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GEF/UNDP/IMO Regional Programme on
Partnerships in Environmental Management
for the Seas of East Asia

**Meeting of the
Working Group on the
Regional Implementing
Mechanism for the
Sustainable Development
Strategy for the
Seas of East Asia
(SDS-SEA)**



Metro Manila, Philippines
15-18 May 2005

PEMSEA/WP/2005/17

**MEETING OF THE WORKING GROUP
ON THE REGIONAL IMPLEMENTING MECHANISM
FOR THE SUSTAINABLE DEVELOPMENT STRATEGY
FOR THE SEAS OF EAST ASIA (SDS-SEA)**

*GEF/UNDP/IMO Regional Programme on Building Partnerships in Environmental
Management for the Seas of East Asia (PEMSEA)
RAS/98/G33/A/IG/19*

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July 2005

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PROCEEDINGS OF THE MEETING

1.0 INTRODUCTION

- 1.1 The 10th Meeting of the PEMSEA Programme Steering Committee (“10th PSC Meeting”), held in Xiamen, China, 25-29 October 2004, recommended the convening of a Working Group to formulate the PEMSEA Partnership Agreement 2006 and the Partnership Operating Arrangements on the transformation of the existing project-based PEMSEA arrangement into a self-sustaining regional implementing mechanism for the Sustainable Development Strategy for the Seas of East Asia (SDS-SEA), and to undertake a series of activities and outputs that would lead to the adoption of a PEMSEA Partnership Agreement 2006 among PEMSEA countries and other concerned stakeholders.
- 1.2 A Working Group Meeting on the Regional Implementing Mechanism for the SDS-SEA was organized by the PEMSEA Regional Programme Office (RPO), as directed by the 10th PSC Meeting. The Department of Environment and Natural Resources (DENR), Philippines, hosted the meeting from 16 to 18 May 2005. The participants at the meeting included representatives from 11 participating countries, a representative from UNDP Manila, and the Secretariat.
- 1.3 The Meeting Agenda, List of Participants, and Terms of Reference for the Working Group are attached as Annexes 1, 2, and 3 respectively.

2.0 OPENING REMARKS

- 2.1 On behalf of the host agency, Atty. Analiza Rebuelta-Teh, Assistant Secretary for Foreign Assisted and Special Projects, DENR, Philippines, gave a warm welcome to the delegations. Atty. Rebuelta-Teh thanked PEMSEA for its contribution to the marine conservation and sustainable development activities in the Philippines. She highlighted the establishment of two Integrated Coastal Management Sites and the implementation of coastal strategies as some of the important achievements in the country. Atty. Rebuelta-Teh also recognized that while some significant initiatives have been made, more efforts have to be made in order to move the country’s coastal management programmes forward. Finally, she wished the meeting full success.
- 2.2 Dr. Chua Thia-Eng, Regional Programme Director, PEMSEA Regional Programme Office, welcomed all the participants to the Working Group Meeting. Dr. Chua provided a brief introduction on the background and purpose of the meeting. In particular, he identified the Putrajaya Declaration and the adoption of the Sustainable Development Strategy for the Seas of East Asia together as a milestone for the region and the driving force for the convening of the Working Group on the

Implementing Mechanism for the SDS-SEA. He informed the Meeting of the initiatives undertaken by PEMSEA in line with SDS-SEA implementation. Dr. Chua expressed his anticipation of fully achieving the Meeting's objectives through the collective wisdom of the participants, to produce the expected outputs and prepare the region for the transformation toward a more country-driven and stakeholder-oriented PEMSEA. In line with this, he encouraged all delegates to actively participate in the deliberations. Dr. Chua accorded special thanks to the DENR for hosting the meeting and for its continuous support to the PEMSEA project.

3.0 ORGANIZATIONAL MATTERS

- 3.1 The Meeting proceeded to elect its Chair. China nominated the Philippines, and the nomination was seconded by Indonesia and Vietnam. Atty. Analiza Rebuelta-Teh (Philippines) duly took her place as Chair of the meeting. The Regional Programme Director co-chaired the meeting.
- 3.2 The Chair invited the Meeting to review the provisional agenda. The Meeting adopted the agenda as contained in Annex 1.
- 3.3 The Secretariat introduced the working and information documents for the meeting.

4.0 WORKING GROUP'S TERMS OF REFERENCE

- 4.1 Dr. Huming Yu, Senior Programme Officer, PEMSEA Regional Programme Office, reviewed the Terms of Reference (TOR) of the Working Group, set by the 10th PSC Meeting. He requested the Meeting to take note of the conclusions and recommendations of the 10th PSC and the consensus achieved at that meeting with regard to the regional implementing mechanism for the SDS-SEA. He gave a background on the efforts of PEMSEA participating countries and RPO in developing the GEF project concept for pipeline entry on the implementation of the SDS-SEA and the UNDP regional project on supporting a regional mechanism for the implementation of the SDS-SEA.

5.0 DRAFT PARTNERSHIP AGREEMENT ON THE IMPLEMENTATION OF THE SDS-SEA 2006

- 5.1 Dr. Huming Yu introduced the topic of the preparation of the Partnership Agreement on the Implementation of the SDS-SEA 2006 ("Partnership Agreement"). The Working Group was invited to consider essential elements as follows in preparing the draft Partnership Agreement:
 - the purpose of the agreement;
 - the challenges;
 - the strategy and approach in response to the challenge;
 - the targets to be achieved;
 - the choice of regional coordinating mechanism for the SDS-SEA and the rationale;

- the implementing mechanisms to be established; and
 - the follow-up actions needed.
- 5.2 Dr. Yu also introduced a proposal from the International Maritime Organization (IMO), PEMSEA's Executing Agency, to refine and re-structure the draft Partnership Agreement and the draft Operating Arrangements, for adoption by accredited country representatives or plenipotentiaries at the Ministerial Forum of the East Asian Seas (EAS) Congress 2006.
- 5.3 The ensuing discussion focused on clarification of issues relating to the features, structure, form and procedural matters of the draft Partnership Agreement.
- 5.4 The discussion highlighted the main difference between the proposed Partnership Agreement and the Putrajaya Declaration 2003. The Putrajaya Declaration 2003 adopted the SDS-SEA as the basis for managing the Seas of East Asia, while the Partnership Agreement will address how and by whom the SDS-SEA will be implemented, and will sustain such implementation over the long-term.
- 5.5 The Meeting discussed the nature of the Partnership Agreement as a non-binding agreement, and agreed that, while commitments will be made and obligations created, the approach adopted will not be coercive in nature but persuasive, and non-compliance will not bring about sanction. The intention is to make it morally binding rather than legally binding.
- 5.6 The appropriateness of PEMSEA as the regional mechanism for the implementation of the SDS-SEA, which had been decided in the 10th PSC Meeting, was reiterated, citing PEMSEA's stability, high-level support, on-the-ground implementation, mobilization and coordination record, and partnership approach.
- 5.7 The Meeting expressed concern regarding national-level implementation of the SDS-SEA, noting the need for "socialization" or awareness-building and adoption. It was recognized that, while much has already been accomplished by PEMSEA National Focal Points, consensus-building and coordination at the national level will take additional effort.
- 5.8 The Meeting was then divided into three groups to discuss the issues and the formulation of the draft Partnership Agreement. The list of members for each group is attached as Annex 4. After group discussion, the plenary session of the meeting reconvened for each group to present the outcome of its discussion and to examine item by item the formulations of the draft Agreement proposed by the three groups. The results of the plenary discussion are summarized as follows:
- 5.8.1 The Partnership Agreement should clearly define the "partnership approach." The term "partnership approach" in the proposed draft was initially referred to as "the participation in the implementation of the SDS-SEA by the countries and other stakeholders on an equitable basis," which may mean participation in, and contribution, to SDS-SEA implementation according to the respective roles and capacities of the stakeholders. However, the word "equitable" could be subject to different interpretations. It was decided that the following would be a clearer formulation, in the complete paragraph: "In the past, intergovernmental arrangements have placed the responsibility for

environmental and resource management primarily on government, with other users and beneficiaries of those resources functioning primarily as interested observers. The partnership approach brings together all stakeholders to work as complements of each other, to act dynamically and in a coordinated manner to bring into full play the role of each stakeholder within the framework of the SDS-SEA.”

- 5.8.2 It was recalled that the 10th PSC Meeting identified the priority targets for the SDS-SEA implementation in the Programme of Activities for the Implementation of the SDS-SEA. These are regional targets to be achieved through the contribution of the individual countries. Countries will be required to prepare their respective implementation plans for consolidation into the regional priority setting. Therefore, they should not only “agree” to the targets, but also be committed to their implementation. By committing, rather than merely agreeing, the Partnership sends a call to action.
- 5.8.3 The term “rolling” in the phrase “a rolling ten-year regional partnership programme” means that the programme will be reviewed and updated regularly in a continuing improvement process, taking into account the feedback from the implementation. The development and implementation of the ten-year rolling programme and other activities should build on the existing relevant national and regional initiatives and programmes.
- 5.8.4 Based on the conclusions and recommendations of the 10th PSC Meeting concerning the regional implementing mechanism, the Partnership Agreement should recognize PEMSEA as the regional coordinating mechanism for the SDS-SEA implementation. The rationale for such recognition should be further specified in the document, as follows: “PEMSEA has demonstrated itself as an effective regional collaborative mechanism in promoting partnerships on the local, national and regional levels.”
- 5.8.5 The PEMSEA Resource Facility (“PRF”) is part of the mechanism to be developed for the SDS-SEA implementation. The establishment of this facility is one of the major outputs required by the current PEMSEA Project Document. For better understanding by the stakeholders, the Partnership Agreement should define the PRF in terms of its role in providing both secretariat and technical services. Although it may be difficult to translate the word “facility” in different national languages, it should be retained as it encompasses and/or accommodates the connotation of more than mere “Secretariat” or “Foundation.”
- 5.8.6 The Working Group concurred with the decision of the 10th PSC Meeting to adopt a three-year cycle for the EAS Congress in order to balance the need for maintaining the momentum of the SDS-SEA implementation and for avoiding the costs that frequent conferences would entail.
- 5.8.7 The Partnership Agreement should provide guidance on the follow-up actions needed upon its adoption. In this regard, the development of work plans, mobilization of resources, forging of partnership arrangements, renewal of current efforts on water pollution reduction and establishment of innovative financing mechanisms should be included as actions to be taken in the next

three years. Attention was called to the need to include the strengthening of cooperation, collaboration and partnership between PEMSEA and other relevant regional and international organizations in order to avoid duplication of efforts, enhance synergy, and promote public awareness and stakeholder involvement in SDS-SEA implementation.

- 5.8.8 By consensus, the region has opted for the partnership approach, rather than any binding, mandatory intergovernmental body, for SDS-SEA implementation. IMO's proposal to change the "Partnership Agreement" into a "Declaration" and the "Operating Arrangements" into an "Intergovernmental Agreement," and the rationale behind it, exceed the scope of the regional consensus. The titles for the two draft documents as determined by the 10th PSC Meeting should be maintained.
- 5.8.9 On the question of who should sign the Partnership Agreement, it was deemed appropriate that the countries of the Seas of East Asia participating in PEMSEA should sign the document during the Ministerial Forum in December 2006 as the first step of the process. Other Partners can join the process according to the relevant provisions of the Operating Arrangements.
- 5.9 Based on the above considerations, the Working Group prepared the draft Partnership Agreement, attached as Annex 5.

6.0 DRAFT PARTNERSHIP OPERATING ARRANGEMENTS

- 6.1 Ms. Stella Regina Bernad, Legal Officer for Marine Affairs of PEMSEA, introduced the agenda item on the preparation of the Partnership Operating Arrangements ("Operating Arrangements"). Dr. Chua elaborated on the following four major components of PEMSEA as decided by the 10th PSC Meeting, how the components are envisioned to work, and their relationship with each other:
- the East Asian Seas (EAS) Partnership Council as the policy-making body;
 - the PEMSEA Resource Facility (PRF), which will serve two functions: a) Secretariat to the Partnership Council and other bodies and activities; and b) Policy and Technical Services;
 - the Regional Partnership Fund, which will serve as a vehicle for voluntary contributions aimed at removing disparities in country capacities to implement the SDS-SEA; and
 - the EAS Congress, to share knowledge and monitor the progress of SDS-SEA implementation, and Ministerial Forum to provide policy directions and forge commitments.
- 6.2 The Meeting agreed that the draft Operating Arrangements would have seven sections, namely the Partnership, the Partners, the EAS Partnership Council, PEMSEA Resource Facility, Regional Partnership Fund, EAS Congress, and Supplemental Matters.
- 6.3 The Meeting broke up into the same three groups to discuss specific sections of the Operating Arrangements, as follows:

- Group A on the sections on the Partnership and the Partners;
- Group B on the section on the EAS Partnership Council; and
- Group C on the sections on the PEMSEA Resource Facility, Regional Partnership Fund, EAS Congress, and Supplemental Matters.

6.4 After the group discussions, the Working Group reconvened in plenary for group presentations. The plenary session considered the respective suggestions and recommendations of the three groups. The results of the plenary discussion are summarized as follows:

6.4.1 Partnerships in the Environmental Management for the Seas of East Asia (PEMSEA), is a partnership arrangement of all the countries and other stakeholders for the SDS-SEA implementation, as recognized in the draft Partnership Agreement. The Partnership Approach presents a major difference from the traditional intergovernmental approach. It emphasizes the sharing of responsibility and resources by the stakeholders, rather than governments being solely responsible, for initiatives in support of the sustainable development of the Seas of East Asia. It is an innovative approach but challenging in operation, and thus the partnership arrangement needs to be addressed in a practical and flexible manner.

6.4.2 The relevant paragraphs of the draft Partnership Agreement should be referenced to provide a clear definition of the “Partnership” and the “Partnership approach” within the context of SDS-SEA implementation. The use of these terms should be consistent throughout the Operating Arrangements to avoid ambiguity in the formulation of specific partnership arrangements for each component of the regional mechanism.

6.4.3 The EAS Partnership Council should be a regular body composed of all Partners. Who should be included as Partners? Qualifications for becoming a Partner should neither be too restrictive for stakeholder participation, nor too open as to make the partnership arrangement meaningless. The approach should ensure that would-be Partners have commitment to the arrangement.

6.4.4 Since Partners include both countries and other stakeholders, the need to distinguish the two types of Partners was discussed at length. It was recognized that the difference between the countries and other stakeholders, as Partners, lies in their respective roles. The two-tiered structure in the EAS Partnership Council, namely a Technical Session with participation of all partners and an Intergovernmental Session with participation of governments, gives due consideration to the common but differentiated roles and responsibilities of the countries and other stakeholders.

6.4.5 Categories of partners were identified as Countries of the Seas of East Asia region, local governments in the region, communities in the region, non-government organizations (NGOs) and other members of civil society in the region, research and education institutions, the private sector, UN and other international agencies and financial institutions that support or sponsor the implementation of the SDS-SEA, concerned regional and global programmes,

and other countries using the Seas of East Asia region. Provisions of the Operating Arrangements cover inclusion requirements for potential partners.

- 6.4.6 Three major processes were identified for the countries and other stakeholders to become Partners: First, the countries of the region signing the Partnership Agreement and other entities signing the Partnership Operating Arrangements will convene the first EAS Partnership Council Meeting; Second, other countries of the East Asian Seas region can join the EAS Partnership Council by signing the Partnership Agreement; and Third, stakeholders interested in becoming Partners may make a request in writing to join the EAS Partnership Council, through adherence to the Partnership Agreement and Operating Arrangements and entering into a partnership arrangement with PEMSEA via a Memorandum of Agreement on the SDS-SEA implementation. These processes provide opportunities and suitable modalities for the countries and other stakeholders to join the SDS-SEA implementation as Partners, considering their diversified conditions, capacities, needs and requirements.
- 6.4.7 Regarding the concern expressed over the inclusion of “countries using the Seas of East Asia” as Partners, it was clarified that their involvement in SDS-SEA implementation is necessary as their activities have an impact on the region’s environment and natural resources, and they are also stakeholders. In this context, it was considered appropriate to have this category of Partners and enable them to participate in the Technical Session.
- 6.4.8 A proposal for an over-all Chair of the EAS Partnership Council, to be elected from all the Partners, and to co-chair at both Technical and Intergovernmental Sessions, was discussed. While the merit of this approach was recognized in terms of ensuring better coordination between the Technical and the Intergovernmental Sessions, the possibility of either a non-government entity or a country from outside the region co-chairing the Intergovernmental Session could cause some difficulties for the participating governments. The Working Group concluded that the Council Chair should sit at the Intergovernmental Session in an *ex officio* capacity.
- 6.4.9 The establishment of an Executive Committee comprised of the Council Chair and two Session Chairs, with the PRF Executive Director as the Secretary, was considered necessary to ensure and oversee the implementation of the decisions of the Council.
- 6.4.10 The cycle of the Council sessions, once every eighteen months, was considered appropriate as it would enable the Council to monitor and review the progress made and undertake necessary actions between the tri-annual EAS Congress.
- 6.4.11 With respect to the PRF, the need was stressed for the coordination between its two operational arms, the Secretariat and the Technical Services, particularly regarding their functions in programme development and resource mobilization.

- 6.4.12 For the Regional Partnership Fund, it was concluded that the Executive Committee be given the responsibility to ensure the best use of the fund, including proper management of the earmarked funds contributed by the countries or other stakeholders for their specific purposes.
- 6.4.13 Regarding the EAS Congress, the EAS Partnership Council was charged with the responsibility to undertake consultation with the Partner countries in determining the hosting and venue of the Congress.
- 6.4.14 It was agreed that the Council and its Technical and Intergovernmental Sessions should formulate and adopt detailed rules of procedures, terms of reference and operational guidelines for the proper functioning of the components of the regional mechanism.
- 6.4.15 To ensure that the Malacca Straits are covered by the Partnership Arrangement, the term “straits” were inserted into the formulation concerning the geographic scope of the Partnership.
- 6.4.16 The proposal by the participants from Japan to avoid using the word “shall” in the document in view of its nature as a non-binding document was accepted. Accordingly, appropriate changes were made in the draft Operating Arrangements.
- 6.4.17 The Meeting decided not to accept the *Outline on the Institutional Framework for the Implementation of the SDS-SEA* for converting the Partnership Operating Arrangements into an Intergovernmental Agreement for the Implementation of the SDS-SEA, as proposed by IMO. Some participants reminded the Meeting that the elements in the proposed Outline, such as Membership Contribution (formula/amount), were clearly ruled out as viable options for the region in various previous regional consultations.
- 6.4.18 The Partnership Operating Arrangements should be adopted as part of the Partnership Agreement, and attached to it as an Appendix.
- 6.5 The draft of the Partnership Operating Arrangements produced by the Working Group is attached as Annex 6.

7.0 DRAFT DOCUMENT FOR UNDP REGIONAL PROJECT ON SUPPORTING A REGIONAL MECHANISM FOR THE IMPLEMENTATION OF THE SDS-SEA

- 7.1 Dr. Yu informed the Meeting that a draft document on the UNDP Regional Project on Supporting a Regional Mechanism for the Implementation of the SDS-SEA (“UNDP Project Document”, meeting document WG/05/DOC/07) had been prepared by the RPO in line with the conclusions and recommendations of the 10th PSC Meeting. National consultations had also been undertaken by the RPO regarding country support for the regional implementing mechanism. The UNDP Project Document would establish the PEMSEA Resource Facility Secretariat Services, fully supported by the participating countries, thus providing a modality for SDS-SEA implementation and signifying country commitment. Dr. Yu highlighted the project’s objectives, rationale, strategy, possible areas of co-financing for the transitional phase (2005-2006) and the operational phase (2007-2012), and the process and modalities

- involved in securing country endorsements. He stressed the critical importance of the countries' endorsement of this document in securing further support from GEF, UNDP and other agencies.
- 7.2 Dr. Chua directed the Meeting's attention to the two major tasks of the country delegations: (a) to assist the RPO in presenting the UNDP document to their respective countries, and (b) to secure the approval or endorsement of the countries in order to ensure the establishment and operation of the PRF Secretariat Services by 2007.
- 7.3 Ms. Clarissa Arida of UNDP Manila stated that, consistent with the spirit and context of the PEMSEA Regional Programme and the SDS-SEA, as adopted through the Putrajaya Declaration, UNDP acknowledged the commitment and support of the countries to the proposed "Regional Project on Supporting a Regional Mechanism for the Implementation of the SDS-SEA". She noted that the draft Project Document follows the UNDP requirements and is consistent with the PSC recommendation for PEMSEA and the PRF to continue to operate within the UN Framework and the current and follow-on PEMSEA programme. This recommendation allows PEMSEA and the PRF to operate as a regional organization, with the same privileges enjoyed by other regional inter-governmental organizations, following the UN system framework.
- 7.4 However, UNDP recognized the difficulties faced by countries in getting the project document approved by the UNDP Focal Points, due to the fact that in most PEMSEA participating countries, the PEMSEA Focal Points and UNDP Focal Points are two different departments or ministries. In light of this, Ms. Arida recommended that PEMSEA participating countries use the Cost-Sharing Agreement (CSA) as the main document to provide cash contribution to the proposed project. The CSA could serve as the instrument for countries' support to the PRF to be channeled to the UN system, particularly through UNDP. This modality of fund transfer will be available and accessible to all countries contributing cash support to the PRF, and will no longer require a new project document. The existing project document of PEMSEA will be sufficient to prepare the CSA.
- 7.5 The CSA will be signed by UNDP, individually, with countries providing the cash contribution. The CSA should be signed by the national agency actually providing the cash contribution (e.g., the PEMSEA National Focal Point). The contribution will be deposited by the country in the UNDP New York bank account and will then be accessed by UNDP Manila for transfer to the executing agency. Ms. Arida will provide the countries, through the RPO, with a copy of the CSA pro-forma document. The RPO could revise the draft project document into a framework document, which would serve to capture the support from countries whether in-kind or cash financing. This document may be attached as Annex to the CSA.
- 7.6 Dr. Chua informed the Meeting of some of the developments and results of the country consultations undertaken by the RPO. During the consultations, most of the participating countries informed RPO about their potential commitments and support, as well as some difficulties in phasing these contributions into the country's annual budget cycles as a major constraint in securing the country commitment.

- 7.7 Dr. Chua also informed the Meeting that the UNDP/GEF Project concept document was submitted to the GEF Secretariat. With the assurance of the participating countries' commitment to SDS-SEA implementation, and specifically to the PRF, the GEF had approved the project concept for implementation of the SDS-SEA for ten years, divided into two three-year periods and a final four-year period. The first three-year period was approved for GEF pipeline entry, in the amount of US\$ 10.8 million. Over the next 18 months, the RPO will prepare:
- a GEF PDF-B Application, seeking a \$700,000 grant to support the preparation of the required GEF Project Documents. The GEF PDF-B Application will be finalized and submitted by the end of June 2005;
 - a GEF Project Brief on the Implementation of the SDS-SEA for the consideration and approval of the GEF Council Meeting in November 2005; and
 - a GEF Project Document on the Implementation of the SDS-SEA for the consideration and approval of the GEF Council Meeting in July 2006.
- 7.8 It was noted that GEF Council documents must be submitted to the GEF Secretariat two months before scheduled Council meetings. Participants were informed that national endorsement of the GEF PDF-B Application needed to be secured by the end of June 2005, in order to maintain the identified schedule. Letters of support from the countries for the PRF Secretariat Services, specifying national contributions in cash and in kind, would need to be submitted to the GEF Council along with the Project Brief (Executive Summary). In such case, countries were requested to submit their letters of support of the PRF Secretariat Service to the RPO by the end of September 2005. Copies of the Concept Paper and PDF-B Application were distributed to the Working Group representatives.
- 7.9 Extensive interventions from the participants took place in support of the initiatives and the approaches to secure country commitment regarding the PRF operation.
- 7.10 The Japanese participants informed the Meeting that while Japan is currently facing budgetary/financial constraints that prevent them from confirming it, the national focal agency is doing its best to secure the financial commitment to the support of the PRF. Japan will inform PEMSEA of their decision and other developments in April 2006.
- 7.11 The Chinese participants recognized PEMSEA's contribution in the development of the marine environment of the East Asian region since 1993. They expressed China's support for PEMSEA and its willingness to provide appropriate contributions in cash and in kind for the operational phase. In particular, they informed the Meeting of China's support and contribution to the East Asian Seas Congress 2006 and other trainings or workshops of PEMSEA. Dr. Chua further informed the Meeting of the State Oceanic Administration's positive response to the RPO's letter regarding the proposed level of cost-sharing in the PRF's operation.
- 7.12 The participants of RO Korea expressed their country's strong support for the PRF. The delegation outlined the areas of activities wherein RO Korea is willing to provide assistance and their proposed support for PRF activities in the transitional phase (2005-2006) and the operational phase (2007-2012), estimated at US\$403,000 and

US\$2,316,000 respectively. Though this proposal is yet to be approved, the delegation assured the Meeting that all efforts will be exhausted to secure the funding. On behalf of the RPO, Dr. Chua expressed his appreciation for RO Korea's encouraging presentation and commended the efforts to go through the necessary channels in order to secure commitment and funding.

- 7.13 The Thai participants expressed the willingness of Thailand to provide in-kind support. Due to the country's difficulty to allocate cash contributions, Thailand will try its best to support some of PEMSEA activities and to send representatives to workshops and meetings. In particular, Thailand is considering the possibility of hosting the East Asian Seas Congress in 2009.
- 7.14 The Philippine representative reiterated the country's commitment to host the PEMSEA RPO and to provide the necessary facilities for its operations. The DENR estimated the total amount of facilities and some operational expenses to about two million pesos per year (US\$37,000). The Department is also looking into the possibility of providing additional office space to the Secretariat when required.
- 7.15 The participants of DPR Korea expressed their country's commitment and support to PEMSEA which they will provide both in cash and in kind. Although the delegation could not provide the exact amount of support, they affirmed that DPR Korea is ready to contribute and to second staff to the Secretariat for the transitional period and the operational phase. DPR Korea will confirm their contribution to the trust fund and others in 2006. Dr. Chua expressed his admiration for the country's commitment and motivation to mobilize possible means of support despite the economic difficulties being encountered.
- 7.16 The Indonesian participants expressed the government's willingness to cooperate and contribute to the PEMSEA activities. The delegation informed the Meeting that Indonesia will provide the details of their contribution in the coming months. Dr. Chua thanked Indonesia and the Bali provincial government in particular, for hosting and assisting in the conduct of the Fourth Annual Forum of the Regional Network of Local Governments Implementing Integrated Coastal Management (RNLG) on 26-28 April 2005.
- 7.17 The Vietnamese participant informed the Meeting that his country is currently working on the formulation of a national policy on coastal zone management. This is part of Vietnam's efforts to implement the SDS-SEA. In addition, Vietnam will provide support to the PRF Secretariat by funding their participation in various meetings and seconding staff. The delegation pronounced the country's possible contributions in kind, while the possible contribution to the Trust Fund is still subject to further negotiations and consultation with the country's relevant agencies.
- 7.18 The Singaporean participant stated that the national agencies support PEMSEA and its initiatives in the SDS-SEA implementation, and would determine its way of support upon studying the proposals.
- 7.19 The participant from Malaysia delivered a message from the National Focal Point of continued support for PEMSEA. As part of their contribution, Malaysia will try to shoulder the expenses of their delegates in the future meetings of PEMSEA. Specific details of other forms of support have yet to be determined.

- 7.20 The Cambodian participant also expressed his country's support for PEMSEA. The 11th PSC Meeting to be held in Siem Reap, on August 1-4, 2005, is part of Cambodia's demonstration of commitment.

8.0 NATIONAL CONSULTATION AND REVIEW OF THE DRAFT DOCUMENTS

- 8.1 The participants agreed to facilitate national consultations and consensus building concerning the Draft Partnership Agreement and Operating Arrangements in preparation for the 11th PSC Meeting. Further suggestions and recommendations regarding the drafts resulting from the national consultation will be taken up by the 11th PSC Meeting.
- 8.2 The need to further strengthen cross-sector and interagency consultation with regard to the two draft documents at the national level was emphasized, in view of the interactive effects between the implementing mechanisms for the SDS-SEA at the national and regional levels.

9.0 CONCLUSIONS AND RECOMMENDATIONS

- 9.1 The Meeting considered that it had completed its Terms of Reference set by the 10th PSC Meeting. The detailed conclusions and recommendations arising from the Meeting are summarized below.

Draft Partnership Agreement

- 9.2 The Meeting noted:
- 9.2.1 The priority targets to be achieved for the implementation of the SDS-SEA as identified in the Programme of Activities for the SDS-SEA Implementation adopted by the 10th PSC Meeting; and
 - 9.2.2 The consensus reached by the PEMSEA participating countries to adopt the partnership approach rather than the traditional intergovernmental approach in developing the regional implementing mechanism for the SDS-SEA.
- 9.3 The Meeting recommended the submission of the draft Partnership Agreement on the Implementation of the Sustainable Development Strategy for the Seas of East Asia as contained in Annex 5 for the consideration of the 11th PSC Meeting.

Draft Partnership Operating Arrangements

- 9.4 The Meeting noted:
- 9.4.1 The guidance provided by the 10th PSC Meeting to develop the regional collaborative arrangements building upon the partnership foundation laid down by PEMSEA; and to transform the existing project-based PEMSEA arrangement into a self-sustained functional regional mechanism for the implementation of the SDS-SEA;

- 9.4.2 The specific decision of the 10th PSC Meeting to develop an implementing mechanism for the SDS-SEA through the transformation of PEMSEA's Programme Steering Committee (PSC) into an East Asian Seas (EAS) Partnership Council, the establishment of a Regional Partnership Fund, the operationalization of a self-sustaining PEMSEA Resource Facility (PRF), and the setting up and launching of a three-year cycle regional congress patterned after the East Asian Seas Congress 2003;
 - 9.4.3 The need to define the nature, role, objective and scope of PEMSEA as the regional coordinating mechanism for the implementation of the SDS-SEA; and
 - 9.4.4 The need to clearly delineate the objectives, scopes of activities, compositions, roles and responsibilities, operational procedures and modalities, funding sources and mechanisms, and monitoring, evaluation and reporting mechanisms and processes with regard to the major components of the regional implementing mechanism.
- 9.5 The Meeting recommended the submission of the draft Partnership Operating Arrangements on the Implementation of Sustainable Development Strategy for the Seas of East Asia as contained in Annex 6 for the consideration of the 11th PSC Meeting.

10.0 CLOSING REMARKS

- 10.1 The Chair, Atty. Analiza Rebueta-Teh, speaking as representative of the host country and agency, expressed her thanks to the participants and the RPO. She reiterated the continued strong commitment and support of the Philippines to PEMSEA.
- 10.2 Dr. Chua expressed his deep appreciation to everyone involved in the Working Group Meeting. He thanked the DENR for its continuing support and hosting of the PEMSEA RPO and its hosting of important activities such as the group meetings, and the Chairperson for ensuring the smooth flow of the Meeting. He extended his gratitude to the participants for their active participation and valuable contribution in refining the two important documents that will set a new milestone in the region's ocean governance. The work of the group today will surely make a big difference tomorrow.
- 10.3 Dr. Chua also noted that the success of the Meeting is not incidental, but stemming from the regional and national partnership and cooperation established over the years. Dr. Chua stressed that, as the project-based PEMSEA bows out in 2006, a PEMSEA in its transformation into an effective regional mechanism for the SDS-SEA implementation would take the reins and move on. If what PEMSEA has been working on is worth supporting, countries and stakeholders are encouraged to take on the leadership in the SDS-SEA implementation and to take on a stronger role in creating country-owned, country-driven regional implementing arrangements.
- 10.4 The Meeting sessions concluded at 6:20 p.m., 17 May 2005.

ANNEXES

**MEETING OF THE WORKING GROUP ON THE REGIONAL IMPLEMENTING MECHANISM FOR
THE SUSTAINABLE DEVELOPMENT STRATEGY FOR THE SEAS OF EAST ASIA
Metro Manila, Philippines • 15-18 May 2005**

MEETING AGENDA

16 May 2005 (Monday)

0730 - 0830		Registration
0830 - 0850		Opening Ceremony
0850- 0900		Group Photo
0900 -0920	1.0	Organizational Matters
0920 - 0940	2.0	Working Group's Terms of Reference
0940-1000		Coffee Break
1000	3.0	Draft Document on the Partnership Agreement 2006
1000-1020	3.1	General Discussion on the Framework and Approaches
1020-1200	3.2	Group Discussion on the Preparation of the Draft Partnership Agreement 2006
1200 – 1300		Lunch
1300		Item 3.0 continued
1300 –1400		Group Presentation and Plenary Discussion on the Draft Partnership Agreement 2006
1400	4.0	Draft Document on the Partnership Operating Arrangements
1400-1430	4.1	General Discussion on the Framework and Approaches
1420-1500	4.2	Group Discussion on the Preparation of the Draft Partnership Operating Arrangements
1500-1515		Coffee break
1515-1800		Group discussion continued
1800		Close of the Day's Meeting

17 May 2005 (Tuesday)

0830 - 1000		Item 4.2 Group Discussion continued
1000 - 1015		Coffee Break
1015 - 1200		Item 4.2 Group Presentation and Plenary Discussion on the Draft Partnership Operating Arrangements
1200 - 1300		Lunch
1300 - 1500	5.0	Draft Document for UNDP Regional Project on Supporting a Regional Mechanism for the Implementation of the SDS-SEA
1500 - 1600	6.0	National Consultation and Review of the Draft Documents
1600 - 1715		Coffee break
1715 - 1745	7.0	Conclusions and Recommendations
1745 - 1800		Closing Remarks
1800		Close of the Meeting

18 May 2005 (Wednesday)

Field Trip

**MEETING OF THE WORKING GROUP ON THE REGIONAL IMPLEMENTING MECHANISM FOR
THE SUSTAINABLE DEVELOPMENT STRATEGY FOR THE SEAS OF EAST ASIA
Metro Manila, Philippines • 15-18 May 2005**

LIST OF PARTICIPANTS

CAMBODIA

Mr. Sam Chamroeun
Director
Planning and Legal Affairs Department
Ministry of Environment
48, Samdech Preah Sihanouk
Tonle Bassac, Chamkamon
Phnom Penh
Cambodia
Tel: (855) 23 720371; 23 724901
Fax: (855) 23 427844, 23 212045
Email: chamroeunsam@hotmail.com

CHINA

Prof. Li Wenhai
Bohai Sea Environmental Management
Project Office
International Cooperation Department
State Oceanic Administration
1 Fuxingmenwai Avenue
Beijing 100860
People's Republic of China
Tel: (86 10) 6804 8051
Fax: (86 10) 6803 0799
Email: bsemp@tom.com

Mr. Yang Yafeng
Programme Officer
International Cooperation Department
State Oceanic Administration
1 Fuxingmenwai Avenue
Beijing, 100860
People's Republic of China
Tel: (86 10) 6804 8051
Fax: (86 10) 6803 0799
E-mail: yyfsoa@hotmail.com

**DEMOCRATIC PEOPLE'S REPUBLIC OF
KOREA**

Mr. Ko Ju Chol
Deputy Director General
General Bureau for Cooperation with
International Organization (GBCIO)
Jungsong-dong, Central District
Pyongyangt, P.O. Box 504
Democratic People's Republic of Korea
Tel.: (850 2) 18111/222/333 ext. 8306
Fax: (850 2) 381 4461
E-mail: gbcio@co.chesin.com

Mr. Ri Jun Ho
Senior Programme Manager
General Bureau for Cooperation with
International Organizations (GBCIO)
Jungsong-dong, Central District
Pyongyang, P.O. Box 504
Democratic People's Republic of Korea
Tel: (850 2) 18111/222/333 ext. 8306
Fax: (850 2) 381 4461
Email: gbcio@co.chesin.com

INDONESIA

Mr. Alam Syah Mapparessa
Head, Sub-Division for Coastal Natural
Environment
Assistant Deputy Minister for Coastal and
Marine Ecosystem
Ministry of Environment
5th Floor, Building A
Jalan D.I. Panjaitan No. 24
Jakarta 13410
Indonesia
Tel: (62 21) 859 05 638
Fax: (62 21) 859 04 929
E-mail: as_mapparessa@menlh.go.id,
as_mapparessa@yahoo.com

Dr. Harsono Soepardjo, M.Eng
Director
Center for Marine Studies
Faculty of Mathematics and Natural
Sciences
University of Indonesia
Depok 16424
Indonesia
Tel: (62 21) 7721 1473
E-mail: psk_ui1@fmipa.ul.edu;
psk_ui@yahoo.com

JAPAN

Mr. Nobukazu Nagai
Deputy Director
Ocean Office
Environment and Ocean Division
Policy Bureau
Ministry of Land, Infrastructure and
Transport
2-1-3 Kasumigaseki, Chiyoda-ku
Tokyo 100-8918
Japan
Tel: (81 3) 5253 8266
Fax: (81 3) 5253 1549
Email: nagai-n2uf@mlit.go.jp

Mr. Koji Ito
Special Assistant to the Director
Ocean Office
Environment and Ocean Division
Policy Bureau
Ministry of Land, Infrastructure and
Transport
2-1-3 Kasumigaseki, Chiyoda-ku
Tokyo 100-8918
Japan
Tel: (81 3) 5253 8267
Fax: (81 3) 5253 1549
Email: itou-k2jz@mlit.go.jp

Ms. Ayako Okubo
Researcher
Ocean Policy Research Foundation
Kaiyo Senpaku Bldg.
1-15-16 Toranomon, Minato-ku
Tokyo 105-0001
Japan

Tel: (81 3) 3502 1907
Fax: (81 3) 3502 2127
Email: a-okubo@sof.or.jp

Mr. Takeshi Kishida
Deputy General Manager
Nippon Maritime Center
16 Raffles Quay
#27-03 Hong Leong Building
Singapore 048581
Tel: (65) 6226 1231
Fax: (65) 6226 1219
Email: kishida@nmc.com.sg

MALAYSIA

Mr. Hashim Daud
Director
Water and Marine Division
Department of Environment, Malaysia
Level 3-7, Block C4
Federal Government Administrative Center
62662 Putrajaya
Malaysia
Tel: (60 3) 8885 8238
Fax: (60 3) 8888 4070
E-mail: hd@jas.sains.my

PHILIPPINES

Atty. Analiza Rebueta-Teh
Assistant Secretary for Foreign Assisted and
Special Projects
Department of Environment and Natural
Resources
DENR Compound, Visayas Avenue
Diliman, Quezon City
Philippines
Tel: (63 2) 926 8074
E-mail: analiza@denr.gov.ph

Mr. Robert S. Jara
Division Chief
Bilateral Investment and Program Division,
FASPO
Department of Environment and Natural
Resources
DENR Compound, Visayas Avenue
Diliman, Quezon City
Philippines

Tel: (63 2) 926 2693
Fax: (63 2) 928 0028
Email: rsjara@denr.gov.ph;
rsjara@hotmail.com,
rsjara_121@yahoo.com
Website: <http://www.denr.gov.ph>

Dr. Gil S. Jacinto
Director
Marine Science Institute
University of the Philippines
Diliman, Quezon City
Philippines
Tel.: (63 2) 922 3962 / 920 5301 loc 7416
Fax: (63 2) 924 7678
E-mail: gilj@msi01.cs.upd.edu.ph

REPUBLIC OF KOREA

Dr. Shin, Won-Tae
Deputy Director
Marine Environment Division
Marine Policy Bureau
Ministry of Maritime Affairs & Fisheries
(MOMAF)
140-2 Gye-dong Jongno-gu, Seoul
Republic of Korea
Tel: (82 2) 3148 6544
Fax: (82 2) 3148 6545
E-mail: wtshin@momaf.go.kr

Dr. Kim Jong Deog
Associate Research Fellow, Doctor of
Engineering
Korea Maritime Institute
Marine Environment and Coastal
Management Research Division
Soo Am Bldg., 1027-4, BangBae 3-dong
SeoCho-ku, Seoul 137-851
Republic of Korea
Tel: (82 2) 2105 2770
Fax: (82 2) 2105 2779
Mobile: (82 10) 3192 7697
Email: jdkim65@kmi.re.kr ;
jdkim65@hotmail.com
Website: <http://www.kmi.re.kr>

SINGAPORE

Dr. Navin P. Rajagobal
Assistant Director
International Relations
Ministry of the Environment and Water
Resources, Singapore
Environment Building
40 Scotts Road, #23-00,
Singapore 228231
Tel: (65) 6731 9807
Fax: (65) 6738 4468
Email: navin_rajagobal@mewr.gov.sg

THAILAND

Mr. Dhana Yingcharoen
Senior Policy and Planning Analyst
Department of Marine and Coastal
Resources
Ministry of Natural Resources and
Environment
92 Phaholyotin 7, SamSen-Nai
Bangkok 10400
Thailand
Tel: (66 2) 298 2592
Fax: (66 2) 298 2592
Email: dyingcharoen@hotmail.com

Mr. Suchat Sawangarreruks
Senior Fishery Biologist
Marine and Coastal Resources Research
Center
Department of Marine and Coastal
Resources
92 Phaholyotin 7, SamSen-Nai
Bangkok 10400
Thailand
Tel: (66 2) 298 2167
Fax: (66 2) 298 2167
E-mail: suchat@dmcr.go.th

VIETNAM

Mr. Hua Chien Thang
Director
River Basin and Coastal Zone Division
Vietnam Environment Protection Agency

Ministry of Natural Resources and
Environment
67 Nguyen Du, Hanoi
Vietnam
Tel: (84 4) 822 3189
Fax: (84 4) 822 4419; 942 1223
Mobile: (84 0) 9135 62863
Email: hthang@nea.gov.vn; thang-
adb@hn.vnn.vn

UNDP MANILA

Ms. Clarissa Arida
Programme Manager, GEF
UNDP Manila
30th Floor, Yuchengco Tower
RCBC Plaza
6819 Ayala Avenue
Makati City
Philippines
Tel: (63 2) 901 0100
Fax: (63 2) 901 0200
Email: clarissa.arida@undp.org

PEMSEA SECRETARIAT

Dr. Chua Thia-Eng
Regional Programme Director
Tel: (63 2) 426 3849; 920 2211
Fax: (63 2) 926 9712
Email: chuate@pemsea.org

Mr. S. Adrian Ross
Senior Programme Officer
Tel: (63 2) 926 9712; 920 2211
Fax: (63 2) 926 9712
Email: saross@pemsea.org

Dr. Huming Yu
Senior Programme Officer
Tel: (63 2) 926 3752; 920 2211
Fax: (63 2) 926 9712
Email: humingyu@pemsea.org

Dr. Jihyun Lee
Senior Programme Officer
Tel: (63 2) 926 3752; 920 2211
Fax: (63 2) 926 9712
Email: jhlee@pemsea.org

Ms. Socorro Guerrero
Senior Administrative Officer
Tel: (63 2) 926 3752; 920 2211
Fax: (63 2) 926 9712
Email: cory@pemsea.org

Ms. Stella Regina Bernad
Legal Officer, Marine Affairs
Tel: (63 2) 920 2211
Fax: (63 2) 926 9712
Email: srbernad@pemsea.org

Ms. Ma. Teresita Lacerna
Legal Officer, Marine Law, Policy and
Institutional Development
Tel: (63 2) 920 2211
Fax: (63 2) 926 9712
Email: tlacerna@pemsea.org

Ms. Rachel Josue
Administrative Assistant
Tel: (63 2) 920 2211
Fax: (63 2) 926 9712
Email: rocky@pemsea.org

Ms. Kathrine Rose Gallardo
Technical Assistant for Regional Ocean
Governance
Tel: (63 2) 920 2211
Fax: (63 2) 926 9712
Email: kathrine@pemsea.org

Ms. Elsie Merina
Secretary
Tel: (63 2) 920 2211
Fax: (63 2) 926 9712
Email: emerina@pemsea.org

Visiting Address:

GEF/UNDP/IMO Regional Programme on
Partnerships in Environmental
Management for the Seas of East Asia
Department of Environment and Natural
Resources (DENR) Compound
Visayas Avenue, Quezon City 1100
Philippines

Mailing Address:

P.O. Box 2502
Quezon City 1165, Philippines

WORKING GROUP ON A REGIONAL IMPLEMENTING MECHANISM FOR THE SDS-SEA

TERMS OF REFERENCE

Background

On 12 December 2003, Ministers and Senior Officials from the 12 participating countries of PEMSEA signed the Putrajaya Declaration. The Putrajaya Declaration was a first for the region, as a regional expression of commitment to the implementation of the Sustainable Development Strategy for the Seas of East Asia, and to the goals and objectives of the WSSD Plan of Implementation, the UN Millennium Development Goals, and Agenda 21.

Recognizing the Putrajaya Declaration as an important first step in the long road to sustainable development and management of the Seas of East Asia, the 10th PSC Meeting concluded that, while PEMSEA is the *de facto* implementing mechanism for the SDS-SEA, there was a need to transform the existing project-based PEMSEA arrangement into a long-term and effective regional mechanism for the SDS-SEA implementation.

The 10th PSC Meeting recommended the convening of the Working Group to undertake a series of activities and outputs that will lead to the adoption of a PEMSEA Partnership Agreement 2006 among PEMSEA countries and other concerned stakeholders:

Overall Objectives

To formulate the PEMSEA Partnership Operating Arrangements on the transformation of the existing project-based PEMSEA arrangement into a fully functional, self-sustaining regional implementing mechanism for the SDS-SEA, and to prepare a draft PEMSEA Partnership Agreement 2006 for the adoption the proposed regional implementing mechanism.

Specific Activities

The Working Group will undertake the following activities:

1. Review the recommendations of the 10th PSC Meeting with regard to the implementing mechanism for the SDS-SEA, including the associated institutional arrangements (e.g., the East Asian Seas Partnership Council, the PEMSEA Resource Facility, the Regional Partnership Fund, and the regular EAS Congress), the response programme, and the investment and financing programme
2. Identify and assess the challenges and constraints (i.e., political, legal, economic/financial) associated with the proposed implementing mechanism, with due consideration to the engagement of the concerned national governments, user States, the private sector, relevant regional/international organizations, programmes and projects, and a full range of other concerned stakeholders.
3. Formulate the vision, mission, goals and operating modalities for the proposed implementing mechanism, which address the previously identified challenges and

constraints, and puts the philosophies underlying the Putrajaya Declaration and the SDS-SEA into practice.

4. For the associated institutional arrangements, clearly delineate:
 - Objectives
 - Scope of activities
 - Composition, roles and responsibilities
 - Operational procedures and modalities
 - Funding sources and mechanisms
 - Monitoring, evaluation and reporting mechanisms and processes
5. Consolidate the above analysis and outputs into the PEMSEA Partnership Operating Arrangements.
6. Prepare a draft of the PEMSEA Partnership Agreement 2006 among countries and their partners, adopting a long-term and effective regional mechanism for the SDS-SEA implementation, and providing an articulation on agreed institutional arrangements.
7. Identify options and recommendations for achieving consensus among PEMSEA countries and potential partners on the PEMSEA Partnership Agreement 2006.
8. Submit the two documents to the 11th PSC Meeting.

Working Group Membership

The Working Group shall be composed of experts selected through consultation by the RPO with the participating countries. Experts should be well versed in coastal and marine policy, law, management, and regional cooperation, and duly authorized to undertake consultation and formulation of the agreement and its supporting documents.

Working Group Operation

The Working Group shall operate primarily through correspondence and meetings depending on the resources available.

**MEETING OF THE WORKING GROUP ON THE REGIONAL IMPLEMENTING MECHANISM FOR
THE SUSTAINABLE DEVELOPMENT STRATEGY FOR THE SEAS OF EAST ASIA
Metro Manila, Philippines • 15-18 May 2005**

DISCUSSION GROUPS

GROUP A

- 1) Prof. Li Wenhai (China)
- 2) Mr. Ri Jun Ho (DPRKorea) -- *Chair*
- 3) Mr. Koji Ito (Japan)
- 4) Mr. Takeshi Kishida (Japan)
- 5) Mr. Hashim Daud (Malaysia)
- 6) Dr. Gil Jacinto (Philippines) -- *Rapporteur*
- 7) Dr. Shin, Won Tae (ROKorea)
- 8) Mr. Suchat Sawangarreruks (Thailand)
- 9) Dr. Jihyun Lee
- 10) Ms. Stella Regina Bernad

GROUP B

- 1) Mr. Sam Chamroeun (Cambodia)
- 2) Mr. Yang Yafeng (China)
- 3) Mr. Ko Ju Chol (DPRKorea)
- 4) Mr. Alam Syah Mapparessa (Indonesia) -- *Rapporteur*
- 5) Ms. Ayako Okubo (Japan)
- 6) Atty. Analiza Rebuelta-Teh (Philippines)
- 7) Mr. Dhana Yingcharoen (Thailand) -- *Chair*
- 8) Mr. Adrian Ross
- 9) Ms. Maria Teresita Lacerna

GROUP C

- 1) Dr. Harsono Soepardjo (Indonesia)
- 2) Mr. Nobukazu Nagai (Japan)
- 3) Mr. Robert Jara (Philippines) -- *Chair*
- 4) Dr. Kim, Jong-Deog (ROKorea)
- 5) Dr. Navin Rajagobal (Singapore) -- *Rapporteur*
- 7) Mr. Hua Chien Thang (Vietnam)
- 8) Dr. Huming Yu
- 9) Ms. Kathrine Rose Gallardo

**PARTNERSHIP AGREEMENT
ON THE IMPLEMENTATION OF THE SUSTAINABLE
DEVELOPMENT STRATEGY FOR THE SEAS OF EAST ASIA**

Ministerial Forum, East Asian Seas Congress

Hainan, the People's Republic of China, December 2006

1. We, the representatives of the countries of the Seas of East Asia region, have gathered together to establish implementing arrangements for the *Sustainable Development Strategy for the Seas of East Asia (SDS-SEA)*, building upon the foundation laid down in the *Putrajaya Declaration*. On 12 December 2003, this Forum adopted the SDS-SEA, through the *Putrajaya Declaration*, as the Region's common platform for achieving the goals and objectives of the *World Summit on Sustainable Development Plan of Implementation* and the *United Nations Millennium Development Goals* concerning sustainable coastal and ocean development. The *Putrajaya Declaration* is the first regional expression of commitment to the implementation of SDS-SEA.
2. We recognize the necessity and urgency of putting into effect the SDS-SEA in order to sustain the resources provided by our seas. In this regard, we consider our cooperation for the SDS-SEA implementation as an essential part of the regional economic cooperation and integration.
3. Over the past decades, advocacy, political commitments and conservation efforts have been undertaken at national and regional levels. However, the environment of the Seas of East Asia continues to degrade at an increasing pace. One of the important concerns imparted by the tsunami which swept across the Indian Ocean on 26 December 2004 is how to prevent our people and coasts from being caught unprepared, thereby avoiding such devastating consequences. To arrest the trend of further degradation and to minimize both human and nature induced threats against our shared resource base, people's lives and properties is far more challenging than mere natural disaster response.

Long-Term Partnership for the SDS-SEA Implementation

4. We believe that participation in the SDS-SEA implementation by all the countries and other stakeholders, within their respective capacities and resources, holds the key to confronting the challenges facing us. In the past, intergovernmental arrangements have placed the responsibility for environmental and resource management primarily on government, with other users and beneficiaries of those resources functioning primarily as interested observers. The partnership approach brings together all stakeholders to work as complements of each other, to act dynamically and in a coordinated manner to bring into full play the role of each stakeholder within the framework of the SDS-SEA.
5. We consider partnership as an effective mechanism to facilitate concerted actions in our common endeavor to implement the SDS-SEA as it gives due consideration to the initiatives, shared responsibilities, desired outcomes, mutually supportive roles and the need to address

disparities in capacity among the concerned countries and other stakeholders, including national and local governments, international agencies, non-government organizations (NGOs), the private sector, academic and scientific institutions, communities, financial institutions and donor agencies.

6. In this context, we are committed to forging a long-term stakeholder partnership for the implementation of the SDS-SEA. We encourage paradigm shifts, in management concept and action, from single-sector or single-purpose interventions to integrated coastal and ocean governance, from crisis-driven response to long-term capacity-building efforts, and from planning to ground-level implementation.

Priority Targets for SDS-SEA Implementation

7. We agree on and commit ourselves to the following priority targets for the implementation of the SDS-SEA:
 - a. Mobilization of the necessary resources, capacities and services, as well as legal, financial and economic arrangements, including the adoption of a rolling ten-year regional partnership programme and the production of a regional State of the Coasts report by 2009, building on the existing relevant national and regional initiatives and programmes.
 - b. Adoption of national policies and action plans for sustainable coastal and ocean development in at least 70 percent of the participating countries by 2015, in order to develop and strengthen integrated coastal and ocean governance at the national level.
 - c. Implementation of integrated coastal management (ICM) programmes in at least 20 percent of the Region's coasts by 2015, to achieve the sustainable development of coastal lands and waters and to promote intra-and inter-regional partnerships in ICM capacity building.

Regional Implementing Mechanism for the SDS-SEA

8. We are heartened to see tangible outcomes achieved by the Global Environment Facility / United Nations Development Programme / International Maritime Organization Regional Programme on Building Partnerships in the Environmental Management for the Seas of East Asia (PEMSEA). Over the past decade, through its pilot and present phases, PEMSEA has put in place and extended on-the-ground integrated coastal and marine management mechanisms and processes for bridging resource sustainability and economic growth; mobilized stakeholder involvement and support; promoted public and private sector partnership processes; and contributed to the formation of critical masses of expertise on the regional, national and local levels in addressing priority coastal and marine issues in policy, science and financing.
9. We have noted in particular that these efforts have led to, in many of the program sites, the reduction of multiple use conflicts, the improvement of environmental quality, the restoration of damaged habitats, beach cleanup, and the protection of endangered species such as marine mammals and sea birds. In addition, PEMSEA has catalyzed the concerted efforts by the countries of the Region, regional and international organizations, NGOs, concerned

- programmes, and financing and donor institutions in the formulation of the SDS-SEA. Furthermore, PEMSEA is actively engaged in the coordination of efforts by the countries of the Region in the implementation of the SDS-SEA through the provision of technical guidance and assistance, as well as the promotion of bilateral and multilateral cooperation.
10. PEMSEA has demonstrated itself as an effective regional collaborative mechanism in promoting partnerships on the local, national and regional levels.
 11. We recognize PEMSEA as the regional coordinating mechanism for the implementation of the SDS-SEA and resolve to transform PEMSEA from the existing project-based arrangement to a self-sustained and effective regional collaborative mechanism with a mandate to pursue the implementation of the SDS-SEA through collaborative, synergistic and responsible actions and the accomplishment of our individual commitments. For this purpose, we agree to adopt and implement, within the framework of PEMSEA, the *Partnership Operating Arrangements for the Implementation of the SDS-SEA*, particularly with regard to:
 - a. An East Asian Seas (EAS) Partnership Council which will provide the policy and operational guidance for, as well as steer, monitor and review the progress of, SDS-SEA implementation;
 - b. A PEMSEA Resource Facility, which will provide two services in support of SDS-SEA implementation, namely:
 - i. Secretariat services to the EAS Partnership Council, overseeing the implementation of Council decisions, the organization of the EAS Congress, and monitoring and reporting on the progress of SDS-SEA implementation; and
 - ii. Technical support services to PEMSEA countries, including delivery and mobilization of policy and technical advice, capacity building and technical support for sustainable coastal ocean governance;
 - c. A Regional Partnership Fund to channel and ensure the best use of voluntary contributions from interested countries, donor agencies, institutions and individuals; and
 - d. An EAS Congress to be held every three years to serve as a vehicle for various stakeholders, partners and the collaborators in the SDS-SEA to share knowledge and monitor the progress of SDS-SEA implementation.

Follow-up Actions

12. Within the next three years, we shall undertake the following actions and report on the results at the EAS Congress 2009:
 - a. Developing work plans, mobilizing resources and support, and undertaking concrete measures and steps to achieve the priority targets and *the Partnership Operating Arrangements for the Implementation of the SDS-SEA* as stated above, based on our respective international obligations, national laws and capacities, as well as in consultation and cooperation with our collaborators in the SDS-SEA and other interested parties.

- b. Forging collaborative arrangements between and among various stakeholders to enhance and make the best use of the Region's intellectual capital for integrated management and sustainable uses of coastal and marine environment and natural resources, through stakeholder participation and networking, as well as scientific, technical and information support.
- c. Renewing our efforts on coastal and marine water pollution reduction at the national and regional levels, particularly for achieving time-bound wastewater emission targets and sustainable access to safe drinking water and sanitation in pollution hotspots.
- d. Establishing innovative financing mechanisms, with a view to leveraging private sector investment and public-private sector partnerships, in collaboration with interested financing institutions and other stakeholders.
- e. Strengthening collaboration, cooperation and partnership between PEMSEA and other relevant regional and international organizations, initiatives and programmes, in order to minimize duplication of efforts and enhance synergy among them.
- f. Developing and strengthening national interagency, multisectoral and multidisciplinary mechanisms and processes for facilitating the implementation of the SDS-SEA, taking into account specific national and local concerns and needs.
- g. Promote public awareness and stakeholder involvement to ensure broad based participation in the SDS-SEA implementation at the local, national and regional levels.

We thank the People's Republic of China for her hospitality and tremendous efforts in making our Forum a success.

Adopted at the East Asian Seas Congress 2006, Hainan, (Date) December 2006, in English language.

[Signatures by the national representatives of the participating countries]

**PARTNERSHIP OPERATING ARRANGEMENTS FOR
THE IMPLEMENTATION OF THE SUSTAINABLE DEVELOPMENT STRATEGY
FOR THE SEAS OF EAST ASIA**

I. THE PARTNERSHIP

1. Partnerships in the Environmental Management for the Seas of East Asia (PEMSEA) is a partnership arrangement involving all the stakeholders of the Seas of East Asia, including national and local governments, civil society, the private sector, research and education institutions, communities, international agencies, regional programmes, financial institutions and donors.
2. PEMSEA is also the regional coordinating mechanism for the implementation of the Sustainable Development Strategy for the Seas of East Asia (SDS-SEA).
3. PEMSEA's role is to facilitate the realization of the shared vision, mission, action programmes and desired changes of the SDS-SEA.
4. PEMSEA brings together the stakeholders to work as complements of each other, act dynamically and in a coordinated manner to bring into full play the role of each stakeholder within the framework of the SDS-SEA.

Objectives

5. The objectives of the Partnership are to:
 - a) Strengthen consensus among partners on approaches and strategies for addressing the identified threats to the Seas of East Asia;
 - b) Build confidence among partners through collaborative projects and programmes;
 - c) Achieve synergies and linkages in implementing the SDS-SEA among partners; and
 - d) Reduce in-country and regional disparities in capacities for sustainable coastal and ocean development and management.

Scope

6. The Partnership addresses priority concerns challenging the sustainable development of the Seas of East Asia region, including the five large marine ecosystems, namely the Yellow Sea, the East China Sea, the South China Sea, the Sulu-Celebes Sea, and the Indonesian Seas, their associated coastal lands and waters, and their interconnections with river basins and straits. Special attention is given to those concerns that cut across legal and administrative boundaries.

7. The Partnership encourages the active participation in, and support for, the implementation of SDS-SEA by all the stakeholders, as well as the implementation of their individual programmes and actions that are consistent with the SDS-SEA.

II. THE PARTNERS

8. The Partners are, subject to paragraphs 16-18 on inclusion of Partners, the following:
 - a) Countries of the Seas of East Asia region
 - b) Local governments in the region
 - c) Communities in the region
 - d) Non-government organizations (NGOs) and other members of civil society in the region
 - e) Research and educational institutions
 - f) The private sector
 - g) UN and international agencies and financial institutions that support or sponsor the implementation of the SDS-SEA
 - h) Concerned regional and global programmes
 - i) Other countries using the Seas of East Asia region
9. The Partners observe the following practices:
 - a) Work together in the spirit of partnership.
 - b) Seek actions that advance the goals of the Partnership without compromising the interests of individual Partners.
 - c) Strengthen communication and dialogue with each other regarding activities affecting the implementation of the SDS-SEA.
 - d) Undertake activities and honor schedules collectively agreed upon by the Partnership
 - e) Act in a spirit of mutual assistance, good neighborliness and complementarity towards achieving the common goals
 - f) Exercise flexibility and take adaptive measures when needed

Rights of Partners

10. Partners have the following rights:

- a) To participate, as provided in paragraphs 20-36, in the EAS Partnership Council.
- b) To participate in the EAS Congress, the Regional Networks, and other activities and forums of PEMSEA, subject to the rules of these activities.
- c) To access the opportunities offered by the partnership arrangements for SDS-SEA implementation.
- d) To access PEMSEA's technical and secretariat services and information products.
- e) To participate in PEMSEA's knowledge sharing network.

Roles of Partners

- 11. All Partners participate in the regional collaborative efforts to implement the SDS-SEA, and ensure that their individual programmes and actions are consistent with the SDS-SEA.
- 12. All Partners contribute to the regional endeavor to implement the SDS-SEA and support their respective representatives to attend the EAS Partnership Council meetings, meetings of the regional networks, and EAS Congresses, within their capacities.
- 13. The specific roles for the Partners are provided in the SDS-SEA.
- 14. The following Partners will convene the first EAS Partnership Council Meeting:
 - a) The countries of the East Asian Seas region who signed the Partnership Agreement, and
 - b) Other entities who signed the Partnership Operating Arrangements.
- 15. Other countries of the East Asian Seas region can join the EAS Partnership Council by signing the Partnership Agreement.

Inclusion of Partners

- 16. Other stakeholders who are not yet Partners but are interested in participating in the implementation of the SDS-SEA may request for inclusion as a Partner of PEMSEA by sending a written notification to the Executive Director of the PEMSEA Resource Facility of:
 - a) its adherence to the Partnership Agreement and the Partnership Operating Arrangements, and the policies and decisions of the Council, and
 - b) Agreeing to enter into a partnership arrangement with PEMSEA through a Memorandum of Agreement on the implementation of the SDS-SEA,
- 17. Upon receiving the required written notification from the stakeholder, the PRF Executive Director shall submit a report concerning the request to the next session of the EAS Partnership Council, together with the relevant information on the requesting

stakeholder. The EAS Partnership Council shall decide whether or not to include the requesting stakeholder as a partner of PEMSEA.

18. The EAS Partnership Council may modify the qualifications and procedures for the inclusion of Partners and withdrawal by Partners when it deems appropriate.

III. MAJOR OPERATING MECHANISMS

19. PEMSEA consists of four major operating mechanisms: the EAS Partnership Council, the PEMSEA Resource Facility, the Regional Partnership Fund and the EAS Congress.

EAS Partnership Council

Nature of Council

20. The Council is a regular body composed of all Partners, as defined in Section II, paragraph 8 of this document.
21. The East Asian Seas (EAS) Partnership Council formulates both program and operational policy in support of the implementation of the SDS-SEA, based on policy direction, recommendations and commitments provided by the Ministerial Forum, EAS Congress, and other Partners.

Council Composition

22. The Council has an Executive Committee and two types of sessions, an Intergovernmental Session and a Technical Session.
23. The Council elects a Chair to a three-year term. The Council Chair is the Chair of the Executive Committee and shall sit in the Intergovernmental Session and the Technical Session *ex officio*.
24. The Intergovernmental Session and Technical Session elect their respective Session Chairs to a three-year term, who also serve as members of the Executive Committee.
25. Nominations for the positions of Council Chair and Session Chairs shall be in accordance with the criteria and guidelines as established by Council.
26. The Executive Director of the PEMSEA Resource Facility serves as the Secretary of the Council and of the Executive Committee.

Executive Committee

27. The Executive Committee, comprised of the Council Chair, the Session Chairs, and the Secretary, act as officers of the EAS Partnership Council.
28. The Executive Committee ensures and oversees the implementation of the decisions of Council, and reports to the Council.

Intergovernmental Session

29. The Intergovernmental Session is composed of the duly designated representatives of the Partner countries of the Seas of East Asia region.
30. The Intergovernmental Session may formulate guidelines concerning the participation of other Partners in the Session, as it deems appropriate.
31. The Intergovernmental Session considers the recommendations of the Technical Session, and provides policy guidance, coordination, and monitoring of the progress of the SDS-SEA implementation.

Technical Session

32. The Technical Session is composed of the duly designated representatives of the Partners.
33. The Technical Session, preceding the Intergovernmental Session, discusses issues, submissions and topics related to the scientific, technical and financial aspects of SDS-SEA implementation, partnership opportunities, collaborative research, capacity building and knowledge sharing, and makes recommendations to the Intergovernmental Session as appropriate.

Council Meetings

34. The Council convenes every eighteen months.
35. The Council formulates and adopts rules of procedure, including consensus building and conflict resolution.
36. The Technical Session and Intergovernmental Session shall develop their respective terms of reference.

PEMSEA Resource Facility

37. The PEMSEA Resource Facility (PRF) has two functions:
 - a) Providing Secretariat Services.
 - b) Providing Technical Services.
38. The PRF Secretariat Services performs the following functions:
 - a) Providing secretariat support to the EAS Partnership Council , the Executive Committee, the Ministerial Forum, the Regional Partnership Fund and the EAS Congress;
 - b) Facilitating knowledge transfer and capacity building;
 - c) Preparing proposals for new initiatives, and mobilizing resources for their implementation, taking into account as appropriate the business plan and

marketing strategy of the Technical Services for the implementation of the SDS-SEA;

- d) Preparing and submitting to the Council a consolidated report of the programme development and implementation, including financial statements; and
 - e) Performing such other functions as may be assigned to it by the EAS Partnership Council.
39. The PRF Technical Services performs the following functions:
- a) Developing and implementing a dynamic business plan and marketing strategy for the implementation of the SDS-SEA, in coordination with the PRF Secretariat Service in terms of project proposal development;
 - b) Providing technical, financial, investment and management services for specific projects and programmes, as appropriate;
 - c) Developing and implementing a process for recognizing and certifying good practices in the implementation of the SDS-SEA;
 - d) Recommending the operation and management of the Regional Partnership Fund to the EAS Partnership Council, and implementing the Council's decision; and
 - e) Implementing projects approved by the EAS Partnership Council.
40. The PRF is headed by the Executive Director. The Executive Director ensures the coordination between the Secretariat and Technical Services particularly in terms of programme development and implementation.
41. The PRF Secretariat is funded by the Partner countries of the Seas of East Asia region and from other available sources. The PRF Technical Services are funded through sponsored projects and programmes.

Regional Partnership Fund

42. The Regional Partnership Fund, set up by the EAS Partnership Council, receives voluntary financial contributions from countries, international agencies, donors, institutions, individuals and any other entity for the implementation of the SDS-SEA.
43. The depositary of the Fund shall be a sponsoring UN Agency for PEMSEA.
44. The Executive Committee ensures the best use of the Fund towards achieving the shared vision, mission and desired changes of the SDS-SEA by:
- a) Developing policies and operational guidelines governing the identification of activities to be funded, its disbursement, replenishment, management, audit, and the guidance for the countries to consider their voluntary contributions to ensure that it serves its objectives;
 - b) Ensuring that earmarked funds are properly managed for its purpose; and

- c) Appointing a fund manager as appropriate. The appointment is reviewed every three years.
45. The Council may organize fund-raising activities, such as donors' meetings.

East Asian Seas Congress

46. PEMSEA holds an East Asian Seas (EAS) Congress every three years, consisting of a Ministerial Forum, an International Conference and other related activities.
47. The Ministerial Forum of the EAS Congress provides policy directions and commitments for improving and strengthening the implementation of the SDS-SEA.
48. The International Conference serves as the forum for:
- a) Monitoring and evaluating the implementation of the SDS-SEA;
 - b) Facilitating knowledge exchange, advocacy and multi-stakeholder participation, through sessions, workshops, side events and exhibitions, etc.;
 - c) Promoting the ocean agenda as a priority programme in international and regional forums;
 - d) Promoting the development of financing mechanisms and investment opportunities for sustainable coastal and marine development;
 - e) Encouraging corporate responsibility and accountability in the business community; and
 - f) Discussing specific sectoral and cross-sectoral issues and concerns, as well as partnership arrangements for the subregional seas or environmentally sensitive areas, for the implementation of the SDS-SEA.
49. The hosting and venue of the EAS Congress shall be determined by the EAS Partnership Council in consultation with the Partner countries.
50. The EAS Congress presents its conclusions and recommendations to the EAS Partnership Council for implementation.

IV. SUPPLEMENTAL MATTERS

51. The official language of PEMSEA is English.
52. These Partnership Operating Arrangements and Operational Guidelines may be amended, modified, superseded or terminated in whole or in part by the EAS Partnership Council.