



PEMSEA/WP/2018/42

PROCEEDINGS OF THE
PROJECT STEERING COMMITTEE
MEETING FOR THE GEF/UNDP/PEMSEA
PROJECT ON SCALING UP
SDS-SEA IMPLEMENTATION

**Peninsula Manila
Makati City, Philippines**

24 July 2018



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PROJECT STEERING COMMITTEE MEETING OF THE
GEF/UNDP/PEMSEA PROJECT ON SCALING UP
IMPLEMENTATION OF THE SDS-SEA**

**The Peninsula Manila, Makati City, Philippines
24 July 2018**

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EXECUTIVE SUMMARY

The Project Steering Committee Meeting of the GEF/UNDP/PEMSEA Project on Scaling up Implementation of the SDS-SEA was held at The Peninsula Manila, Makati City, Philippines on July 24, 2018. The Meeting was attended by representatives from seven project participating countries, namely: China, Indonesia, Lao PDR, Philippines, Thailand, Timor-Leste and Vietnam. Representatives from the United Nations Development Programme (UNDP) Philippines and the UNDP Regional Hub Bangkok were present on behalf of the Global Environment Facility (GEF) and United Nations Development Programme (UNDP). The PEMSEA Resource Facility (PRF) served as the Secretariat for the Meeting.

The PSC Meeting focused on the key findings and recommendations of the Project Mid-Term Review, the key accomplishments in countries, and the project work plan and budget for 2018-2019.

The PSC made the following major decisions:

- Allocation of 1 full day schedule for succeeding PSC meetings;
- Approval in principle of a one-year no-cost extension of the GEF/UNDP Project, subject to formal confirmation at PSC Meeting 2019 with supporting project work plan and budget covering the extension period;
- Discussion of other MTR recommendations with project participating countries in the coming months; and
- Approval of the Project Work Plan and Budget for 2018-2019 as presented during the meeting.

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INTRODUCTION

- i. The Project Steering Committee Meeting of the GEF/UNDP/PEMSEA Project on Scaling up Implementation of the SDS-SEA was held at The Peninsula Manila, Makati City, Philippines on July 24, 2018.
- ii. The Meeting was attended by representatives from seven project participating countries, namely: China, Indonesia, Lao PDR, Philippines, Thailand, Timor-Leste and Vietnam.
- iii. Representatives from the United Nations Development Programme (UNDP) Philippines and the UNDP Regional Hub Bangkok were present on behalf of the Global Environment Facility and UNDP. The PEMSEA Resources Facility (PRF) served as the Secretariat for the Meeting.
- iv. The full list of participants is found in Annex 1.

1.0 OPENING OF THE MEETING

- i. Dr. Jose Erez Padilla, Regional Technical Adviser, Waters and Oceans, Bangkok Regional Hub, UNDP, served as Chair of the Meeting.
- ii. Mr. Michael Jaldon, UNDP Philippines, presented the Opening Remarks on behalf of UNDP Philippines Country Director Mr. Titon Mitra. He welcomed the PEMSEA Country Partners and the new PEMSEA Executive Director, and reaffirmed the continuing partnership between UNDP and PEMSEA under the new leadership. In line with the recent conduct of the SDS-SEA project's mid-term review, the UNDP representative highlighted the importance of the PSC discussion and decisions to address the MTR recommendations.
- iii. The meeting adopted the agenda as presented in Annex 2.
- iv. The meeting was reminded that the proceedings of the previous PSC had been circulated to UNDP and participating countries following the PSC meeting in July 2017. The final proceedings were then uploaded to the PEMSEA website, incorporating feedback received on the draft report, for easy reference and access by all. The meeting agreed that the PRF would continue this practice in order to facilitate more efficient review of and access to the PSC Meeting proceedings.

2.0 PROJECT PROGRESS: COUNTRY AND REGIONAL CASE STUDIES

- 2.1 The eight participating countries delivered their respective country reports. The individual country reports are found in Annex 3 ([E-link](#)).

Cambodia

- 2.2 Due to the election travel ban, there was no representative from Cambodia during the meeting. Ms. Daisy Padayao, PRF's Country Programme Manager for Cambodia and Lao PDR, presented the case study for Cambodia on behalf of the Ministry of Environment, PEMSEA's National Focal Agency in Cambodia.
- 2.3 The presentation highlighted the protection of resources in Koh Rong Archipelago, located in Preah Sihanouk Province for improved community livelihood. Koh Rong Archipelago is endowed with rich coastal and marine resources, with its coral reef valued at US\$ 117-500 million. The protection of the resources is prompted by the need to address several environmental issues and the need to sustain the resources to address food security, poverty, livelihood and income of community.
- 2.4 The meeting noted the various efforts and/or solutions that are being undertaken to meet the goals of sustaining the resources for the benefit of the community. Koh Rong Island had been established as the 1st large-scale Marine Fisheries Management Area in 2016 and the country's 1st Marine National Park in 2018.
- 2.5 The meeting noted positive results from the enhanced protection of resources, including the growth in tourism which contributed to the increased income of the community causing the major shift of livelihood from fishing to tourism. This immediate benefit however needs to be carefully evaluated particularly on the long-term impacts of tourism to the socioeconomic and ecological condition of the Island.
- 2.6 Opportunities for improving the management of Koh Rong Island were presented, including the implementation of Koh Rong Marine National Park, the setting up of sustainable financing to support environmental investment for improved MPA management, and sustaining partnerships with the different sectors for the promotion of sustainable tourism.
- 2.7 Major lessons learned from the implementation in Koh Rong Island were also highlighted, including the importance of enabling policies and framework, and the partnerships and involvement of all sectors and the community in program implementation.
- 2.8 The following clarifications were raised:
- On the responsibility of managing tourism in the area. Management of tourism in Koh Rong Archipelago lies with the Provincial Government in partnership with the national government, international and regional organizations and the private sector.
 - On the progress and status of implementation of last year's work plan for the SDS-SEA Project in Cambodia. Despite some delays in the implementation of local activities, the delivery of project outputs is generally on-track.

- The meeting also noted that the SDS-SEA Project is also providing technical assistance to the Provincial Government of Preah Sihanouk in resolving the issue of revenue allocation between the national and local government on the implementation of environmental user's fee in Koh Rong Island.

China

- 2.9 The representative of China, Dr. Zhang Zhaohui, Deputy Director, China-PEMSEA Centre, The First Institute of Oceanography, State Oceanic Administration (SOA), reported on China's progress in project implementation, particularly a case study on the transformation of traditional pond aquaculture to ecological aquaculture in Dongying, China, as well as constraints/gaps encountered during project implementation.
- 2.10 With the main objectives of reducing aquaculture pollution to the adjacent coastal areas and enhancing seafood production and sustainability, a zoning scheme was implemented by the Dongying local government in 2005, which delegated the small-scale aquaculture farms to one coastal area where natural ocean tides can be utilized to aid ecological aquaculture farming. The demonstration aquaculture farming area of 20,000 ha in 2007 increased to 67,000 ha in 2014, featuring ecological and modern techniques for the farming of sea cucumber, crab, shrimp, artemia, and salt.
- 2.11 The key results and impacts of the ecological aquaculture farming include: 1) Significantly reduced nutrients discharge; 2) Sustainable supply of eco-aquaculture seafood; 3) Increased social and economic benefits, such as the provision of around 24,500 jobs; and 4) Steady increase of production and value of the farmed seafood despite the small increments in the farming area.
- 2.12 Dongying re-organized its small-scale fishermen into a coastal zone in which its environmental features allowed for ecological and modern aquaculture farming techniques. Some lessons learned include the importance of aligning local and national development strategies; forging partnership with the academe for technical support; incentivizing the participation of local investors to fund modern equipment and facilities; and growing a consumer market conscious of food safety.
- 2.13 Dr. Zhang also explained that the local government purchased the the land for the aquaculture zone, and rented the space to local pond owners to encourage and assist them to shift to this new aquaculture farming approach/area. In addition, the government supported the ecological aquaculture farming by building processing and storage infrastructure that attracted private investors and further improved the quality of aquaculture products being marketed from the area.
- 2.13 At present, there are still challenges in improving the implementation of the ecological aquaculture farm zone such as the further transformation of fishing demonstration areas, increase of yield and value of seafood products, and development of processing, tracking and logistic services.
- 2.14 The Chair commended the success of the case study and inquired if it's possible for the ecological farm to accommodate a study visit from the other countries so they may learn first-hand from their good practices. The representatives from China welcomed the idea and informed the delegates that the site has received several visits from various industries

in China. Dr. Zhang also added that many local governments are interested in this initiative.

Indonesia

- 2.13 Mr. Dida Migfar Ridha, Director of Marine and Coastal Pollution and Degradation Control, Ministry of Environment and Forestry (MOEF), presented Indonesia's progress report.
- 2.14 Mr. Ridha provided an overview of the environmental challenges being faced by Indonesia and the ICM initiatives being facilitated by the SDS-SEA Project in Bontang City, Tangerang Regency, Sukabumi Regency, Semarang City, Bali Province and East Lombok Regency. In collaboration with various university partners, the SDS-SEA Project has facilitated the establishment and strengthening of ICM coordination mechanisms; capacity building on ICM, State of the Coast (SOC) Reporting, marine protected area (MPA) management, and ecosystem approach to fisheries management (EAFM); and baseline and vulnerability assessments to support the development and/or refinement of issue-specific management plans/programs in selected pilot sites.
- 2.15 Mr. Ridha also presented how Sukabumi Regency has been able to utilize its 15 years of experience in applying the PEMSEA ICM framework and process to the establishment of the Ciletuh-Palabuhanratu Geopark, which recently achieved global recognition.
- Research in the past few years showed that, in addition to its natural, coastal and cultural resources, Sukabumi also possesses unique and rare geological formations that are known as the oldest rock formations on the surface of West Java (dating back 65 to more than 100 million years).
 - With the unique geodiversity, biodiversity, and cultural diversity, an area covering eight coastal subdistricts in Sukabumi Regency was proposed for development as a geopark in order to ensure the protection and sustainable use of its geological and natural heritage and promote the economic well-being of the region and its people. Considering the global significance of the geological resources in the area, a higher target of being recognized as a UNESCO Global Geopark was also set.
 - This required a multidisciplinary and cross-sectoral approach, which was facilitated by the existing ICM coordination and institutional mechanisms in the regency. In a span of 3 years, the legal basis for developing the geopark, inter-agency and multi-sectoral working group and management board, and strategic plans were developed; training and engagement of community groups as partners and stewards in the geopark were undertaken; and implementation of the geopark development plan was initiated in collaboration with various partners. This includes the ongoing infrastructure development supported by West Java Province, development of tourism sites and activities, and environmental and habitat protection, restoration and management initiatives within the geopark.
 - The SDS-SEA Project is working with Sukabumi Regency in specific sites within the geopark to aid development/ improvement of: a) habitat protection and restoration in the sea turtle conservation area in Pangumbahan Beach; b) climate change adaptation and disaster risk reduction in Palabuhanratu Subdistrict; and c) pollution reduction and waste management in Cipanyairan and Cipalabuhan rivers and coastal areas of Palabuhanratu Subdistrict.
 - The SDS-SEA Project also continues to support Sukabumi Regency in strengthening its ICM governance mechanisms, including facilitating discussions between Sukabumi Regency and West Java Province to clarify management jurisdictions related to

- marine areas, forests and water resources, considering Law No. 23/2014 that transferred authority for marine and coastal management from the regencies/ cities to the provincial government; and assisting the regency in preparing an SOC report to aid as a tool in monitoring, evaluating and reporting the local government's progress, accomplishments and challenges in ICM program implementation
- The Ciletuh-Palabuhanratu Geopark was confirmed as a UNESCO Global Geopark in April 2018.

- 2.16 The meeting noted how ICM program implementation has been scaled up in Sukabumi Regency with the development of the geopark, which has attracted technical and financial support from various partners; and how the ICM mechanisms and community empowerment programs contributed to the geopark's recognition by UNESCO in a relatively short span of 3 years (compared to the typical 5-10 years).
- 2.17 The meeting also noted the progress of SDS-SEA Project activities that are contributing to Sukabumi Regency's overall ICM program and management of selected sites in the geopark.

Lao PDR

- 2.18 Dr. Inthavy Akkharath, Director General of the Department of Water Resources, and PEMSEA's National Focal Point in Lao PDR presented the case study on "Managing Water of Every Color for the People of Lao PDR".
- 2.19 The presentation highlighted the need to review and update the enabling policies and mechanisms for the management of water and water resources in view of the socioeconomic, ecological and institutional changes in the country.
- 2.20 The enactment of the updated Water and Water Resources Law in 2017 provides the enabling support for the comprehensive management of the blue (mitigation of potential disasters due to water), green (proper allocation of water resources), and black (management of wastewater discharge) waters in the country. The meeting also noted the ongoing effort of the country to develop its Watershed Management Strategy and its collaboration with countries in the Mekong region for watershed management.
- 2.21 The meeting noted other solutions that the country is undertaking for the management of its river basins, from the development of enabling policies and strategies, institutional strengthening, and the implementation of on-the-ground activities to show the benefits of river basin management to the local people.
- 2.22 Major lessons learned from the implementation were also highlighted, including: a) the need to review and update relevant laws and policies to ensure that current developments are addressed; b) the need to establish enabling support for IWRM implementation both at the national and local levels; and c) the importance of on-the-ground activities to show the benefits of IWRM projects to the local people.
- 2.23 The meeting noted that institutional strengthening should be continued particularly on the implementation of the updated Water and Water Resources Law and IWRM projects.

Philippines

- 2.24 The representative of the Philippines, Ms. Marlynn Mendoza of the Biodiversity Management Bureau of the Department of Environment and Natural Resources, presented the case study for the Philippines.
- 2.25 The presentation focused on the multilevel collaborative activities in the Verde Island Passage, a globally important marine corridor covering an area of 1.4 million hectares of marine waters and touted as the global center of marine shore fish diversity. Five provinces (i.e., Batangas, Marinduque, Occidental Mindoro, Oriental Mindoro, Romblon) belonging to 2 regions (i.e., Regions 4A and 4B) encompass the VIP.
- 2.26 The presentation highlighted, in particular, the partnerships that have been created between two GEF-funded projects, the GEF/UNDP Smart Seas Project and the GEF/UNDP SDS-SEA Project, including the implementation of DENR's Coastal and Marine Ecosystem Management Program in the area.
- 2.27 The meeting noted the significant results that have been generated by the partnerships that contribute to the end of project targets, which included the coverage of 1M ha of marine waters under protected status and increase in METT ratings from 33% to 78% between 2013 to 2017. In addition, two provinces, i.e., Batangas and Oriental Mindoro, were recognized as hall of famers in MPA management and networking at the Para El Mar recognition award for best managed MPAs across the country.
- 2.28 The meeting further noted that the efforts in the VIP directly contribute to the National Biodiversity Action Plan implementation and achievement of Aichi Biodiversity Target 11 (Protected areas increased and improved) and SDG 14.5 (Share of coastal and marine areas that are protected).
- 2.29 Dr. Jose Padilla congratulated the Philippines for the recognition that VIP received on MPA management. He noted that ICM, which provides a broader framework to manage the ecologically connected and locally managed MPAs, is prominently playing a key role in the VIP.
- 2.30 Mr. Adrian Ross likewise congratulated the Philippines for the good lesson on partnership building that has been shown where the collaboration has promoted cost-sharing, knowledge sharing, inclusiveness and continuing expansion of network.
- 2.31 Ms. Mendoza concluded that the ridge-to-reef approach, driven by ICM system implementation, has facilitated the engagement of various actors from the national to local level as well as the academe and private sector in the collective management of the VIP.

Thailand

- 2.32 The representative of Thailand, Mr. Suthep Jualaong, Director of Marine and Coastal Research and Development Center for the Southern Gulf of Thailand, Department of Marine and Coastal Resources (DMCR), presented Thailand's progress report.
- 2.33 In the context of Thailand's Law on Marine and Coastal Resource Management Promotion (2015), Mr. Suthep shared the efforts in Saensuk Municipality in Chonburi in implementing

measures to protect its marine and coastal resources from the impacts of natural and man-induced hazards.

- 2.34 Coastal erosion and oil spills are among the priority concerns being addressed by Saensuk Municipality in its ICM Action Plan. These are also among the key focus aspects being demonstrated by Saensuk as one of Chonburi Province's pilot sites in the SDS-SEA Project.
- 2.35 Despite the delay in initiating the SDS-SEA Project in Thailand, Saensuk Municipality, one of the first five municipalities that participated in PEMSEA's ICM Demonstration Project in Thailand since 2001, proceeded to implement some activities in the project work plan using its own resources, in collaboration with concerned national agencies and various partners.
- 2.36 Saensuk explored solutions to its coastal erosion problems with the support of DMCR. A feasibility study and environmental impact assessment (EIA) were conducted in 2015 on proposed engineering options, which were submitted to the National Committee on Coastal Erosion Management. In accordance with the new Law on Marine and Coastal Resource Management Promotion, the National Committee recommended the use of soft engineering approaches such as beach sand restoration and coastal habitat rehabilitation. DMCR supported studies and EIA on the proposed approaches, which were presented to local stakeholders in May 2018. DMCR will be providing funding for implementation as part of its national program.
- 2.37 Saensuk Municipality also built on the plans, capacities, partnerships and networks developed in earlier PEMSEA projects to strengthen its capacities on local oil spill response.
- With PEMSEA support, a Provincial Oil Spill Contingency Plan (OSCP) for Chonburi was prepared in collaboration with the Marine Department and other concerned national agencies and local stakeholders. The SDS-SEA Project is designed to support capacity building and operationalization of this Provincial OSCP.
 - Learning from a training on Incident Command System in 2015, and using the Environmental Sensitivity Index map for the Gulf of Thailand (both from the implementation of the Framework Programme for Joint Oil Spill Preparedness in the Gulf of Thailand with support from the SDS-SEA Project), Saensuk was able to develop and adopt a local OSCP and train local teams on shoreline response and clean up in collaboration with the Marine Department and key agencies and institutions.
 - In September 2016, when an oil spill incident affected its Bangsaen beach, Saensuk Municipality was able to successfully mobilize its local response teams to prevent oil from reaching the shoreline and to clean affected areas on the beach; and the 2.5 km beach area was opened to tourists the following day.
- 2.38 The meeting noted the accomplishments in Saensuk especially the local capacity to respond to oil spills. Chonburi is the only province in Thailand that has a Provincial OSCP, and Saensuk has demonstrated a process for implementing the OSCP at the municipal level using local funds. This will be replicated in other coastal municipalities with assistance from the SDS-SEA Project.

- 2.39 The meeting also noted the status of the SDS-SEA Project in Chonburi and the provinces of Chantaburi, Rayong and Trat, which will be officially initiated following the approval of the project work plans and budgets by their respective Provincial Committee on Marine and Coastal Resources Management this quarter.

Timor-Leste

- 2.40 Mr. Celestino da Cunha Barreto, National Director for Fisheries and Aquatic Resources Management, Ministry of Agriculture and Fisheries (MAF), presented Timor Leste's progress report.
- 2.41 The presentation highlighted the efforts in Timor-Leste in developing a coordinated, strategic approach to address current and emerging challenges in the island state through the preparation of a National Oceans Policy (NOP). The NOP aims to provide a whole-of-government approach to addressing national marine issues, enhance the direction of future ocean use and management, assist external support bodies to understand national ocean priorities, and guide the country in the development of detailed implementation plan towards achieving its vision of *"A healthy and secure ocean that sustains the livelihoods and prosperity of the people of Timor-Leste in a fair and equitable manner"*.
- 2.42 The meeting noted the participatory approaches employed in developing the NOP, which promoted stakeholder ownership and commitment for the process and policy document; the inclusion of ICM as a key strategy for implementing the NOP and addressing threats to marine and coastal resources at the local level, and the current efforts in developing ICM programs in three municipalities; and the various approaches employed in promoting government commitment for the adoption and implementation of the NOP including targeting its completion in time for the UN Oceans Conference in June 2017 and including the adoption of the NOP as part of the country's commitments to SDG 14 implementation.
- 2.43 Although political developments and uncertainties in Timor-Leste since 2017 have delayed the review of the NOP by the Council of Ministers, a new government that puts high priority on blue economy development is currently in place. Submission of the NOP to the Council of Ministers of the 8th Constitutional Government of Timor-Leste is considered a priority in the next two months.
- 2.44 The meeting noted the significant contribution of the SDS-SEA Project in the preparation of the NOP and development of ICM programs in Timor-Leste.

Viet Nam

- 2.45 The representative of Viet Nam, Dr. Nguyen Le Tuan, Director, Research Institute for the Management of Seas and Islands, Viet Nam Administration of Seas and Islands presented Viet Nam's case study focusing on significant developments in the institutionalization of ICM in the country.
- 2.46 The presentation highlighted the evolution of ICM practice in coastal and island management where a shift from sectoral to integrated management was very prominent over the past 2 decades along with the adoption of supporting policies and legislations by the National Government, including the establishment of the necessary institutional arrangements for integrated management at the national and local levels.

- 2.47 Emphasis was made on the Law on Marine and Island Resources and Environment that provides the legal framework for the integrated management of marine and island resources and environment of the country and Circular 49 that details the technical guidelines for ICM.
- 2.48 The meeting noted that the experiences in Danang as the National ICM Demonstration Site have served as model for replication in other provinces and cities.
- 2.49 With the adoption of the legal framework for integrated management of Viet Nam's coasts and islands, along with the issuances of supporting decisions and circulars, the implementing arrangements at the national and local levels are clarified. It is anticipated that all 28 coastal provinces and cities of Viet Nam will benefit from these policy developments.
- 2.50 The meeting also noted that support in ICM scaling up is provided by the GEF/UNDP/PEMSEA SDS-SEA Project where close to 70% of Viet Nam's coastline is covered by the project.
- 2.51 Dr. Tuan concluded that continuing support and collaboration with various partners from international and domestic sources provide opportunities to fine tune the implementation of ICM and harmonizing the activities in sea and islands management at the central and local levels.

Regional Case Studies

- 2.52 In view of the limited time during the meeting, the regional case studies were not presented. Copies of the regional reports focusing on the following are accessible online as Annex 3 ([E-link](#)):
- Self-sustainability, Private Sector Engagement, and Ocean Investment
 - ICM Learning Centers: On the Ground Capacity Building Arms for Scaling up ICM
 - Environmental and Economic Benefits in Port Safety, Health and Environmental Management Systems (PSHEMS) in Philippine Ports
 - Gulf of Thailand (GOT) Cooperation on Oil Spill Preparedness and Response
 - National and Regional State of Oceans and Coasts

Discussion Highlights

- 2.53 Dr. Padilla commended the countries for the significant accomplishments made in specific sites and on key issue areas. To provide better understanding of the status of project implementation per country, it was suggested for succeeding PSC meetings to include a summary of country progress based on previous year's work plan and target deliverables, including challenges encountered or remaining gaps.
- 2.54 Some of the country accomplishments are pioneering work that can serve as useful areas for learning/field visits by project country partners.

Decisions

The Meeting decided:

- 2.55 To allocate 1 full day schedule for PSC in succeeding meetings to facilitate better reporting and discussion.
- 2.56 PRF to explore possibility of holding succeeding PSC Meetings in areas/sites where possible field visit can be combined to facilitate better appreciation of accomplishments on the ground, as well as facilitate knowledge sharing among member countries.
- 2.57 PRF coordinate with countries to identify areas/sites that may be offered for field visits to other member countries.

3.0 PROJECT MID-TERM REVIEW REPORT

Discussion Highlights

- 3.1 Mr. Michael Jaldon, UNDP Philippines, presented the key findings and recommendations of the Project Mid-Term Review Report.
- 3.2 The Project Mid-Term Review was conducted from April to June 2018. Two external consultants were contracted by UNDP for the MTR: Mr. Tony Elliott and Mr. Julian Roberts who served as Institutional, Legal and Governance specialist and Coastal and Ocean Management specialist, respectively.
- 3.3 The MTR consultants conducted extensive communications with PEMSEA National Focal Points in 8 project member countries and various Non-Country partners and stakeholders (by phone, skype, and face to face meetings). Due to time constraints, the consultants were able to visit only 4 countries: Cambodia, Indonesia, Philippines and Vietnam.
- 3.4 The MTR is considered as a useful monitoring tool and exercise to help identify challenges and outline corrective actions to ensure that a project is on track to achieve maximum results by its completion. While the MTR is not meant to rate progress performance per se, the MTR helps to point out project areas that are progressing well and lagging behind, as well as indicate areas that may not be achieved until the project ends.
- 3.5 Based on the summary of MTR ratings and achievements, the project is found to be moderately satisfactory in terms of progress made in achieving the overall project objective. While progress to date have been significant, it was noted that the delays in signing of contract agreements in Thailand and Vietnam have affected overall project delivery.
- 3.6 Out of the 10 Project Outcomes, the MTR report provided: highly satisfactory ratings to Outcomes 8 (Innovative economic and investment instruments) and 10 (Contribution to global learning on scaling up of investments); satisfactory ratings to Outcomes 1 (A self-sustaining country-owned regional mechanism), 3 (Innovative financing mechanism in place for sustained operation of the regional mechanism) and 9 (Regional knowledge

sharing platform); and moderately satisfactory ratings to Outcomes 2 (National and local governments adopt and initiate ocean policy and institutional improvements), 4 (Increased areal extent of healthy resilient habitats), 5 (Improved management of overexploited and depleted fisheries leading to recovery), 6 (Reduced discharge of pollutants from land-based activities and improved water use and efficiency/conservation), and 7 (Increased preparedness and capability of coastal communities).

- 3.7 Project outcomes with highly satisfactory and satisfactory ratings were pertaining to outcomes with a bigger percentage of regional activities and deliverables, while outcomes with moderately satisfactory ratings were mostly involving country (national and local) activities and targets wherein some setbacks were encountered mainly due to delays in project start-up and signing of contract agreements. Apart from delays in contract signing, the meeting also underscored the varying governance processes and levels of capacity in the countries which also impact significantly on project delivery.
- 3.8 In particular, the meeting noted for Outcome 5, there may be a need to review the varying levels of progress and capacity of the sites. Project activities in the Countries are mostly focused on conducting baseline assessments, capacity development and preparing the management plans, thus the likelihood of not achieving end of project targets. For Outcome 6, project support is limited to the development of management and investment plans, and the project has no funding and/or investment for pollution reduction measures.
- 3.9 As part of the corrective actions, the MTR consultants provided several recommendations to which the PRF and UNDP have provided corresponding responses. The summary of MTR recommendations and responses from PRF and UNDP are found in Annex 4.
- 3.10 The project was initially targeted to be completed by end of September 2019, however, MTR findings indicated that some outcomes are unlikely to be achieved within the existing timeframe. As such, the MTR recommends a 1-year extension to enable project deliverables to be completed, taking into consideration some of the proposed adjustments on specific outcomes by the MTR.
- 3.11 The Countries that are behind in project implementation (e.g., Thailand and Vietnam) were encouraged to fast track the implementation and make use of the available resources during the timeframe of the project. UNDP and PEMSEA will assist in facilitating project implementation.
- 3.12 The full MTR report is found in Annex 5 ([e-link](#)).

Decisions

The PSC Meeting decided that:

- 3.13 In line with MTR recommendation, the GEF/UNDP Project on Scaling up SDS-SEA Implementation be extended in principle for 1 year, at no additional cost from GEF, subject to formal confirmation at PSC Meeting 2019 with supporting project work plan and budget covering the extension period. The motion was proposed by the Philippines and seconded by Indonesia.

- 3.14 Member countries accelerate project implementation at the national level, and PRF to accelerate implementation of remaining deliverables at regional level.
- 3.15 Other MTR recommendations be discussed with countries in the coming months and final decisions be made in next PSC meeting.

4.0 PROJECT WORK PLAN AND BUDGET 2018-2019

Discussion Highlights

- 4.1 Mr. Ross, Project Manager for the GEF/UNDOP SDS-SEA project, presented the project work plan and budget for 2018-2019.
- 4.2 The traffic light system, which indicates status of project outcome targets from project-start-up, to mid-term, and projected status by end of project, was helpful in showing where the project is in a snapshot.
- 4.3 It was clarified that the work plan and budget presented to the PSC is a rolled-up regional project budget which already incorporated the individual country work plans and budget which were developed with each project participating countries at the start of each year. This consolidated format, however, can be quite challenging to countries in terms of identifying corresponding activities and budget allocation at the country level.
- 4.4 It was noted that a number of deliverables that are currently in red (not started) and yellow (not fully achieved) would turn into green (fully achieved) by end of project. However, it was also emphasized that there is a possibility that some targets, particularly under Outcomes 5 and 6, may still not be fully achieved even with a project extension. As such, it is important to take note of the MTR's and PRF/UNDP's recommended adjustments in target outputs/outcomes to ensure that all remaining deliverables will be fully achieved after project extension.
- 4.5 The project extension is also seen as beneficial in enabling monitoring and documentation of project impacts and benefits.
- 4.6 In the coming months, further and detailed discussions with countries will be undertaken to discuss the MTR recommendations and the implications of project extension to country work plans and budget. This will help facilitate development of project work plan and budget (covering the project extension to August 2020) to be submitted to the PSC meeting 2019.

Decision

The PSC meeting decided that:

- 4.7 The project work plan and budget for 2018-2019 be adopted, as presented ([Annex 6](#)).

- 4.8 PRF organize and conduct work planning and budgetary reviews in collaboration with each participating country covering 2018-2020, in order to clarify all outstanding project activities, deliverables, and budgetary requirements in the country to the end of the project.

5.0 OTHER BUSINESS

- 5.1 Dr. Padilla informed the PSC meeting of the International Waters (IW) Conference ([e-link](#)) to be held in Morocco on the 1st week of November 2018, and requested PEMSEA to recommend 2 representatives to the conference. In line with this, he further informed the meeting of a new IW initiative on Project Twinning whereby one project may twin/work with another project, which PEMSEA may wish to explore/consider. The PEMSEA Capacity Building officer, Ms. Johanna Diwa, apprised the meeting of the successful submission and approval of a joint proposal with Caribbean Large Marine Ecosystem+ (CLME+) under the Intercolaborative Opportunities (ICO) grant program of IWLearn. Two networking visits facilitating exchange are being organized between PEMSEA and CLME+ for collaborative sessions during the EAS Congress and the CLME+ Partnership Forum. The grant covers funding for travel of representatives from both organizations participating in the activities to promote linkages and enhance coordination/collaboration across focal areas and facilitate networking exchanges.
- 5.2 Dr. Padilla added that the South China Sea SAP implementation project with UNEP has already been approved but have not yet started ([ProDoc e-link](#)). The said project has several overlaps with PEMSEA's ICM initiatives which may serve as an area of collaboration.
- 5.3 The representative from the Philippines, Ms. Marlynn Mendoza, informed the meeting of a planned initiative with the ASEAN Working Group on Coastal and Marine Environment (AWGCME) wherein projects are expected to be developed in the Philippines and Vietnam by 2019.

6.0 CLOSING

- 6.1 Dr. Padilla expressed his appreciation to all member countries for actively participating in the discussions. He emphasized UNDP's continuing support to PEMSEA and the positive feedback on PEMSEA's good performance as UNDP's implementing partner. In this regard, UNDP continues to engage PEMSEA in a number of other projects. In closing, Dr. Padilla thanked the PEMSEA Secretariat for its hard work in organizing the PSC meeting.
- 6.2 Representatives from member countries welcomed the new PEMSEA Executive Director, Ms. Aimee Gonzales, and expressed their appreciation to Mr. Ross for his support to PEMSEA and the GEF/UNDP Project during his term as Executive Director.
- 6.3 The Chair closed the meeting on 24 July 2018 at 3:00PM.

ANNEX 1
LIST OF PARTICIPANTS

LIST OF PARTICIPANTS

PROJECT PARTICIPATING COUNTRIES

CHINA

Dr. Zhang Zhaohui
Deputy Director
China PEMSEA Center and
Associate Professor
First Institute of Oceanography
State Oceanic Administration
People's Republic of China

Ms. Zhu Xiaotong
China PEMSEA Center
First Institute of Oceanography
State Oceanic Administration
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INDONESIA

Mr. Dida Migfar Ridha
Director
Marine and Coastal Pollution and
Degradation Control
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Republic of Indonesia

Ms. Irene Aditya Yuniarti
Head
Section for Quality Standard
Marine and Coastal Pollution and
Degradation Control
Ministry of Environment and Forestry
Republic of Indonesia

LAO PDR

Dr. Inthavy Akkharath
Director-General
Department of Water Resources
Ministry of Natural Resources and
Environment
Lao PDR

PHILIPPINES

Ms. Marlynn Mendoza
Division Chief
Biodiversity Management Bureau
Department of Environment and Natural
Resources

Ms. Jeslina B. Gorospe
Chief of Project Monitoring and Evaluation
Division
Foreign-Assisted and Special Projects
Service
Department of Environment and Natural
Resources

Ms. Hannah Ritual
PEO
Foreign-Assisted and Special Projects
Service
Department of Environment and Natural
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THAILAND

Mr. Suthep Jualaong
Director of Marine and Coastal Resources
Research and Development Center
Southern Gulf of Thailand

TIMOR LESTE

Mr. Celestino da Cunha Barreto
National Director for Fisheries and Aquatic
Resources Management
Ministry of Agriculture and Fisheries
Timor Leste

Mr. Mario Marques Cabral
Project Coordinator for the
SDS-SEA Scaling up Implementation
Ministry of Agriculture and Fisheries
Timor Leste

VIET NAM

Dr. Ta Dinh Thi
Acting Director General
Viet Nam Administration of Seas and
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Viet Nam

Dr. Nguyen Le Tuan
Director
Institute of Seas and Islands Research
Vietnam Administration of Seas and Islands
(VASI)
Vietnam

SPONSORING ORGANIZATIONS

UNDP Bangkok Regional Hub

Dr. Jose Erez Padilla
Regional Technical Adviser, Waters and
Oceans
Bangkok Regional Hub
United Nations Development Programme
Thailand

UNDP PHILIPPINES

Mr. Michael Joseph Jaldon
Energy and Environment
United Nations Development Programme
Philippines

PEMSEA SECRETARIAT

Ms. Aimee Gonzales
Executive Director
PEMSEA Resource Facility

Mr. Stephen Adrian Ross
Senior Project Manager
PEMSEA Resource Facility

Mr. Renato Cardinal
Knowledge Management and Certification
Services
PEMSEA Resource Facility

Ms. Nancy Bermas
Senior Country Programme Manager
PEMSEA Resource Facility

Ms. Cristine Ingrid Narcise
Country Programme Manager
PEMSEA Resource Facility

Ms. Daisy Padayao
Country Programme Manager
PEMSEA Resource Facility

Ms. Jhowilyn Zaldivar
Country Programme Assistant
PEMSEA Resource Facility

Ms. Johanna Diwa
Capacity Development Manager
PEMSEA Resource Facility

Ms. Kathrine Rose Gallardo-Aguiling
Secretariat Coordinator
PEMSEA Resource Facility

Ms. Maricor Ebarvia
Blue Economy Consultant
PEMSEA Resource Facility

Ms. Diane Factuar
Consultant
PEMSEA Resource Facility

Mr. Ryan John Whisnant
Consultant
PEMSEA Resource Facility

Ms. Elsie Merina
Programme Assistant
PEMSEA Resource Facility

Ms. Vida Isabel Vasquez
Secretariat Assistant
PEMSEA Resource Facility

**ANNEX 2
MEETING AGENDA**

**ANNOTATED AGENDA OF THE PSC MEETING OF THE GEF/UNDP/PEMSEA PROJECT
ON SCALING UP IMPLEMENTATION OF THE SDS-SEA**

Manila, Philippines
July 24, 2018

July 24, 2018 (Tuesday)

- | | |
|-------------|---|
| 0830 – 0840 | 1.0 Opening of the Project Steering Committee Meeting
The UNDP representative will deliver opening remarks as the Principal Project Resident Representative (PPRR) and Chair of the Meeting. |
| 0840 – 1045 | 2.0 Country and Regional Case Studies
Representatives from the 8 project participating countries will be invited to share their respective Country Case Studies focusing on major project highlights/achievements from 2014 to 2018, as well as remaining constraints/gaps.

Regional case studies will be presented by the Secretariat highlighting key regional project initiatives and progress. |
| 1045 – 1100 | Coffee Break |
| 1100 – 1230 | 3.0 Project Mid-Term Review: Key Findings and Recommendations
The UNDP representative will be invited to present the conclusions and recommendations of the Mid-Term Review on the project.

The PEMSEA Resource Facility and participating Countries will be invited comment on the Mid-term Review and the recommendations.

The PSC will identify actions to be taken in response to the recommendations of the Mid-Term Review.

The UNDP representative will identify the next steps in the Mid-term Review process. |
| 1230 – 1330 | Lunch Break |
| 1330 – 1430 | 4.0 Project Work Plan and Budget 2018-2019
The PRF will present the project financial delivery report, regional work plan and budget for the project for 2018-2019 for review and approval by the PSC. |
| 1430 – 1445 | 5.0 Other Business |
| 1445 - 1500 | Closing of the PSC Meeting |

ANNEX 3
COUNTRY AND REGIONAL PROGRESS REPORTS/CASE STUDIES
[\(E-LINK\)](#)

ANNEX 4
SUMMARY OF MTR RECOMMENDATIONS AND
RESPONSES FROM PRF AND UNDP

Issue	Recommendation	Responses
Objective and Outcome Targets	<p>PEMSEA Resource Facility to re-assess targets for the Objective and following outcomes to ensure that they are realistic, measurable and achievable by the end of the project:</p> <p><u>Objective</u> Delete Indicator 2 and related Targets 2-6 since it to be more appropriate as an outcome indicator, since it is not considered to be directly related to the stated objective.</p> <p><u>Outcome 1</u> Review Target 1.3 and assess if signing a Partnership Agreement with YSLME is achievable and if not, either delete this reference or consider amending to “establishing short-term collaborative arrangements with YSLME”. Move Target 1.4 to Outcome 9</p>	<p>PRF and UNDP: Agree with this recommendation and propose to revise the indicators and targets as follows:</p> <p><u>Objective</u> PRF and UNDP: Agree to delete indicator 2 and related Targets 2-6.</p> <p><u>Outcome 1</u> PRF and UNDP: Amend Target 1.3 to read, <u>Letters of Cooperation signed between PEMSEA and YSLME Interim Commission, WCPFC Commission and other regional governance mechanisms for collaborative planning and implementation of projects and activities that contribute to the objectives and targets among the respective SAPs.</u></p>
	<p><u>Outcome 4</u> Move Target 4.5 to Outcome 3</p> <p><u>Outcome 5</u> Amend Target 5.1 to read: “Sustainable fisheries-focused ICM pilot demonstration projects, covering 2,000 km2 of threatened fishing grounds providing evidence of improved stock management and a reduction in overall fishing effort using ecosystem-based approach to reduce overexploitation, with replication of good practices initiated in 4 other threatened fishing grounds.”</p>	<p>PRF and UNDP: Move Target 4.5 to <u>Outcome 2</u> to align with Activity 2.3.4, “Set up and implement a functional platform to promote and facilitate, structure and package projects and investments in support of SDS-SEA and ICM scaling up and blue economy development in the EAS region.”</p> <p>PRF: Agrees with the recommendation. UNDP: Agrees with the recommendation. However, note that there should be evidence to support.</p>
	<p><u>Outcome 5</u> Consider whether Target 5.2 is an appropriate measure for this indicator.</p>	<p>PRF: The current indicator implies that “improved income of fishers’ households will occur as a consequence of reductions in overexploitation of fisheries. Amend</p>

Issue	Recommendation	Responses
		<p>the indicator as follows: <u>Increased proportion of fishing grounds with reduction in overexploitation of fisheries.</u></p> <p>In addition, insert a new indicator as follows: <u>Increased proportion of fishers' households benefiting from sustainable alternative livelihood opportunities.</u></p> <p>UNDP: Agree with amendment to indicator. However, the additional indicator requires surveys to measure the changes in the proportion of income from fishing. If project is not doing the surveys, suggest the new indicator be dropped and keep the rewording that is proposed.</p>
	<p><u>Outcome 6</u> Amend Target 6.1 to read: "Pilot integrated river basin and coastal area management demonstration projects completed in priority watershed/coastal areas covering 25,000 km² (as identified in Table 16), providing evidence of management strategies implemented to reduce levels of target pollutants (BOD; nutrients; and pathogens) and water resource conservation and use management."</p>	<p>PRF: Amend Target 6.1 as follows: Pilot integrated river basin and coastal area management demonstration projects <u>initiated in priority watershed/coastal areas covering 25,000 km² (as identified in Table 16), focused on management strategies and investments to reduce levels of target pollutants (BOD; nutrients; and pathogens) and improve water resource conservation and use management."</u></p> <p>UNDP: Revision has to take into account the Tracking Tools, in particular Local Investment 1 which mentions that the info will come from the SOC. Not recommending amendment to this Target, particularly this project is already the 3rd investment from GEF.</p>
	<p><u>Outcome 7</u> Review Target 7.1 and introduce metrics to provide evidence that it has been achieved, e.g. community awareness-raising meetings held, evacuation routes established, emergency drills conducted.</p>	<p>PRF and UNDP: Amend target 7.1 as follows: <u>CCA/DRRM focused ICM pilot demonstration projects, covering 11 highly vulnerable coastal communities (Table 17) provide evidence of: community awareness meetings conducted; evacuations routes established and publicized; and emergency drills/exercises conducted on a regular basis.</u></p>

Issue	Recommendation	Responses
Project extension	<p>PEMSEA Resource Facility to develop a proposal to extend the project by (12) months to allow sufficient time to achieve progress towards outcomes in countries that have been delayed in starting implementation of project activities for the following outcomes and targets:</p> <p><u>Outcome 1</u></p> <p>To allow for achievement of Target 1.2, “Signed Agreements with Country and Non-Country Partners provide voluntary financing and in-kind commitments to sustain PEMSEA’s core operations”.</p> <p>To allow for achievement of Target 1.3, “Signed Partnership Agreements between PEMSEA and YSLME Commission, WCPF Commission and other regional governance mechanisms”</p> <p><u>Outcome 2</u></p> <p>To allow for the achievement of Target 2.1 in Cambodia, Indonesia, Philippines, Timor Leste and Vietnam.</p> <p>To allow for achievement of Target 2.3 in Cambodia, Lao PDR and Timor Leste</p> <p><u>Outcome 4</u></p> <p>To allow for the achievement of Target 4.1 in Indonesia, Thailand and Vietnam, with a specific focus on the completion of SOC reports (4.1c)</p> <p>To allow for achievement of Target 4.2 (25% of local governments implementing ICM programs) in Philippines, Thailand and Vietnam</p> <p>To allow for achievement of Target 4.3 (Conservation focused ICM pilot</p>	<p>PRF and UNDP: Agree with the extension recommendation of 12 months.</p> <p>PRF and UNDP: Agree on the recommendation.</p> <p>PRF and UNDP: Agree based on revised Target 1.3 (above)</p> <p>PRF and UNDP: Agree on the recommendation.</p> <p>PRF and UNDP: Agree on the recommendation</p>

Issue	Recommendation	Responses
	<p>demonstration projects) in Cambodia, Philippines, Thailand and Vietnam</p> <p>To allow for achievement of Target 4.4 (10% improvement in METT of MPA focused ICM pilot demonstration sites) in Indonesia, Philippines, Thailand, Timor Leste and Vietnam</p> <p><u>Outcome 5</u> To allow for achievement of all targets in all countries</p> <p><u>Outcome 6</u> To allow for achievement of Target 6.1 (Pilot integrated river basin and coastal area management), in light of the recommendation above to modify the indicator for this target for China, Indonesia, Philippines, Thailand and Vietnam.</p> <p>To allow for achievement of Target 6.2 (Innovative technologies) for Cambodia and Lao PDR.</p> <p><u>Outcome 7</u> To allow for achievement of Target 7.1 (CCA/DRRM-focused ICM pilot demonstration projects) in Cambodia, China, Indonesia, Philippines, Thailand, Timor Leste and Vietnam.</p> <p>To allow for achievement of Target 7.2 (Sub-regional oil spill contingency planning) in Cambodia, Thailand and Vietnam.</p> <p><u>Outcome 9</u> To allow for the achievement of Target 9.1 (National and sub-national environmental monitoring programs) in</p>	<p>PRF and UNDP: Agree on the recommendation</p> <p>PRF and UNDP: Agree on the recommendation</p> <p>PRF and UNDP: Agree on the recommendation</p>

Issue	Recommendation	Responses
	<p>Indonesia, Lao PDR, Philippines, Thailand, Timor Leste and Vietnam</p> <p>To allow for the achievement of Target 9.4 (evidenced-based sound policy on ICM) Indonesia, Lao PDR, Philippines, Thailand and Timor Leste</p>	
Project Management	<p>PEMSEA Resource Facility to consider employing additional office back-stopping staff to support the project country managers, to reduce vulnerability to staff departure and protect against loss of institutional memory</p>	<p>PRF : While not opposed to the idea, the requested action is beyond the scope and budget of the project. Refer this recommendation to PEMSEA’s Governing Body.</p> <p>UNDP: Strongly supports this recommendation.</p>
Budget re-allocation	<p>PEMSEA Resource Facility to review budget utilization by country for the remainder of the project to assess whether funds could be re-allocated within the project to make more effective use of the remaining budget, recognizing that some countries are unlikely to utilize their full allocation while other countries would benefit from additional funding.</p>	<p>PRF: Agree with the recommendation. The review will be included as part of the PRF’s proposal for the 12-month extension.</p> <p>UNDP: This has been encouraged but recognize that this is highly political. However, with only 2 years remaining for the project, there is a need to discuss with countries unable to utilize their allocation to agree to a reallocation to avoid the funds returned to GEF.</p>
Monitoring and Evaluation	<p>PEMSEA Resource Facility to implement a formal reporting and tracking system to allow accurate monitoring of co-finance contributions and expenditure.</p> <p>PEMSEA Resource Facility to implement a harmonized set of reporting tools incorporating all relevant aspects of project progress, not only output achievements, to allow for more consistent and coherent reporting of results.</p>	<p>PRF: The formal reports that are submitted to UNDP (QPRs, PIRs, APRs) are based on the templates provided by UNDP. Each report has its own coverage (January to December for QPRs and APRs; and June to June for PIRs) and format.</p> <p>PRF: PEMSEA has developed an internal tracking system, which is available in our in-house portal to track the project against the SRF outcomes, outputs and targets. The tracking system is updated every quarter. The internal tracking</p>

Issue	Recommendation	Responses
		<p>system is employed to complete the formal reports (coverage and formats) requested by UNDP.</p> <p>UNDP: More that the tools and reports for monitoring, it is encouraged that project allow for actual site visits for more interactive monitoring.</p>
Financial sustainability	<p>In line with the recommendations of the Third-Party Assessment “Achieving a Self-Sustaining PEMSEA Resource Facility” (2017), member countries of the EAS Partnership Council are recommended to commit to multi-year voluntary contributions by the start of FY2020 to enable the PEMSEA Resource Facility Secretariat to become financially self-sustaining.</p>	<p>PRF and UNDP: Agree with the recommendation.</p>
	<p>PEMSEA Resource facility to consider employing or engaging as a consultant a Business Development specialist to develop and promote their products and services to stakeholders in the region and beyond.</p>	<p>PRF and UNDP: Agree with the recommendation. The project will contract a business development consultant to prepare a strategy and plan for promoting PEMSEA products and services.</p>
	<p>PEMSEA Resource Facility is recommended to develop strategic engagements with:</p> <ul style="list-style-type: none"> (i) The Economist Global Ocean Initiative to explore opportunities to build private sector partnerships to support investment in the blue economy; and (ii) one or two high profile global businesses to develop a proof of concept pilot project for incorporating oceans sustainability into their corporate sustainability programmes. 	<p>PRF and UNDP: Agree with the recommendation. The project is in the process of developing a Sustainable Business Roadmap for engaging the private sector in the East Asian Seas region.</p>

ANNEX 5
GEF/UNDP PROJECT ON SCALING UP SDS-SEA IMPLEMENTATION:
MID-TERM REVIEW REPORT
[\(E-LINK\)](#)

ANNEX 6
PROJECT WORK PLAN AND BUDGET 2018 – 2019
(AS APPROVED BY THE MEETING: [E-LINK](#))