on the consensus, PMO suggested ways to modify the responsible fisheries certification standards prepared by YSFRI into draft regional guidelines for discussion between the two countries.

UNDP SP Indicator(s)

Indicator Description	Progress Report
Indicator 2.5.1: Extent to which legal, policy and institutional frameworks are in place for conservation, sustainable use and access and benefit sharing of natural resources, biodiversity and ecosystems.	Surveys and production of overlays to analyze gaps and conservation needs of critical species and habitats in Yellow Sea are completed by FIO, NMEMC and YSFRI, awaiting for inputs from RO Korea. The results of the studies will help develop marine biodiversity protected area system in YSLME. YSLME biodiversity conservation plans for RO Korea and China have been consolidated into YSLME Biodiversity Conservation Plan (2020-2030). Review is in progress by

	the two countries for adoption.
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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</p>	<p>MOU on establishing the regional coordination mechanism for YSLME SAP implementation is currently under internal review within MNR and by IMCC of PR China. MNR will explore concluding the consultation for signing of the MOU by June. Draft updated TDA (2020-2030) was submitted by Prof. Paul Gremillion, and submitted to RWGs for review on March 6 with a deadline of feedback by March 27. Report was also uploaded on project website asking for comments and can be accessed via this link. (http://www.yslmep.org/wp-content/uploads/2020/03/YSLME_TDA_Update_Final.pdf). Minor comments were received from NWGs of PR China and no comments were received from NWGs of RO Korea. PMO will proceed with layout of the publication by Graphic Designer after integration of the comments to make it as a UNDP publication. Approaches and SAP management actions were received from Chinese NWGs on March 4 and goals. The goal and management action framework were received from RO Korea on March 13 and further revised version with detailed management actions were also received on April 1. With versions PMO received, the project consultant will consolidate into a regional SAP in consultation with the two countries.</p> <p>The IMCC members in the two countries have been involved in the discussion of the text of the MOU on regional governance mechanism, according to the two countries. This for sure has laid a good foundation for engagement of IMCC members in the SAP implementation in the future.</p> <p>N/A</p> <p>RWG-F Chair and Vice Chair agreed to the approaches to developing the regional guidelines for implementation of the FAO Code of Conduct for responsible fisheries. Based</p>

<p>international treaties and agreements</p> <p>Indicator 1.5: Agreement on the financial arrangement for the YSLME Commission</p>	<p>on the consensus, PMO suggested ways to modify the responsible fisheries certification standards prepared by YSFRI into draft regional guidelines for discussion between the two countries.</p> <p>Draft Sustainable fisheries certification standards in PR China was submitted by YSFRI as a part of the PCA deliverable after clearance by MARA/PR China. The adoption by MARA of this standard help improve the fishing practices of enterprises and managers in capture fishery industries and implementation of the FAO Code of Conduct for Responsible Fisheries.</p> <p>Financing is a central element in the MOU for stablishing the post-YSLME II arrangement that is currently under review by both countries.</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>Gaps in conservation of fish spawning, nursery, feeding and wintering grounds of four fish species in PR China was submitted by YSFRI as a deliverable under PCA. Comments provided by PMO are under consideration by YSFRI and revised version will be submitted in early April. Based on the assessment, recommendations were also made on the potential designation of new conservation zones for these areas for the four major commercial species.</p> <p>YSFRI is in the process of preparing Chinese versions of the IMTA GAP for review by MARA and Shandong IMTA promotion plan for consideration by provincial agriculture and rural affairs department.</p> <p>Completed.</p> <p>The PMO facilitated the preparation of the application materials for applying for UNDP Equator Prize for Dongchudao Village in collaboration with YSFRI. The application was submitted on January 9 to showcase the transformation of a fishing village into a new model of</p>

	<p>economic growth path through ecotourism and seafood processing benefiting from IMTA application with assistance from UNDP and the GEF in the past decade.</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>Loading report of Haizhou Bay was prepared, and NMEMC is working with Lianyungang local government to implement the recommendations of the nutrient reduction in major tributaries emptying into the bay.</p> <p>NCSMEC wetland survey of Jiaozhou Bay was completed, and efforts are being made to prepare recommendations of actions based on the results of the monitoring.</p> <p>NMEMC is preparing management measures to monitor the mariculture-based pollution to the marine environment.</p> <p>OSEAN of ROK submitted on March 12 a report on marine litter baseline survey and management measures. Comments to marine litter baseline survey were received from NMEMC for revision by OSEAN.</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>A total of 127 square meters of coastal areas Tiaozini of Yancheng have been designated as a municipal level wetland park in 2019. This greatly helps to protect the largest staging site for spoon-billed sandpiper.</p> <p>FIO and Liaoning Marine and Fisheries Research Institute are in the process of preparing the monitoring report on the spotted seal migration through satellite tracking supported by the project.</p> <p>Development of the report on adaptive management is ongoing.</p> <p>ROK submitted an analysis report on relationship between changes of the Yellow Sea Cold Water Mass (YSCWM) and structure of plankton communities., and FIO is in review of the report.</p>

1.2. Activity Implementation Status Report

Please list out all the other key activities delivered in this quarter not covered by above section. Please do not exceed 2 page.

The regional meeting on YSLME MPA networking was held in Dalian on January 12-16 with nearly 40 participants from PR China and RO Korea. The meeting agreed to have a follow-up meeting on MPA for spotted seals in late April with the participation of Russia, aiming to strengthen the people network and the priorities for inter-MPA and cross-country collaboration for effective management of the populations of Bohai and Yellow Sea by placing MPA education centers in both countries to establish MPA network.

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.

Initially planned budget for Q1 is USD 825,391. However, the final payments to FIO (USD 203,000), partial payment to YSFRI (USD 91,238) and full payment to Baixin (USD 30,000) will be delayed to second quarter affected by the outbreak of the Coronavirus. Consequently, the delivery target for the first quarter was adjusted to USD 513,164 including partial payments to PCAs. Up until March 31, US\$185,437 was disbursed, representing 36% of the quarterly delivery targets. The low financial delivery is due to delayed payment to four deliverables currently under revision by NCSEMC and YSFRI and the substantive progress of project implementation is going on as planned, achieving 80% of the project progress in the first quarter. The project expenditure for the first quarter is illustrated in the table below:

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	190,039	28,158.09			15%	The planned bilateral meeting and national SAP meetings were postponed. The subcontract with Baixin was extended to June 20, 2020 due to the COVID-19 pandemic.
2. Improved Ecosystem	167,413	23,262			14%	The PCA with YSFRI was extended to June 20,

Carrying Capacity with respect to provisioning services						2020 due to difficulties in implementation caused by the outbreak of COVID-19
3. Improved Ecosystem Carrying Capacity with respect to regulating and cultural services	447,610	141,520.01			32%	The PCA with NCSEMC was extended to June 20, 2020 since activities were affected by the COVID-19 pandemic.
4. Improved Ecosystem Carrying Capacity with respect to supporting services	619,671	122,898.37			20%	The MPA Networking Workshop was successfully organized on January 13. The PCA with FIO was extended to May 31, 2020. The Yellow Sea Grant Program was successfully completed in January and the evaluation meeting was conducted on January 10, 2020.
5. Project Management Cost		-130,401.5				Financial adjustment to correct over-expenditure.
Total	\$1,424,733	\$185,437	\$513,164	36%	13%	

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
1	<p><i>Uncertainties exist in continued engagement of stakeholders and operation of IMCC and SAP implementation with ecosystem-based approach due to slow in design of the regional ocean governance mechanism. PMO should closely monitor and escalate progress with design of the mechanism to ensure full participation and sustainable hand-over of the interim mechanism supported by YSLME project.</i></p> <p><i>Financing agreement to the</i></p>	<i>new</i>	<p><i>MNR initiated consultation with affiliated institutions on the content of the MOU. PMO discussed with MNR with initial agreement of signing the MOU in June.</i></p>

	<p><i>post-YSLME governance mechanism is yet to be discussed and signed. Meanwhile, the budgeting cycle of both governments allows timely earmarking of fund for operation of YSLME mechanism immediately after project closure. And Secretariat staffing is agreed in advance, allowing timely budgeting for staffing and operation.- active</i></p>		
2	<p><i>The partnership becomes YSLME's responsibility and strategy for SAP implementation. In the TDA and SAP development should be well coordinated to avoid late in government buy-in and stakeholders are fully consulted and comments are solicited.</i></p>	New	<p>Mitigation measures being undertaken include: 1) YSLME collaborated with WWF China in selection of grantees to promote the participation of NGOs in implementation of the SAP in the areas of capture fisheries, mariculture, MPAs and reduction of IUU in the Yellow Sea region. 2) broader consultation with partners indicates the need for participation of NGOs, private sector, business association, academia in the update of the SAP.</p>
3	<p><i>In the ongoing climate adaptive management regional strategy development, efforts should be made to ensure sound scientific understanding of the impacts of CC on marine ecosystem due to short period of project intervention, and availability of best available technologies and practices and full participation of private sector so as to make the adaptation strategy unrealistic and implementable</i></p>	New	<p>Close monitoring of progress and quality assurance will be applied in the review of deliverables prepared by the subcontractor</p>

4. Communication and Advocacy

PMO facilitated a review of seven videos prepared by Beijing Baixin Movie & TV Cultural Communication Co. Ltd in consultation with RWGs of PR China and RO Korea and provided revised scripts on February 13 for reproduction of the seven videos. The scripts of 6 videos were also translated into Chinese for future development of Chinese versions. Translation services from English to Korean of the six scripts are being solicited. The project Graphic Designer and Communication Officer also prepared a 60 second video calling for protecting the breeding, staging and wintering sites of the spoon-billed sandpiper in partnership with IUCN, EAAFP, SBS in China and Yancheng Government.

PMO with a help of a communication specialist also facilitated to develop two fact sheets on coastal reclamation and marine litter in the Yellow Sea based on technical reports received from both countries. The draft of a fact sheet on reclamation is currently in review and will be finalized once feedback from both countries is received. Another fact sheet with a topic of marine litter is in the process of drafting and will be shared with experts from both countries for their possible feedback before finalizing.



5. Management Recommendations

❖ Due to COVID-19, four activities described in the previous section of this report have been cancelled or postponed. The regional workshop on spotted seal MPA networking to be held in China in mid-April is suggested to be cancelled. Furthermore, the regional SAP update workshop, terminal evaluation and project wrap-up workshop have to be delayed due to travel restriction to PR China and RO Korea. In light of adaptive management of the project and in line with the decision of the ICC-4, PMO will propose use of resources allocated for cancelled activities and new schedule of delayed activities in consultation with the two countries and submit for approval by the partners in April.

3.4 New opportunities/Initiatives

❖ Both UNDP CO and UNDP/GEF conducted internal consultations concluding that a YSLME III phase is feasible for entry into GEF-7 should the regional governance can be put in place, SAP updated and adopted and rating of successful of YSLME II implementation. Interests of the two countries for a third phase will be explored by the PMO.

3.5 Engagement of target groups

❖ *Engagement of target groups during project implementation, no more than 150 words.*

3.6 Gender equality and gender activities

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Due to the pandemic outbreak during Q1, limited data for gender is available. The gender parity target for 2020 is developed. 33 people participated in the MPA Networking Workshop organized by YSLME Project on 13 January, of which 39.4 percent were females and 60.6 percent were males.