



**PROJECT IMPLEMENTATION REPORT (PIR)**

**for the project:**

**The Meloy Fund: A Fund for Sustainable Small-Scale Fisheries in Southeast Asia**

**FY21**

**October 01 – September 30, 2021**



**Executing Partners**



| Project Information                                      |  |   |   |
|--|--|---|---|
| <b>Project Title:</b>                                    | The Meloy Fund: A Fund for Sustainable Small-Scale Fisheries in Southeast Asia |   |   |
| <b>Country(ies):</b>                                     | Indonesia, Philippines   | <b>GEF ID:</b>  | 9370  |
| <b>GEF Agency(ies):</b>                                  | Conservation International   | <b>Duration In Months:</b>  | 60 months (Project Investment Period), over a 120-month term, plus two optional 12-month extensions |
| <b>Other Executing Partners:</b>                         | Rare   | <b>Actual Implementation Start Date:</b>  | 10/1/2017   |
| <b>GEF Focal Area(s):</b>                                | Biodiversity   | <b>Expected Project Completion Date:</b>  | 08/01/2027  |
| <b>GEF Grant Amount:</b>                                 | \$6,000,000  | <b>Expected Financial Closure Date:</b><br>End Date from Grant Agreement + 6 months | 02/01/2028  |
| <b>Expected Co-financing:</b>                            | \$35,199,864 (from Rare and CI)  | <b>Date of Last Steering Committee Meeting:</b>                                     |   |
| <b>Co-financing Realized as of September 30, 2021:</b>   | \$23,417,738 (in-kind);<br>\$16,100,000 (investment capital)                   | <b>Mid-Term Review-Planned Date:</b>  | 08/30/2020  |
| <b>Date of First Disbursement:</b>                       | 11/02/2017   | <b>Mid-Term Review-Actual Date:</b>   | 09/02/2021  |
| <b>Cumulative disbursement as of September 30, 2021:</b> | \$6,000,000  | <b>Terminal Evaluation-Planned Date:</b>  | TBD   |
| <b>PIR Prepared by:</b>                                  | Lisa Pharoah, Veronica Yow   | <b>Terminal Evaluation-Actual Date:</b>   | TBD   |
| <b>CI-GEF Program Manager:</b>                           | Free de Koning   | <b>CI-GEF Finance Lead</b>  | Susana Escudero   |

| Minor Amendment Categories                   | Minor Amendment Justification   |
|--|---|
|  | Minor amendments are changes to the project design or implementation that do not have significant impact on the project objectives or scope, or an increase of the GEF project financing up to 5%. Please select the box that is most applicable for FY22 and include an explanation for the minor amendment request. |
| Results framework <input type="checkbox"/>   | Updates to the Results Framework are to be discussed following completion of the MTR  |
| Components and cost <input type="checkbox"/> |   |

|   |  |
|---|--|
| <b>Institutional and implementation arrangements</b> <input type="checkbox"/> | <p>As reported last fiscal year, a move to transition the Fund to an independent entity (outside of Rare) was in the works. In FY21 the transition was completed with the Meloy Fund transitioning under Deliberate Capital as its new management company.</p> <p>This fiscal year, the Fund established an Impact Committee to help technically evaluate the opportunities in its pipeline and its current ESG practices. The committee has the following objectives:</p> <ul style="list-style-type: none"> <li>• Help develop, hone, and refine the Fund’s impact strategy, targets, and monitoring process; and,</li> <li>• Provide feedback and insights for individual deal impact hypotheses and opportunities to maximize outcomes via technical assistance projects and otherwise.</li> </ul> <p>The Impact Committee currently comprises of four esteemed members from the NGO, academic and impact investment sector. In FY22, the Fund plans to add additional Impact Committee members from Indonesia and/or Philippines.</p> |
| <b>Financial management</b> <input type="checkbox"/>                          |  |
| <b>Implementation schedule</b> <input type="checkbox"/>                       |  |
| <b>Executing Entity</b> <input type="checkbox"/>                              |  |
| <b>Executing Entity Category</b> <input type="checkbox"/>                     |  |
| <b>Minor project objective change</b> <input type="checkbox"/>                |  |
| <b>Safeguards</b> <input type="checkbox"/>                                    |  |
| <b>Risk analysis</b> <input type="checkbox"/>                                 |  |
| <b>Increase of GEF project financing up to 5%</b> <input type="checkbox"/>    |  |
| <b>Co-financing</b> <input type="checkbox"/>                                  |  |
| <b>Location of project activity</b> <input type="checkbox"/>                  |  |
| <b>Other</b> <input type="checkbox"/>   |  |

**MINOR AMENDMENT RESPONSE FROM CI-GEF**

The transitioning of the Meloy Fund under Deliberate Capital as its new management company was approved. The establishment of the Impact Committee is welcomed.

## **SECTION I: PROJECT IMPLEMENTATION PROGRESS STATUS SUMMARY**

### **PROJECT SUMMARY**

The Meloy Fund is an USD 18 – 20 million investment vehicle that seeks to incentivize the rapid adoption of sustainable fisheries behaviors by investing in fishing and seafood-related enterprises in Indonesia and the Philippines. The investment objective of the Fund is to generate measurable social and environmental outcomes and provide reasonable financial returns for investors by making debt and equity investments in fishing and seafood-related enterprises at different stages of growth that have operations in Indonesia and the Philippines.

Through the Fund's investments, the project will aim to incentivize the sustainable management of important fishery resources. As such, the overall objective of this non-grant pilot project is to improve the conservation of coral reef ecosystems by providing financial incentives to fishing communities in the Philippines and Indonesia to adopt sustainable fishing behaviors and rights-based management regimes through capital investments in commercially viable enterprises.

The Meloy Fund and Fish Forever's strategies are closely intertwined, such that both are included as components of the proposed project (although no financial resources are being requested of the GEF in direct support of Component 2 under this non-grant instrument).

The two project components are:

1. The Meloy Fund for Sustainable Small-Scale Fisheries (USD 6 million requested from GEF); and
2. Fisheries technical assistance (TA) through Fish Forever (USD 0 requested from GEF)

### **PRIOR PROJECT IMPLEMENTATION STATUS (FY20)**

The coronavirus pandemic impacted the seafood sector across multiple fronts, including supply, demand, logistics, and production. For companies supplying fresh seafood to the hospitality or food service industries, and relying on timely and efficient shipping logistics, the pandemic was devastating. However, for companies dealing in frozen, processed, or shelf-stable products, demand and business opportunities increased exponentially. The Meloy Fund's approach and business model – to be close to the ground in order to offer partnership and support to our portfolio companies and their fisher/farmer suppliers – meant we could help affected businesses weather the storm and reposition or strengthen operations.

In FY20, the Fund made investments in three new companies. Through these investments, and in-line with its Environmental Impact Targets, the Fund has placed 320,000 hectares of coral reef ecosystems under improved management, equal to 27% percent of the project target of 1.2 million hectares (Outcome 1.1) by implementing responsible sourcing practices with their suppliers and participating in existing fishery improvement programs (FIPs). In addition, in-line with the Fund's Social Impact Targets (Outcome 2.1), these investments have impacted close to 28,000 fisher household members (project target = 100,000) and have led to USD 6.4 million (equal to 32% of project target) in aggregate annual purchases from local fishers (project target = USD 20 million).

The Fund also secured grant support for the Technical Assistance Facility (TAF) which further supports the development of business capacities and Environmental and Social Impact monitoring and reporting for Meloy Fund investees, as well as for the implementation of a COVID-19 response program with two particular areas of intervention - 1) Implementation of COVID-19 health and safety recommendations, and 2) Improving short-term value creation opportunities for coastal communities within the Fund's supply chain, including support of the Rapid-Response Loan Program (RRLP).

In 2020, Fish Forever’s goals – empowered communities, responsive local government, and a clear vision to balance sustainable production with effective protection – became even more urgently apparent. Fortunately, with Rare’s support, coastal mayors and local leaders are mobilizing to ensure a sustainable, equitable, and green recovery. Fish Forever Savings Clubs are providing relief funds to community members impacted by the pandemic and natural disasters. Demand from coastal communities and governments to establish Managed Access with Reserve (MA+R) systems is growing, and Rare is accelerating its efforts to protect critical coastal waters at the intersection between high human use and high biodiversity.

### CURRENT PROJECT IMPLEMENTATION STATUS (FY21)

In FY21 (Oct. 2020 – September 2021), the Meloy Fund continued to support and further expand its portfolio companies amidst the on-going COVID-19 pandemic. The Fund’s multi-pronged approach in response to the pandemic proved to be instrumental in helping the portfolio companies navigate through the pandemic. As a result, the Fund managed to deploy new investments, expand the Rapid Response Loan Program (RRLP) to address working capital gaps along the seafood supply chain, and help scale its existing portfolio through follow-on investments. The Fund continuously worked with the portfolio companies to develop responses and solutions to help them recover from the effects of the pandemic. Ensuring portfolio companies on-going financial viability was one of the Fund’s responses to the pandemic. This year, the Fund supported the portfolio companies’ efforts to diversify its products and has facilitated introduction to new markets to further boost their recovery.

In FY21, the Fish Forever teams in Indonesia and the Philippines focused on accelerating the adoption of specific sustainable behaviors through campaigns adapted to local contexts. These efforts complement the ‘umbrella’ sub-national campaigns deployed across seascapes in Indonesia and the Philippines and serve as models across the other Fish Forever countries. This approach is key to achieving the scale required for effective ecosystem conservation and coastal fisheries reform. Fish Forever is also building local capacity that enables fishery management bodies to legally establish and maintain a limit on fishing effort over a specific managed access area. Through its efforts, Fish Forever has built the capacity of 94 management bodies with jurisdiction across nearly 2,727,258 hectares of coastal waters in the Philippines and Indonesia. This work will directly benefit local fishers and communities by improving their livelihoods and well-being and the ecosystem conditions and productivity upon which they depend.

### SUMMARY: PROJECT IMPLEMENTATION PROGRESS STATUS

| PROJECT PART                      | PRIOR FY20 IMPLEMENTATION PROGRESS RATING | CURRENT FY21 IMPLEMENTATION PROGRESS RATING <sup>1</sup> | RATING TREND <sup>2</sup> |
|-----------------------------------|---|--|---------------------------|
| OBJECTIVE                         | S   | S  | Unchanged                 |
| COMPONENTS AND OUTCOMES           | S   | S  | Unchanged                 |
| ENVIRONMENTAL & SOCIAL SAFEGUARDS | S   | S  | Unchanged                 |

### PROJECT RISK RATING<sup>3</sup>

<sup>1</sup> **Implementation Progress (IP) Rating:** Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), and Highly Unsatisfactory (HU). For more details about IP rating, please see the Appendix I of this report

<sup>2</sup> **Rating trend:** Improving, Unchanged, or Decreasing

<sup>3</sup> **Risk Rating:** Low (L), Moderate (M), Substantial (S), High (H)

|       |   |   |           |
|-------|---|---|-----------|
| RISKS | S | S | Unchanged |
|-------|---|---|-----------|

**a. Progress towards Achieving Project Expected Objective:**

This section describes the progress made towards achieving the project objective and outcomes, the implementation progress rating of the project, as well as recommendations to improve the project performance. This section is composed four parts:

- a. Progress towards Achieving Project Expected Objective: this section measures the likelihood of achieving the objective of the project
- b. Progress towards Achieving Project Expected Outcomes (by project component)
- c. Overall Project Results Progress Rating, and
- d. Recommendations for improvement

|                           |  |
|---------------------------|--|
| <b>PROJECT OBJECTIVE:</b> | To improve the conservation of targeted coral reef ecosystems by providing financial incentives to fishing communities in the Philippines and Indonesia to adopt sustainable fishing behaviors and rights-based management regimes through capital investments in commercially viable enterprises. |
|---------------------------|--|

| OBJECTIVE INDICATORS  | END OF YEAR INDICATOR STATUS                       | PROGRESS RATING <sup>4</sup> | COMMENTS/JUSTIFICATION  |
|---|--|------------------------------|---|
| <b>Objective indicator A:</b><br>Number of investments made in scalable ventures in Indonesia and the Philippines | 9  | IS                           | Through the end of the reporting period, the Fund has approved nine investments in nine companies.<br><br>In FY21, the Fund made an equity investment in Swiss-based Koltiva AG, an integrated agriculture technology company that provides customized software solutions and services for the agriculture and aquaculture sectors. The expansion of the Fund’s RRLP also resulted in new investments in REAL Prime Seafood Supply, a yellowfin tuna exporter in the Philippines, and Jackson & Partners, a US-based importer, wholesaler, and distributor that sources its raw materials from Indonesia. The Fund also restructured its investment in PT. SIG Asia and Agrita Best Seafood. Part of the restructuring for SIG Asia included the establishment of PT Laut Biru Seafood a sustainable seafood company that will take over the assets and operations of SIG Asia including its employees. LBS commenced its operations in September 2021. |
| <b>Objective indicator B:</b><br>Percentage of fishers and fish workers with increased earnings through           | 100 % of the fishers that the Fund is working with | IS                           | Each of the Fund’s investments seeks to improve fisher incomes, namely through higher prices for higher quality products.   |

<sup>4</sup> O= Overdue; D= Delayed; NS= Not started on schedule; IS= Under implementation on schedule; and CA= Completed/Achieved

| OBJECTIVE INDICATORS   | END OF YEAR INDICATOR STATUS                                      | PROGRESS RATING <sup>4</sup> | COMMENTS/JUSTIFICATION   |
|--|---|------------------------------|--|
| project investments as a measure of improved status of livelihoods   |   |                              | In FY21, the Fund’s TA Facility (TAF) supported investees with post-harvest improvements that increase fishers and farmers income, ranging from fisher training for tuna to adoption of technology for seaweed, as well as in the initiation of a FIP towards sustainable octopus management.  |
| <b>Objective indicator C:</b><br>Percent increment in profit per unit effort (PPUE) at sites of investment that overlap with Fish Forever sites. | 0 %   | IS                           | There remain no sites of overlap between current Meloy Fund investment and Fish Forever sites.   |
| <b>Objective indicator D:</b><br>Number of hectares with improved management of coral reef ecosystems  | 351,819 (29 % of target)<br><br>(clarification under Component 1) | IS                           | <p>To date, Fund investees have placed more than 351,819 hectares of seascape under improved management by implementing responsible sourcing practices with their suppliers and participating in existing FIPs.</p> <p>Each of the Fund’s investees ensure that any seafood they source is of the right size and caught with appropriate gear. In addition, in partnership with these companies, the Fund has identified additional improved supply chain practices that can potentially be implemented on the ground.</p> <p>In collaboration with the Fund, each investee is required to develop the following:</p> <ul style="list-style-type: none"> <li>• A responsible sourcing policy that guides all company procurement activity and seeks to minimize any potential negative impact the company may have on coastal fisheries. For example, a responsible sourcing policy for fisheries processors will include size limits, acceptable gear, and restrictions on by-catch, among others.</li> <li>• Fisheries-related investment covenants to ensure that the company remains in compliance with the Fund’s ESG Standards and all applicable laws.</li> </ul> <p>Impact targets tied to the Fund’s own impact targets. These targets are developed in coordination with the investee. Given the uncertainty in dealing with natural environments, goals may be aspirational and committed to on a best-efforts basis.</p> |



| OBJECTIVE IMPLEMENTATION<br>PROGRESS RATING | JUSTIFICATION  |
|---|--|
| S   | The project has made good progress with increasing its investment portfolio. Four new companies were added. The area of sea-scapes with improved management also increased as compared to last year. The fund has continued with technical assistance for fishers. There is no overlap between Fish Forever sites and Meloy Fund investment. |

**b. Progress towards Achieving Project Expected Outcomes (by project component).**

This part of the report assesses the progress towards achieving the outcomes of the project.

|                    |  |
|--------------------|--|
| <b>COMPONENT 1</b> | The Meloy Fund for Sustainable Fisheries |
|--------------------|--|

|                     |  |
|---------------------|--|
| <b>Outcome 1.1:</b> | Area of coral reef ecosystems in Indonesia and the Philippines under improved sustainable management increased through financial investments that incentivize adoption of sustainable rights-based fisheries management practices that include protection for critical habitats. |
|---------------------|--|

| OUTCOMES TARGETS/INDICATORS  | END OF PROJECT INDICATOR TARGET | END OF YEAR INDICATOR STATUS            | PROGRESS RATING <sup>5</sup> | COMMENTS/JUSTIFICATION  |
|--|---------------------------------|---|------------------------------|---|
| <b>Outcome indicator 1.1.a.:</b><br>Number of hectares of coral reef ecosystems under sustainable management through financial incentives offered through Meloy Fund investments | 1.2 million hectares            | 361,832 hectares (30 percent of target) | IS                           | <p>This indicator is self-reported by each investee. As of September 30, 2021:</p> <ul style="list-style-type: none"> <li>Investee 1 (Meliomar) = 30,000 hectares. The investee calculates the number of hectares based on the number of buying stations from which they source seafood from. They continue to source seafood from 12 buying stations with an average seascape area of influence of 2,500 hectares per buying station. The main areas of influence of these buying stations include the area located within the Quezon province in Philippines. All these sites are within territorial limits of Philippines.</li> <li>Investee 2 (Agrita) = 252,000 hectares. The investee calculates the number of hectares based on the length of coastline from where its fishers source seafood from. The total coastal area from which its fishers sourced from was 1,500 km<sup>2</sup>. The main areas of influence include Flores Island in Indonesia. All these hectares lie within territorial boundaries of Indonesia.</li> <li>Investee 3 (SIG Asia) – N/A. Company has been restructured and absorbed into investee 4.</li> <li>Investee 4 (Laut Biru Seafood) = 41,000 hectares. The main areas of influence include Sulawesi and Maluku waters in Indonesia. All</li> </ul> |

<sup>5 5</sup> O= Overdue; D= Delayed; NS= Not started on schedule; IS= Under implementation on schedule; and CA= Completed/Achieved

| OUTCOMES<br>TARGETS/INDICATORS  | END OF<br>PROJECT<br>INDICATOR<br>TARGET              | END OF YEAR<br>INDICATOR<br>STATUS | PROGRESS RATING <sup>5</sup> | COMMENTS/JUSTIFICATION  |
|---|---|------------------------------------|------------------------------|---|
|   |   |                                    |                              | <p>these hectares lie within territorial boundaries of Indonesia. Moving forward, this will fall under one of the Fund’s new investments.</p> <ul style="list-style-type: none"> <li>Investee 5 (Kotiva) – 8,369 hectares.</li> <li>Investees 6 and 7 (Frolian and Agromar) = 15,450 hectares. The main areas of influence include Palawan, Bantayan Islands, and Zamboanga. All these sites are within territorial limits of Philippines.</li> <li>Investees 8 and 9 (Jackson &amp; Partners and REAL Prime Seafoods) = 5,000 hectares (new investments so the team is still working with the companies on this).</li> </ul> <p>* The Fund continues to seek ways to validate this data – which will require additional grant support/resources.</p> |
| <p><b>Outcome indicator 1.1.b.:</b><br/>Number of investments made through the Meloy Fund</p>   | <p>To be determined as the pipeline is rolled out</p> | <p>9</p>                           | <p>IS</p>                    | <p>The Fund has made nine investments in nine companies total; adding four new companies to our portfolio during FY21.</p> <p>With the Fund’s supply chain approach for its investment strategy, the team has started to evaluate opportunities for co-investments to build larger platform companies. A number of opportunities have been identified to date that could help existing portfolio companies to scale and/or build an ecosystem of efficient supply chain.</p>  |
| <p><b>Outcome indicator 1.1.c.:</b><br/>Average percent increment in profit per unit effort (PPUE) at sites of investment that overlap with Fish Forever sites.</p> | <p>&gt;0</p>  | <p>N/A</p>                         | <p>IS</p>                    | <p>There remain no sites of overlap between current Meloy Fund investment and Fish Forever sites.</p>   |

|             |               |              |
|-------------|---------------|--------------|
| COMPONENT 1 | JUSTIFICATION | RATING TREND |
|-------------|---------------|--------------|

| IMPLEMENTATION<br>PROGRESS RATING |  |           |
|-----------------------------------|--|-----------|
| <b>S</b>                          | The project has made good progress on the outcomes and outputs of this component. The number of hectares of coral reef ecosystems under sustainable management has increased, reaching 30% of the target. The Fund will continue to collect data to validate these numbers. Four new companies were added to the portfolio and the total number of investments is 9. | Unchanged |

|                    |  |
|--------------------|--|
| <b>COMPONENT 2</b> | Fisheries technical assistance (TA) through Fish Forever |
|--------------------|--|

|                     |  |
|---------------------|--|
| <b>Outcome 2.1:</b> | Capacity of portfolio companies to deliver on the Fund’s environmental and social impact targets improved through fisheries TA provided by Fish Forever  |
| <b>Outcome 2.2:</b> | Integrity and functioning of targeted coral reef ecosystems maintained through the implementation of community rights-based management at Fish Forever sites, as incentivized through Meloy Fund investments |

| OUTCOMES<br>TARGETS/INDICATORS   | END OF PROJECT<br>INDICATOR<br>TARGET  | END OF YEAR INDICATOR<br>STATUS   | PROGRESS<br>RATING <sup>6</sup> | COMMENTS/JUSTIFICATION   |
|--|--|---|---------------------------------|--|
| <b>Outcome indicator 2.1.:</b><br>Percentage of projected E&S impact targets achieved. | <i>Environmental Target</i><br>a: 1.2 million hectares of coral reef ecosystems) under improved management<br><br><i>Social Targets</i><br>b: 100,000 fisher household members positively impacted | <i>Environmental Targets</i><br>a: Through the Fund’s eleven investments, 361,832 hectares of coral reef ecosystems are under improved management.<br><br><i>Social Targets</i><br>b: Through the Fund’s eleven investments, 49,649 fisher household members have been positively impacted (an estimated 24,675 or 49.7 percent are female).<br><br>c: Through the Fund’s eleven investments, USD | IS                              | Together, the investees and the Fund develop an Action Plan of activities that they will execute together throughout the life of the investment to improve fisheries management. E.g.: <ul style="list-style-type: none"> <li>– Fisheries data collection: The Fund and the company will jointly seek to gather first-hand data on fisheries health and fisher incomes to track the Fund’s impact.</li> <li>– Supply chain improvements: The Fund and the company will jointly implement supply chain improvement projects to encourage the adoption of sustainable practices that simultaneously increase fisher incomes, including using improved gear and or increasing catch quality via fisher training.</li> </ul> <p>A portion of the funding for this plan may be covered by the Fund’s Technical Assistance Facility (TAF). The Meloy Fund’s TAF is designed to provide grant funding to the Fund’s portfolio for projects that may a) accelerate Meloy Fund investees’ triple-bottom-line impact, and b)</p> |

<sup>6</sup> **O**= Overdue; **D**= Delayed; **NS**= Not started on schedule; **IS**= Under implementation on schedule; and **CA**= Completed/Achieved

| OUTCOMES TARGETS/INDICATORS | END OF PROJECT INDICATOR TARGET                           | END OF YEAR INDICATOR STATUS   | PROGRESS RATING <sup>6</sup> | COMMENTS/JUSTIFICATION  |
|-----------------------------|---|--|------------------------------|---|
|                             | c: USD 20 million aggregate annual purchases from fishers | 14,503,284 (72.5 percent of target) has been purchased from local fishers. |                              | <p>increase the rate at which sustainable small-scale fisheries projects are deployed and scaled.</p> <p><i>Environmental Target</i></p> <p>a: This indicator is self-reported by each investee. As of September 30, 2021 the investees have 361,832 hectares under improved management:</p> <ul style="list-style-type: none"> <li>• Investee 1 (Meliomar) = 30,000 hectares</li> <li>• Investee 2 (Agrita) = 252,000 hectares</li> <li>• Investee 3 (SIG Asia) = na/a (Company restructured, now under investee 4)</li> <li>• Investee 4 (Laut Biru Seafood) = 41,000 hectares</li> <li>• Investee 5 (Kotiva) = 8,369 hectares</li> <li>• Investees 6 and 7 (Frolian and Agromar) = 15,450 hectares</li> <li>• Investees 8 (Jackson &amp; Partners) = 5,000 hectares</li> <li>• Investee 9 (REAL Prime Seafoods) = 10,013 hectares</li> </ul> <p><i>Social Targets</i></p> <p>b: As of September 30, 2021, the investments have positively impacted 49,649 fisher household members. Each of the investees tracks and reports on the number of fishers they work with, and the average number of household members is then taken from census data averages.</p> <ul style="list-style-type: none"> <li>• Investee 1 (Meliomar) = 11,755 fisher household members</li> <li>• Investee 2 (Agrita) = 6,000 fisher household members</li> <li>• Investee 3 (SIG Asia) = 8,000 fisher household members (*prior to restructuring)</li> <li>• Investees 4 (Laut Biru Seafood) = 270 fisher household members</li> <li>• Investee 5 (Kotiva) = 13,064 fisher household members</li> <li>• Investee 6 and 7 (Frolian and Agromar) = 8,160 fisher household members</li> <li>• Investee 8 (Jackson &amp; Partners) = 760 fisher household members</li> </ul> |

| OUTCOMES TARGETS/INDICATORS  | END OF PROJECT INDICATOR TARGET | END OF YEAR INDICATOR STATUS                     | PROGRESS RATING <sup>6</sup> | COMMENTS/JUSTIFICATION   |
|--|---------------------------------|--|------------------------------|--|
|  |                                 |  |                              | <ul style="list-style-type: none"> <li>Investee 9 (REAL Prime Seafoods) = 1,640 fisher household members</li> </ul> <p>c: As of September 30, 2021, the investments have purchased USD 14,503,284 from local fishers. Each of the investees tracks and reports on these amounts:</p> <ul style="list-style-type: none"> <li>Investee 1 (Meliomar) = USD 765,852</li> <li>Investee 2 (Agrita) = USD 1,375,206</li> <li>Investee 3 (SIG Asia) = USD 2,464,768 (*prior to restructuring)</li> <li>Investee 4 (Laut Biru Seafood) = USD 497,147</li> <li>Investee 5 (Kotiva) = n/a</li> <li>Investee 6 and 7 (Frolian and Agromar) = USD 7,795,456</li> <li>Investee 8 (Jackson &amp; Partners) = USD 760,684</li> <li>Investee 9 (REAL Prime Seafoods) = USD 844,171</li> </ul> |
| <b>Outcome indicator 2.2.a.:</b><br>Percentage of live coral cover within targeted TURF + reserves   | >0                              | 24% (Philippines)<br>40% (Indonesia)             | IS                           | <p>Baseline data has been collected within designated TURF + reserve areas.</p> <p>There is 40% of live coral cover within targeted TURF + reserves in Indonesia; and 24% of live coral cover within targeted TURF + reserves in the Philippines.</p>  |
| <b>Outcome indicator 2.2.b.:</b><br>Total fish biomass within targeted TURF + reserves               | >0                              | 120 kg/ha (Indonesia)<br>300 kg/ha (Philippines) | IS                           | Total fish biomass was equivalent to 120 kg/ha within the proposed TURF + reserves in Indonesia and 300 kg/ha in the Philippines.  |
| <b>Outcome indicator 2.2.c.:</b><br>Average length of target species under TURF + reserve management | >0                              | 36 cm (Indonesia)<br>29 cm (Philippines)         | IS                           | The average length of target species in proposed TURF + reserve areas was equal to 36 cm in Indonesia and 29 cm in the Philippines.  |

| COMPONENT 2 IMPLEMENTATION PROGRESS RATING | JUSTIFICATION | RATING TREND |
|--|---------------|--------------|
|--|---------------|--------------|

|          |   |           |
|----------|---|-----------|
| <b>S</b> | There is good progress on environmental, social and economic targets. Through the Fund's nine investments, 361,832 hectares of coral reef ecosystems are under improved management, 49,649 fisher household members have been positively impacted, and USD 14,503,284 has been purchased from local fishers. Investees are performing well. The project is making progress towards the targets for outcome 2.2. | Unchanged |
|----------|---|-----------|

**c. Overall Project Results Rating**

**OVERALL PROJECT RESULTS IMPLEMENTATION RATING**

| OVERALL RATING | JUSTIFICATION   | RATING TREND <sup>7</sup> |
|----------------|---|---------------------------|
| <b>S</b>       | The project has made good progress on the objectives, outcomes, and outputs. Nine investments have been made in nine companies that contribute to the improved management of important areas of coral reef ecosystems. A significant amount of fishers is already benefitting from the project. | Unchanged                 |

**d. Recommendations`**

| CORRECTIVE ACTION(S)   | RESPONSIBLE PARTY | DEADLINE   |
|--|-------------------|------------|
| A MTR was recently completed. Please address recommendations of MTR. | Rare              | 12-31-2022 |

<sup>7</sup> **Rating trend:** Increasing, Unchanged or Decreasing

### SECTION III: PROJECT RISKS STATUS AND RATING

#### a. Progress towards Implementing the Project Risk Mitigation Plan

This section describes the activities implemented to manage and reduce high, substantial, modest, and low risks of the project. This section has three parts:

- a. Ratings for the progress towards implementing measures to mitigate project risks and a project risks annual reassessment
- b. Recommendations for improving project risks management

#### Progress towards Implementing the Project Risk Mitigation and Plan Project Risks Annual Reassessment

| PROJECT RISKS  | PRODOC RISK MITIGATION MEASURE   | MITIGATION MEASURES IMPLEMENTATION  | PROGRESS RATING <sup>8</sup> | COMMENTS/JUSTIFICATION  | PRODOC RISK RATING | CURRENT FY21 RISK RATING | RISK RATING TREND <sup>9</sup> |
|--|--|---|------------------------------|---|--------------------|--------------------------|--------------------------------|
| <p><b>Risk 1: <u>Deal sourcing risk:</u></b><br/>The Fund may be unable to find a sufficient number of attractive investment opportunities to meet its investment objectives and, even if successful in finding such opportunities, that those selected investments will successfully achieve the Fund's objectives.</p> | <p>The Meloy Fund believes that the historical precedent for investment in this sector undervalues the potential and is stifled by a lack of entrepreneurship, creativity, and long-term strategies for fishery improvements. Further, our deal sourcing ability is enhanced via the following channels a) Local staff with on-the-ground presence; b) Technical expert network;</p> | <p>The Meloy Fund team is continuously identifying potential investment opportunities through targeted regional networking and fishery conferences.</p> | IS                           | <p>The Fund is continuously evaluating a robust pipeline of potential portfolio companies.</p> <p>As travel remained limited in both Indonesia and Philippines due to COVID-19 restrictions, forming relationships with new companies added difficulty to the deal origination process. On the other hand, more companies are in need of capital than ever, and investors have been more tentative across the board.</p> <p>The Fund continued to pursue opportunities under its Rapid Response Loan Program (RRLP) to provide short-term working capital to pre-vetted companies in the Meloy Fund pipeline affected by the COVID-19 pandemic. In FY21, the Fund approved two companies to participate in this</p> | Substantial        | Substantial              | Unchanged                      |

<sup>8</sup> O= Overdue; D= Delayed; NS= Not started on schedule; IS= Under implementation on schedule; and CA= Completed/Achieved

<sup>9</sup> Rating trend: Increasing, Unchanged or Decreasing



| PROJECT RISKS  | PRODOC RISK MITIGATION MEASURE   | MITIGATION MEASURES IMPLEMENTATION   | PROGRESS RATING <sup>8</sup> | COMMENTS/JUSTIFICATION   | PRODOC RISK RATING | CURRENT FY21 RISK RATING | RISK RATING TREND <sup>9</sup> |
|--|--|--|------------------------------|--|--------------------|--------------------------|--------------------------------|
|  | c) Conservation partners; d) Country advisory boards; and e) Conferences, forums, and investor networks.   |  |                              | program. As these loans are repaid, the Fund may develop longer-term partnerships with the borrowers.                        |                    |                          |                                |
| <p><b>Risk 2:</b><br/> <u>Currency exchange risk:</u><br/> The income received by the Fund will be in U.S. Dollars, although the Portfolio Companies will operate in their own local currency. Accordingly, changes in currency exchange rates between the U.S. Dollars and such foreign currencies may adversely affect the portfolio companies' ability to pay</p> | <p>Both Indonesia and the Philippines currently have fairly strong macroeconomic fundamentals and no major currency swings are expected at least in the short term.</p> <p>The Fund investment committee will take into account potential currency risks as a standing component in every investment and prioritize investments in organizations that export their products to</p> | <p>To-date, each of the Fund's investments have been made to companies that conduct most of their sales in USD or EUR currencies.</p> <p>The Fund has also identified some potential hedging mechanisms and foreign exchange coverage options, but has not had the need use them to-date.</p> <p>The Fund also has a USAID partial guarantee that will cover up to 50 percent of any loss, in USD, on the Fund's debt portfolio.</p> | IS                           | The Fund continues to explore mechanisms to hedge currency risk for pipeline companies with high exposure to local currency. | High               | High                     | Unchanged                      |

| PROJECT RISKS  | PRODOC RISK MITIGATION MEASURE   | MITIGATION MEASURES IMPLEMENTATION   | PROGRESS RATING <sup>8</sup> | COMMENTS/JUSTIFICATION  | PRODOC RISK RATING | CURRENT FY21 RISK RATING | RISK RATING TREND <sup>9</sup> |
|--|--|--|------------------------------|---|--------------------|--------------------------|--------------------------------|
| and potential returns to the Fund.   | developed countries as a hedging strategy. The Fund may also explore currency hedging strategies if local currency investments are required.   |  |                              |   |                    |                          |                                |
| <b>Risk 3:</b><br><u>Investment Risk:</u> There can be no assurance that the development of any particular investment will be successful or that its business will be profitable. Some of the Fund's portfolio companies may be unseasoned, unprofitable and/or have no established operating history or | The Meloy Fund has four key elements in order to mitigate investment risk. First, the Fund will follow rigorous due diligence buttressed by our local staff, Rare's network of technical experts, and the setting up of country advisory boards. Second, the Fund's portfolio will manage its concentration risks against specific limits including parameters such as sector, | A rigorous due diligence process has been carried out by the Fund's team for each of its investments.<br><br>The team also provides close and on-going monitoring of portfolio companies.<br><br>The Fund has established a Technical Assistance Facility which will provide required additional support to portfolio companies (e.g. strengthening their financial capacity, fishery management tools).<br><br>The deals to-date have been structured to include (at least) quarterly repayments on their loans and are required to submit monthly operating and financial reports. | IS                           | The Fund has developed robust set of tools and clear due diligence process to identify and mitigate potential risks.<br><br>The Meloy Fund continues to employ four key steps to mitigate investment risk:<br>1. follow a rigorous due diligence process buttressed by our local staff and Rare's network of technical experts.<br>2. manage its concentration risks against specific limits<br>3. monitor each investment on a regular basis including a quarterly internal review involving a valuation report. Each investee is required to make at least quarterly payments to instill strong repayment discipline and will provide reports on a quarterly basis. | Substantial        | Substantial              | Unchanged                      |

| PROJECT RISKS  | PRODOC RISK MITIGATION MEASURE  | MITIGATION MEASURES IMPLEMENTATION  | PROGRESS RATING <sup>8</sup> | COMMENTS/JUSTIFICATION   | PRODOC RISK RATING | CURRENT FY21 RISK RATING | RISK RATING TREND <sup>9</sup> |
|--|---|---|------------------------------|--|--------------------|--------------------------|--------------------------------|
| earnings. These companies may also lack technical, marketing, financial and other resources, or may be dependent upon the success of one product or service, or a unique distribution channel. | geography, and borrower type. Third, the Fund will monitor each investment on a regular basis including a quarterly internal review involving a valuation report. Each investee will be required to make at least quarterly payments to instill strong repayment discipline and will provide reports on a quarterly basis. Fourth, the fund will take first ranking security over all the investee's fixed and where possible current assets, including those assets purchased with the investment. |   |                              | 4. Seek to take first ranking security over a significant portion of the investee's fixed and of those assets purchased with the investment. |                    |                          |                                |
| <b>Risk 4: General economic and market conditions:</b> By  | Rare has developed strong relationships with key government   | To date, the Fund has made 11 investments and aims to have no more 70% percent of its | IS                           | The team continues to monitor the economic and market conditions closely.  | Moderate           | Substantial              | Increasing                     |

| PROJECT RISKS  | PRODOC RISK MITIGATION MEASURE   | MITIGATION MEASURES IMPLEMENTATION            | PROGRESS RATING <sup>8</sup> | COMMENTS/JUSTIFICATION  | PRODOC RISK RATING | CURRENT FY21 RISK RATING | RISK RATING TREND <sup>9</sup> |
|--|--|---|------------------------------|---|--------------------|--------------------------|--------------------------------|
| <p>investing in various developing countries, the Fund may be subject to economic, political, regulatory and social risks, which may affect the liquidity and value of its investments. Foreign governments may exercise substantial influence over many aspects of the private sector, and the success of the Fund's investments may be affected by general economic and market conditions, such as interest rates, availability of</p> | <p>bodies at local, municipal, regional, and national levels as a key element of developing healthy community fisheries and will make sure it continues doing so as part of the Fund's activities.</p> <p>Additionally, our multi-local approach diversifies risk across geographies and political boundaries, hedging against potential weather events, political changes, microeconomic pressures, etc.</p> <p>Finally, we will assemble a well-networked in-country advisory board, to include top government</p> | <p>invested capital in one single country</p> |                              | <p>As a result of the macro-level shocks to the market due to COVID-19, and although we expect our portfolio to pull through and achieve our financial and impact goals, management has agreed that a prudent and conservative approach is to take a significant provision across the portfolio to reflect the current global recession, and the degree of uncertainty of the timing and magnitude of economic recovery.</p> <p>Impacts of the COVID-19 pandemic continued to be felt throughout FY21. Given COVID-19, we would now consider this risk to be substantial.</p> <p>Throughout this challenging year, the Meloy Fund has continued to work closely with each portfolio company, first and foremost to ensure ongoing business continuity and as part of that restructuring outstanding debt to free cash flow so that new orders can be fulfilled. Further, we continue to engage at the strategic and operational level to pursue product and business development opportunities, at times providing sales contacts or quality control resources.</p> |                    |                          |                                |

| PROJECT RISKS   | PRODOC RISK MITIGATION MEASURE  | MITIGATION MEASURES IMPLEMENTATION  | PROGRESS RATING <sup>8</sup> | COMMENTS/JUSTIFICATION   | PRODOC RISK RATING | CURRENT FY21 RISK RATING | RISK RATING TREND <sup>9</sup> |
|---|---|---|------------------------------|--|--------------------|--------------------------|--------------------------------|
| credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances.   | and private sector players, to help us vet investment opportunities and to minimize the effects of corruption and political pressure.   |   |                              |  |                    |                          |                                |
| <b>Risk 5: <u>Climate change risk:</u></b> An increase in global average surface temperatures has resulted, among others, in rising sea levels, shifting precipitation patterns, droughts and floods, and higher likelihood of more extreme weather and more violent natural catastrophes. Temperature rises make weather harder to | Fish Forever contributes to social resilience in communities through community engagement and capacity building. This, along with a diversification of income sources, which help communities adapt and respond to climate events. Conserving coral reefs, coastal habitats, and preserving trophic balances also provide biophysical resilience as ecosystem | Building on lessons from its first Fish Forever cohort, going forward, Rare will incorporate climate-smart metrics into program design to estimate ecological resilience to climate change. We will also integrate climate modeling into management planning and reserve network design. Alongside these efforts, we will prioritize building effective and adaptive capacities in the communities; this includes using an EbA approach to governance and management, working with communities to collect basic slow-onset metrics (which can help them to see gradual climatic changes and take appropriate preventative actions), and informing national adaptation plans and Nationally Intended | IS                           | The updated Fish Forever strategy includes new program curricula that builds in the important cross-cutting theme: climate change's impacts on coastal fisheries. To address this, Fish Forever will augment the decision support tools around reserve design and fisheries management to be "climate smart" in helping local government and communities identify and plan for the effects of slow onset and sudden shock impacts (especially regarding coral reef health, distribution of target fish populations, and access to fishing grounds). Rare will also help local governments to develop and embed fisheries management into climate change adaptation strategies. | Moderate           | Moderate                 | Unchanged                      |

| PROJECT RISKS  | PRODOC RISK MITIGATION MEASURE   | MITIGATION MEASURES IMPLEMENTATION  | PROGRESS RATING <sup>8</sup> | COMMENTS/JUSTIFICATION  | PRODOC RISK RATING | CURRENT FY21 RISK RATING | RISK RATING TREND <sup>9</sup> |
|--|--|---|------------------------------|---|--------------------|--------------------------|--------------------------------|
| <p>predict and raise the margin of error in modeling knock-on effects on agricultural and fisheries production. The Philippines appears to be especially susceptible to climate change related challenges due to it being an island nation with a very high number of tropical storms, and which are expected to increase in severity due to regional wind patterns and rising sea levels.</p> | <p>integrity is improved, helping reef systems better withstand natural disasters and the effects of warming ocean temperatures.</p> | <p>Contributions under the Paris Agreement.</p> <p>Furthermore, to help communities adapt and respond to climate change, building on its success in the Philippines, Fish Forever is integrating financial inclusion across all of its new sites, including: financial literacy training; establishment of savings and loans clubs; building club support for public goods – e.g. fisher pensions, natural disaster insurance); and establishment of community enterprises.</p> |                              |   |                    |                          |                                |
| <p><b>Risk 6: Fish Forever program risk:</b> Rare is in process of</p>   | <p>Through its work in-country and globally, Rare has developed a strong network of</p>  | <p>The new Fish Forever strategies in Indonesia and the Philippines build on the results and lessons learned (see <a href="https://www.rare.org/fisheries-">https://www.rare.org/fisheries-</a></p>   | IS                           | <p>Although small-scale fisheries provide important contributions to coastal and national economies, these contributions are often undervalued,</p> | Moderate           | Moderate                 | Unchanged                      |

| PROJECT RISKS  | PRODOC RISK MITIGATION MEASURE   | MITIGATION MEASURES IMPLEMENTATION  | PROGRESS RATING <sup>8</sup> | COMMENTS/JUSTIFICATION   | PRODOC RISK RATING | CURRENT FY21 RISK RATING | RISK RATING TREND <sup>9</sup> |
|--|--|---|------------------------------|--|--------------------|--------------------------|--------------------------------|
| <p>developing its strategy for the next cohort of Fish Forever sites in both countries. As the strategies are finalized, Rare will then be required to raise funds in support of the outlined interventions.</p> | <p>experts and partners that could be called on for technical support as needed.</p> <p>Furthermore, Rare has been working closely with both governments to support positive social change, build connectivity between reform efforts across multiple levels of government, and scale our community-led solutions – such as Fish Forever. Rare has been working to empower local partners to address policies and regulations that remove barriers to and incentivize implementation of natural resource</p> | <p><a href="#">report</a>) from the program’s first cohort of Fish Forever sites.</p> <p>In addition, as had previously been done in the Philippines, the Indonesia team has been working closely with the government to ensure that the sustainable development of coastal fisheries is integrated into the draft national mid-term development plan, 2020-2024.</p> <p>Furthermore, as a part of its larger Blended Finance Initiative, Rare is working closely with the governments of both Indonesia and the Philippines to create large-scale green financing facilities for coastal fisheries management, which will enable the scaling of small scale fisheries management as well as greater impact for Meloy Fund investments.</p> |                              | <p>unaccounted for, and marginalized.</p> <p>To address this, Rare continues to actively build awareness and recognition of the importance of coastal fisheries as well as effective fisheries policy and management—for food, for jobs, for meeting multiple SDG targets, for contributing to national economies, for ensuring a healthier ocean, and for developing secure, climate-resilient communities; and continues to work closely with the governments of Indonesia and the Philippines as well as coastal communities to build their support for sustainable small-scale fishery management.</p> |                    |                          |                                |

| PROJECT RISKS                           | PRODOC RISK MITIGATION MEASURE           | MITIGATION MEASURES IMPLEMENTATION  | PROGRESS RATING <sup>8</sup> | COMMENTS/JUSTIFICATION   | PRODOC RISK RATING | CURRENT FY21 RISK RATING | RISK RATING TREND <sup>9</sup> |
|---|--|---|------------------------------|--|--------------------|--------------------------|--------------------------------|
|   | management solutions long in the future. |   |                              |  |                    |                          |                                |
| <b>Risk 7: <u>COVID-19 pandemic</u></b> | N/A                                      | <ol style="list-style-type: none"> <li>1. Ensure the companies' ongoing financial viability.</li> <li>2. Encourage the companies to provide continued employment or support to their employees.</li> <li>3. Facilitate assistance to the companies' suppliers, i.e. small-scale fishers, to mitigate disruptions in seafood sourcing and enable a swift recovery once the outbreak is contained.</li> </ol> | IS                           | <p>The COVID-19 pandemic has disrupted global seafood supply chains and threatened the viability of many small and medium-sized enterprises SMEs in the fisheries sector. These same SMEs and supply chains provide the primary source of income for some of the most vulnerable communities in the developing tropics.</p> <p>Because of the relative homogeneity of the Fund's current portfolio, we have focused on analyzing the impacts of coronavirus across a few key categories:</p> <ul style="list-style-type: none"> <li>• Supply: We know that in many fisheries, fishing pressure is reduced because local fishers are not able to get out to safely fish (or have less reason to given reduced demand). At least in the short term, that may be good news for fish stocks, and prices are decreasing commensurately.</li> <li>• Demand: Demand remains strong for food and protein both domestically and globally. That said, the channels for purchasing food have</li> </ul> | N/A                | Substantial              | Increasing                     |



| PROJECT RISKS | PRODOC RISK MITIGATION MEASURE | MITIGATION MEASURES IMPLEMENTATION | PROGRESS RATING <sup>8</sup> | COMMENTS/JUSTIFICATION  | PRODOC RISK RATING | CURRENT FY21 RISK RATING | RISK RATING TREND <sup>9</sup> |
|---------------|--------------------------------|------------------------------------|------------------------------|---|--------------------|--------------------------|--------------------------------|
|               |                                |                                    |                              | <p>narrowed, and for practical purposes demand from hotels and restaurants -- a primary source of revenue for two of our portfolio companies – has been eliminated.</p> <ul style="list-style-type: none"> <li>• Logistics: Despite the opportunity to purchase seafood at lower prices and demand from retail buyers, logistical shutdowns in cargo and in particular, airfreight, have hamstrung delivery. We are now seeing these supply lines gradually re-open, but shifting and opaque regulations at the very least will delay shipments and extend payment terms.</li> <li>• Production: The production facilities of our portfolio companies have been able to operate at a reduced level, and with support of our Technical Assistance Facility, we are providing guidance to support a gradual re-opening of facilities with best-practice health and safety measures in place.</li> </ul> <p>In response to this crisis, the Meloy Fund initiated a multi-pronged strategy to support our portfolio companies and other</p> |                    |                          |                                |

| PROJECT RISKS | PRODOC RISK MITIGATION MEASURE | MITIGATION MEASURES IMPLEMENTATION | PROGRESS RATING <sup>8</sup> | COMMENTS/JUSTIFICATION   | PRODOC RISK RATING | CURRENT FY21 RISK RATING | RISK RATING TREND <sup>9</sup> |
|---------------|--------------------------------|------------------------------------|------------------------------|--|--------------------|--------------------------|--------------------------------|
|               |                                |                                    |                              | impacted SMEs in our pipeline, provide a safe working environment for employees of those companies and their fisher-suppliers, and bridge the gap between slow-moving government aid and current needs for subsistence and health and safety supplies. |                    |                          |                                |

| PROJECT RISKS MITIGATION MEASURES RATING | JUSTIFICATION   | RISK RATING TREND <sup>10</sup> |
|--|---|---------------------------------|
| S  | All risk mitigation measures are robust. Due to COVID-19 and the global economic situation, risks remain significant. | Unchanged                       |

#### Recommendations

| MITIGATION AND CORRECTIVE ACTION(S) | RESPONSIBLE PARTY | DEADLINE |
|-------------------------------------|-------------------|----------|
| N/A                                 | N/A               | N/A      |

#### **SECTION IV: PROJECT ENVIRONMENTAL AND SOCIAL SAFEGUARDS IMPLEMENTATION STATUS AND RATING**

This section of the PIR describes the progress made towards complying with the approved Environmental and Social Safeguard plans, as well as recommendations to improve the implementation of the safeguard plans, when needed. This section is divided in three parts:

- a. Progress towards Complying with the CI-GEF Project Agency's Environmental & Social Safeguards
- b. Overall Project Safeguard Implementation Rating
- c. Recommendations

#### **a. Progress towards Complying with the CI-GEF Project Agency's Environmental & Social Safeguards**

<sup>10</sup> Rating trend: Increasing, Unchanged or Decreasing

| MINIMUM SAFEGUARD INDICATORS   | PROJECT TARGET                                      | END OF YEAR STATUS                                 | CUMULATIVE STATUS | PROGRESS RATING <sup>11</sup> | COMMENTS/JUSTIFICATION   |
|--|---|--|-------------------|-------------------------------|--|
| <b>ACCOUNTABILITY AND GRIEVANCE MECHANISM</b>  |   |  |                   |                               |  |
| 1. Number of conflict and complaint cases reported to the project's Accountability and Grievance Mechanism                             | 0   | 0  | IS                | IS                            | <u>Meloy Fund:</u> No complaints were submitted to the project's Accountability and Grievance Mechanism in relation to the Fund's investments or investees. During the initial due diligence process (prior to investment), the Meloy Fund assesses the accountability and grievance mechanisms (AGM) put in place by each of the investees for their workers to raise concerns, including how grievances are handled and how the mechanism is communicated to workers internally.   |
| 2. Percentage of conflict and complaint cases reported to the project's Accountability and Grievance Mechanism that have been resolved | 100 %   | No grievances received                             | IS                | IS                            | <u>Meloy Fund investments:</u> No complaints were submitted to the project's Accountability and Grievance Mechanism in relation to the Fund's investments or investees.  |
| <b>GENDER MAINSTREAMING</b>  |   |  |                   |                               |  |
| 1. Number of men and women that participated in project activities (e.g. meetings, workshops, consultations)                           | MF: N/A<br><br>FF: overall target is 50 % men/women | MF: N/A<br><br>FF: 23,000 participants (54% women) | IS                | IS                            | <u>Meloy Fund:</u> As per our approved project monitoring plan, this will be tracked at sites where FIPs have been developed and are under implementation. There are currently no sites of investment with new FIPs in place – although we are working to align some of the Fund's investments with FIPs.<br><br><u>Fish Forever:</u> At the end of the fiscal year, Fish Forever had a total of 23,000 participants across Philippines and Indonesia. Approximately 50% women in Philippines and 58% women in Indonesia. Fish Forever participants include a mix of targeted community members, government representatives, and other key stakeholders (e.g. from relevant partners). |
| 2. Number of men and women that received benefits (e.g.  | MF: 100,000 fisher                                  | MF: 48,819 fisher                                  | IS                | IS                            | <u>Meloy Fund:</u> an estimated 48,819 fisher household members. As per demographic data, we estimate that out of the 48,819   |

<sup>11</sup> O= Overdue; D= Delayed; NS= Not started on schedule; IS= Under implementation on schedule; and CA= Completed/Achieved

| MINIMUM SAFEGUARD INDICATORS   | PROJECT TARGET  | END OF YEAR STATUS   | CUMULATIVE STATUS | PROGRESS RATING <sup>11</sup> | COMMENTS/JUSTIFICATION   |
|--|---|--|-------------------|-------------------------------|--|
| employment, income generating activities, training, access to natural resources, land tenure or resource rights, equipment, leadership roles) from the project                                   | household members to be positively impacted through the Fund's investments.<br><br>FF: overall target is 50 percent men/women | household members (and estimated 24,263 or 49.7 percent are female)<br><br>FF: Approximately 1.6 million total people        |                   |                               | fisher household members – 24,263 (49.7 percent <sup>12</sup> ) of which are female and the remaining 25,044 (50.3 percent) male (including fishers).<br><br>The total number of fisher household members is estimated based on the number of fishers from which the Fund's portfolio companies source seafood (*this is self-reported by each company). Demographic data on household size is adjusted at a national level (Philippines and Indonesia) using United Nations' data <sup>13</sup> .<br><br><u>Fish Forever:</u> Approximately 1.6 million people across 1,000 communities. This is equivalent to the total population in the communities where we are currently working.  |
| 3. Number of strategies, plans (e.g. management plans and land use plans) and policies derived from the project that include gender considerations (this indicator applies to relevant projects) | MF: 100 % (at sites where FIPs are in place)<br><br>FF: 100 %   | MF: N/A<br><br>FF: 5 sub-national social marketing campaigns; 76 campaigns; 1 gender strategy; 43 fisheries management plans | IS                | IS                            | <u>Meloy Fund:</u> As per our approved project monitoring plan, this will be tracked at sites where FIPs have been developed and are under implementation. There are currently no sites of investment with new FIPs in place – although one of the Fund's portfolio companies sources from an already existing FIP; while three investees are in the process of initiating or joining existing FIPs.<br><br><u>Fish Forever:</u> In FY21, 4 sub-national social marketing campaigns in the Philippines and 1 in Indonesia and 76 campaigns (22 in Indonesia and 54 in the Philippines) were continued from FY20 which incorporated gender considerations into their design and roll-out. See Output Indicator 2.2.1 below for more information on these campaigns. |

<sup>12</sup> Data source: World Bank data base year 2017, <https://data.worldbank.org/indicator/SP.POP.TOTL.FE.ZS?locations=ID>

<sup>13</sup> Household Size and Composition around the world (2017), retrieved from

[https://www.un.org/en/development/desa/population/publications/pdf/ageing/household\\_size\\_and\\_composition\\_around\\_the\\_world\\_2017\\_data\\_booklet.pdf](https://www.un.org/en/development/desa/population/publications/pdf/ageing/household_size_and_composition_around_the_world_2017_data_booklet.pdf)

| MINIMUM SAFEGUARD INDICATORS | PROJECT TARGET | END OF YEAR STATUS | CUMULATIVE STATUS | PROGRESS RATING <sup>11</sup> | COMMENTS/JUSTIFICATION   |
|------------------------------|----------------|--------------------|-------------------|-------------------------------|--|
|                              |                |                    |                   |                               | <p>A total of 43 fisheries management plans were developed (27 in Philippines and 16 in Indonesia).<br/>Yes, our teams with our local partners included gender considerations in developing the plans:</p> <p><b>Example 1:</b><br/>The initial technical designs of locations for no take fishing areas (reserves) inside some MA areas, were changed to accommodate women priority fishing areas, for example gleaning (fishing by foot) as well as some other nearshore areas important for fishing by women.</p> <p><b>Example 2:</b><br/>Under the Goals and Strategy section of each plan and in all Chapters, where appropriate, women participation and involvement are recognized. Each Management body also has a division called Economic Development, Productive Business, and Women’s Empowerment, which is tasked with (among other tasks): 1) Conducting trainings to increase women's empowerment, and 2) Setting up a coordination forum for gender mainstreaming and women's empowerment in the economic, social, political, legal and family quality fields.</p> <p><b>Example 3:</b><br/>All Chapters/Strategies in the FMPs consider gender. Examples are the ff sections from sample plans:</p> <p><i>Selection of species for management</i><br/>The first target species which is the main fishery commodity in the Mawasangka PAAP area is grouper. This fish is known locally as korapu and has the scientific name Epinephelus fuscoguttatus. Grouper is the target of management because it is an export commodity and has high economic value. This grouper is also very important for women or fish processors</p> |

| MINIMUM SAFEGUARD INDICATORS  | PROJECT TARGET   | END OF YEAR STATUS   | CUMULATIVE STATUS | PROGRESS RATING <sup>11</sup> | COMMENTS/JUSTIFICATION   |
|---|--|--|-------------------|-------------------------------|--|
|   |  |  |                   |                               | <p>because this fish is not only sold in fresh condition but also processed into dried salted fish, thus supporting the village economy in the Mawasangka PAAP area. The grouper sales target is not only in the local market, but also in several other cities, such as Baubau, Raha, Kendari, Bombana and Makassar.</p> <p><i>Surveillance and Enforcement</i><br/>Means of Marine and Coastal Surveillance Post, is an inter-village monitoring unit that is placed at strategic points to involve the community, both men and women, in the supervision process. Because the supervision of marine resources is most often carried out in the waters, so that women's participation is lacking. With the monitoring post facility, it is hoped that all elements of the community can be involved in the monitoring process while increasing awareness of the importance of protecting the ecosystem.</p> <p><b>Action Plan:</b> Gender specific actions are also highlighted (e.g. surveillance).</p> <p><b>Funding Plan for FMBs:</b> Gender considerations, allocations are made according to gender</p> <p>In FY21, Fish Forever operationalized its Gender Strategy which Fish Forever partners can find on Rare's data portal.</p> |
| <p><b>STAKEHOLDER ENGAGEMENT</b></p> <p>1. Number of government agencies, civil society organizations, private sector, indigenous peoples and other stakeholder groups that have been involved in the project</p> | <p>MF: We are not sure how to set a target for this as it really depends on pipeline</p> | <p>MF: 4 government agencies (SECO, USAID, DFC, DA-BFAR); 75 SMEs; 600 tuna fishers; 200</p> | <p>IS</p>         | <p>IS</p>                     | <p><u>Meloy Fund:</u> With regards their support for the technical assistance facility, SECO was engaged throughout FY21. USAID missions in Indonesia and the Philippines and DFC (as Fund guarantors) were also engaged. In addition, the Fund engaged with 75 SMEs (36 in Indonesia; 39 in the Philippines) which underwent E&amp;S assessments as per the Fund's due diligence processes. In addition, the team has had continuous</p>  |

| MINIMUM SAFEGUARD INDICATORS   | PROJECT TARGET   | END OF YEAR STATUS   | CUMULATIVE STATUS | PROGRESS RATING <sup>11</sup> | COMMENTS/JUSTIFICATION   |
|--|--|--|-------------------|-------------------------------|--|
| 2. Number persons (sex disaggregated) that have been involved in project implementation phase (on an annual basis) | development, TAF opportunities etc.<br><br>FF: 220   | seaweed farmers.<br><br>FF: 83 (Philippines) and 78 (Indonesia) government partners; 635 (Philippines) and 262 (Indonesia) communities.                      |                   |                               | strategic engagement with the investees, including providing mentoring/capacity building to portfolio companies and pipeline companies.<br><br>Through support from the TAF, the Fund provided training to 600 tuna fishers in better post-harvest practices to produce a higher quality catch.<br><br><u>Fish Forever:</u> During FY21 the team engaged 83 (Philippines) and 78 (Indonesia) government partners; 635 (Philippines) and 262 (Indonesia) communities. |
|  | MF: N/A  | MF: N/A  | IS                | IS                            | <u>Meloy Fund:</u> As per our approved project monitoring plan, this will be tracked at sites where FIPs have been developed and are under implementation. There are currently no sites of investment with new FIPs in place – although one of the Fund’s portfolio companies sources from an already existing FIP; while three investees are in the process of initiating or joining existing FIPs  |
|  | FF: we do not have targets for the number of persons involved in program implementation, but rather target a select number of communities. | FF: 23,000 total participants (~54% women) participants across Philippines and Indonesia. Approximately 50% women in Philippines and 58% women in Indonesia. |                   |                               | <u>Fish Forever:</u> 23,000 total participants (~54% women) participants across Philippines and Indonesia. Approximately 50% women in Philippines and 58% women in Indonesia.  |

| MINIMUM SAFEGUARD INDICATORS  | PROJECT TARGET   | END OF YEAR STATUS       | CUMULATIVE STATUS | PROGRESS RATING <sup>11</sup> | COMMENTS/JUSTIFICATION  |
|---|--|--------------------------|-------------------|-------------------------------|---|
| <p>3. Number of engagement (e.g. meeting, workshops, consultations) with stakeholders during the project implementation phase</p> | <p>Target districts<br/>Indonesia = 220<br/>Target Municipalities<br/>Philippines = 150</p> <p>MF: We are not sure how to set a target for this as it really depends on pipeline development, TAF opportunities etc.</p> <p>FF: we do not have targets for the number of engagements for program implementation.</p> | <p>MF: 6<br/>FF: 181</p> | <p>IS</p>         | <p>IS</p>                     | <p><u>Meloy Fund</u>:. The COVID pandemic has continued to limited Fund team’s ability to travel and therefore participate in relevant regional/global fora (e.g. conferences) and/or other in-person meetings/workshops/round-tables with key stakeholders.</p> <p>To ensure continued engagement and communication with key public sector partners during the reporting period the team conducted/participated in a number of virtual presentations and/or meetings as a way to provide updates on the status of the Fund and discuss ongoing and future opportunities, changes, issues, etc.</p> <p>During FY21, the Meloy Fund team conducted the following key engagements:</p> <ul style="list-style-type: none"> <li>▪ Public sector: 4 (USAID, DFC, SECO, B-FAR)</li> <li>▪ Local level: 2 (COVID-relief efforts)</li> </ul> <p>In addition, the team has had continuous strategic engagement with the investees, including providing mentoring/capacity building to portfolio companies and pipeline companies.</p> <p><u>Fish Forever</u>: this includes meetings, workshops, consultations, and campaigns.</p> |



| MINIMUM SAFEGUARD INDICATORS   | PROJECT TARGET  | END OF YEAR STATUS   | CUMULATIVE STATUS | PROGRESS RATING <sup>11</sup> | COMMENTS/JUSTIFICATION  |
|--|---|--|-------------------|-------------------------------|---|
| <p>4. Percentage of stakeholders who rate as satisfactory the level at which their views and concerns are taken into account by the project<br/><i>(responsible party for measuring this indicator is CI-GEF Agency and this will be undertaken by the consultant hired by the CI-GEF Agency to conduct the MTR and Terminal Evaluation)</i></p> | 100 %   | N/A  | NS                | NS                            | N/A – this has not been assessed by the CI-GEF Agency to-date.  |
| <p><b>INDIGENOUS PEOPLES</b></p> <p>1. Percentage of indigenous/local communities where FPIC have been followed and documented</p> <p>2. Percentage of communities where project benefit sharing have been agreed upon through the appropriate community</p>   | <p>MF: 100%</p> <p>FF: 100%</p> <p>MF: 100%</p> <p>FF: 100%</p> | <p>MF: N/A</p> <p>FF: N/A</p> <p>MF: N/A</p> <p>FF: 100% (76-turf reserve areas)</p> |                   | <p>IS</p> <p>IS</p>           | <p><u>Meloy Fund:</u> As per our approved project monitoring plan, this will be tracked at sites of investment that overlap with Fish Forever sites. There are currently no sites of overlap and the current cohort of sites for the Fish Forever program does not plan to work in territories traditionally owned, customarily used, or occupied by indigenous peoples.</p> <p><u>Fish Forever:</u> The Fish Forever program does not currently work in territories traditionally owned, customarily used, or occupied by indigenous peoples.</p> <p>Our engagement with targeted local fishing communities follows a well-documented process framework for participatory, formalized decision making for benefit sharing within the communities in which we work which has been implemented for 54 TURF + reserve areas in Philippines and 22 TURF + reserve areas in Indonesia.</p> <p><u>Meloy Fund :</u> As per our approved project monitoring plan, this will be tracked at sites of investment that overlap with Fish Forever sites. There are currently no sites of overlap.</p> |

| MINIMUM SAFEGUARD INDICATORS   | PROJECT TARGET  | END OF YEAR STATUS   | CUMULATIVE STATUS | PROGRESS RATING <sup>11</sup> | COMMENTS/JUSTIFICATION  |
|--|---|--|-------------------|-------------------------------|---|
| governance mechanisms and documented   |   |  |                   |                               | <u>Fish Forever</u> : A well-documented process framework for benefit sharing has been implemented for 54 TURF + reserve areas in Philippines and 22 TURF + reserve areas in Indonesia.   |
| <b>INVOLUNTARY RESETTLEMENT</b>  |   |  |                   |                               |   |
| 1. Percentage of sites where a formalized decision-making process regarding natural resource use and access was facilitated by Rare/Fish Forever | MF: 100 % (at sites where FIPs are in place)<br>FF: 100 %       | MF: N/A<br><br>FF: 100 % both Indonesia and Philippines  |                   | IS                            | <u>Meloy Fund</u> : As per our approved project monitoring plan, this will be tracked at sites of investment that overlap with Fish Forever sites. There are currently no sites of overlap.<br><br><u>Fish Forever</u> : This is currently in progress – as the managed access areas are still be designed/established by communities and local government partners (note: sites/communities can be at different stages of implementation). To-date, this has been achieved within 54 of 54 TURF + reserve areas in the Philippines and 22 of 22 TURF + reserve areas in Indonesia. |
| 2. Percentage of sites where a decision regarding natural resource use and access rights was achieved  | MF: 100 % (at sites where FIPs are in place)<br>FF: 100 %       | FF: in progress. To-date, 6 of 22 (27 percent) sites in Indonesia; and 25 of 54 (46 percent) sites in the Philippines. |                   | IS                            | <u>Fish Forever</u> : This is currently in progress. These are TURF + reserve areas that have reached full legal status as recognized by the government. The TURF + reserve areas in Indonesia should be fully legal by the end of CY 2021 and by end of CY 2022 in the Philippines.  |
| 3. Percentage of sites that have a high level of satisfaction with the decision achieved   | MF: 100 percent (at sites where FIPs are in place)<br>FF: 100 % | MF: N/A<br><br>FF: baseline = 56 percent Indonesia; 74 percent in Philippines.   |                   | IS                            | <u>Meloy Fund</u> : As per our approved project monitoring plan, this will be tracked at sites of investment that overlap with Fish Forever sites. There are currently no sites of overlap.<br><br><u>Fish Forever</u> : This is currently in progress. This data is collected through household surveys. Additional surveys will be collected in FY22 to measure change.   |

| MINIMUM SAFEGUARD INDICATORS | PROJECT TARGET | END OF YEAR STATUS | CUMULATIVE STATUS | PROGRESS RATING <sup>11</sup> | COMMENTS/JUSTIFICATION   |
|------------------------------|----------------|--------------------|-------------------|-------------------------------|--|
|                              |                |                    |                   |                               | As baseline, 56 percent of sites in Indonesia and 74 percent of sites in the Philippines have community members who feel that current fishing regulations are effective at managing the fishery and at ensuring catches remain stable. Household surveys data will not be collected again until the TURF + reserve areas are made legal. |

## b. Information on Progress, challenges and outcomes on stakeholder engagement

The Fund believes that the ability to offer different types of funding that cater to the varying needs of stakeholders along the value chain helps to overcome systemic barriers, such as farmers' lack of access to financing, while building the capacity of the portfolio companies and farming organizations to engage in contract buying on terms that are favorable to both parties while creating a direct feedback loop that incentivizes farmers to improve quality.

Throughout this reporting period, the Fund has continued to engage with a range of stakeholders:

- **Local fishers:** As part of the Fund's ESG due diligence process and in the implementation of TA projects, local fishers' feedback and participation are continuously sought to understand their pain points and to ensure that incentives are aligned along the value chain so that fishers benefit from any quality improvements and adoption of sustainable practices. Based on the feedback received from fishers' interviews and consultation, we are actively working with our investees on: 1) Providing a quality/size based pricing/incentive to fishers through a traceability system with an e-payment component; 2) Identifying local partners/NGOs which can provide financial literacy training and access to finance i.e. establishing savings clubs, etc. for fishers; 3) Training on safety at sea, fishers rights and supporting fishers to get their fishers ID and vessel registration. For example, in the octopus FIP with PT Agrita, these components are included as part of the FIP.
- **Seafood processors:** This remains to be the Fund's largest pool of investees although the Fund has diversified its way of engaging processors (see the next point)
- **Distributors, importers, and retailers:** The Fund is increasingly working across the supply chain and is currently in the final stages of due diligence to offer sustainable trade finance to a US-based importer of seafood for their processors in Indonesia and Philippines based on purchase orders from large US buyers. This offers a unique opportunity to bridge suppliers (and their fisher-producers) and large multi-national buyers in global seafood sustainability programs.
- **Seafood and fishery experts:** The Fund recently formed an Impact Committee to enhance the design of impact programs related to upcoming deal opportunities and portfolio companies, and to hone the Fund's impact strategy and metrics over time. The Impact Committee comprises of diverse members from the business, scientific, and NGO communities, with expertise in the sectors and geographies relevant to the Fund's mandate.

- **Local environmental partners and foundations:** The Fund coordinates with local environmental partners and foundations where there is an overlap in the species and geography of investees' sourcing grounds. This includes local implementation of TA projects including training, data collection, community mobilization as well as the engagement of local, provincial, and national public bodies.
- **Other impact investing funds:** The Fund is looking at co-investing in an aquaculture farm management technology and trading company with another impact investment fund.

### c. Information on the progress towards achieving gender sensitive measures/targets

In order to identify any needed improvements, as well as to better understand the role of women within their supply chains, the Fund team has started to conduct further assessment with a few investees on the gender perspectives from the management level as well as on working conditions for female workers. For example, following further site visits to Flores, the Fund found that women are very much involved in Agrita's octopus supply chain. When fishers return from sea, their wives are the ones who record the catch and determine the size and quality before sending the octopus to the suppliers. The [FIP](#) will actively engage women as part of the data collection process. For the FIP, we will actively engage the fishers' wives on data collection and forming small businesses, if they would like to, as part of the cooperative structure to be formed in ensuring fishers' participation in the fishery management plan.

Additionally, although the fund had focus on collecting baselines through HH surveys, responses are collected from a variety of people within the FF communities, not only fishers. The initial portion of the HH survey focuses on demographic data (gender, age, etc.) and the role people have within the fishery (fisher, trader, etc.).

Also, in Indonesia, an intermediate, shorter survey was also conducted which focused more on how the perceptions of gender roles had changed in the community at large. Further, during community profiling (when needs, goals, etc. are identified) the participation of both men and women is facilitated for the workshops - and in some cases that means adjusting the schedule or having separate discussion groups for men and women. For example, the Indonesia team has started to set up a childcare area during meetings.

### d. Lessons learned and Knowledge Management products<sup>14</sup> developed and disseminated

Without specific M&E and/or ESMF affiliated technical assistance grant funding through the GEF and given that there is no overlap with Fish Forever sites/communities, it has been a challenge to measure against all indicators within our Results Framework. A major lesson learned is that grant funds should be secured alongside non-grant financing to support required GEF-Project M&E and implementation of ESMF related activities. The Fund's investments in SMEs helps them become responsible businesses that comply with environmental, social, and governance (ESG) practices (as outlined in the ProDoc), however, the Fund itself is not directly investing in or working with communities. Each investee is required to develop fisheries-related investment covenants to ensure that the company remains in compliance with the Fund's ESG Standards and all applicable laws. The Fund's TA facility (funded through other donors) works to support investees to build strong environmental and social management and monitoring systems as well as establish clear guidelines and incentives that extend to the first mile fishers, specify catch regulations, demonstrate benefits, and reduce or eliminate predatory lending between traders and fishers. Aligned with its investments, where feasible, the TAF also supports the implementation of existing FIPs or development of new FIPs where none exist.

<sup>14</sup> Knowledge Products are those that are both intended to transmit knowledge but at the same time enable action by their audiences. For example, a lessons learned report, compilation of good practices and recommendations, etc.

During the reporting period, the Fund collaborated with other impact investment funds (e.g. such as Circulate Capital and the Yield Lab Agtech Fund) to share key learnings and seek opportunities for co-investment.

At the end of the 2021 (calendar year), the Fund also posted and disseminated its first-ever “[Impact Report](#)” which shared key learnings and take-aways.

#### e. Overall Project Safeguard Implementation Rating

##### SUMMARY: PROJECT SAFEGUARD IMPLEMENTATION RATING BY TYPE OF PLAN

| SAFEGUARDSTRIGGERED BY THE PROJECT (delete those not applicable) | CURRENT FY 22 IMPLEMENTATION RATING | RATING TREND |
|--|-------------------------------------|--------------|
| Accountability and Grievance Mechanisms                          | S                                   | Decreasing   |
| Gender Mainstreaming Plan (GMP)                                  | S                                   | Unchanged    |
| Stakeholder Engagement Plan (SEP)                                | HS                                  | Unchanged    |
| Indigenous Peoples   | NA                                  | Unchanged    |
| Involuntary Resettlement (Restriction of Access)                 | S                                   | NA           |

##### OVERALL PROJECT SAFEGUARD IMPLEMENTATION RATING

| RATING | JUSTIFICATION   | RATING TREND |
|--------|---|--------------|
| S      | The fund assessed the accountability and grievance mechanisms (AGM) put in place by each of the investees for their workers to raise concerns, including how grievances are handled and how the mechanism is communicated to workers internally. No grievances were reported during this period, and there is no evidence of the fund monitoring the functioning of investees AGM’s after the initial assessment, so that is why the rating is satisfactory. For the SEP, the fund has exceeded its initial targets in all indicators and is engaging with more than 800 communities in Indonesia and Philippines. Regarding the GMP, the Fund is exceeding its sex-disaggregated target in terms of percentage and exceeding the number target. Nevertheless, sex-disaggregated information was not provided to the 1.6 million reported by FF. In terms of strategies and plans, the fund has a good performance in advancing 43 fisheries management plans that incorporated gender considerations, in addition to more than 70 campaigns and a gender strategy. Regarding ESS 3 on restriction of access to natural resources, the fund has in place participatory formal processes in all sites applicable, but not yet all of them have agreed on a decision and therefor, the percentage of satisfaction with the restrictions is in process to be collected. Finally, regarding ESS 4 on Indigenous Peoples, during this FY the Fund didn’t engage with any indigenous peoples. | Unchanged    |

#### f. Recommendations

| CORRECTIVE ACTION(S)  | RESPONSIBLE PARTY | DEADLINE  |
|---|-------------------|-----------|
| <ul style="list-style-type: none"> <li>The Fund is recommended to advance monitoring processes to make sure that investees AGMs continue to be in place and known by employees. This can be done by sampling a few investees each year. It is also recommended that the fund has its fund level AGM, in case some stakeholders prefer bringing their grievances to the fund instead that through any of the investees.</li> </ul> | PMU               | June 2023 |

|   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>Once the fund finishes defining positive impacts that are part of their social targets, they will need to include reference to that definition in their quarterly reports or in the next PIR.</li> <li>The fund should keep monitoring their engagement or through investees with indigenous peoples, so that they can monitor when FPIC is required, and that it is also properly implemented.</li> </ul> |  |  |
|---|--|--|

## **SECTION V: PROJECT IMPLEMENTATION EXPERIENCES AND LESSONS LEARNED**

### **Required topics**

#### **1. Project institutional arrangements, including project governance**

As reported last fiscal year, a move to transition the Fund to an independent entity (outside of Rare) was in the works. In FY21 the transition was completed with the Meloy Fund transitioning under Deliberate Capital as its new management company.

This fiscal year, the Fund established an Impact Committee to help technically evaluate the opportunities in its pipeline and its current ESG practices. The committee has the following objectives:

- Help develop, hone, and refine the Fund’s impact strategy, targets, and monitoring process; and,
- Provide feedback and insights for individual deal impact hypotheses and opportunities to maximize outcomes via technical assistance projects and otherwise.

The Impact Committee currently comprises of four esteemed members from the NGO, academic and impact investment sector. In FY22, the Fund plans to add additional Impact Committee members from Indonesia and/or Philippines.

#### **2. Capacity building**

In FY21, the Technical Assistance Facility (TAF) supported investees in various TA projects on post-harvest improvements that increase fishers and farmers income, ranging from fisher training for tuna to adoption of technology for seaweed, as well as in the initiation of a Fishery Improvement Project (FIP) towards sustainable octopus management. This includes capacity building for:

- 500 tuna fishers on post-harvest improvements
- 200 seaweed farmers on the usage of solar-powered dryer and the adoption of mobile technology for seaweed cultivation that can enable farmers to: a) plan their seaweed production; b) improve their agriculture practices; c) connect with traders and find agreements based on price and delivery time, and d) receive and make cashless payments, including payments for key inputs like seedlings.

In addition, capacity building was provided to investee companies on:

- The different components and requirements of the Marine Stewardship Council (MSC) certification and how a FIP can lead to MSC certification
- Achieving international food safety standards i.e. based on ISO 22000, British Retail Consortium (BRC) certification.

#### **3. Implementation of safeguard policies, including gender mainstreaming, accountability and grievance mechanisms, stakeholder consultations**

In FY21, a major focus was on stakeholder consultations. TA projects are increasingly developed with strong stakeholder consultations from the start. For example, in FY21, the TA Facility supported Agrita to initiate a FIP with key local stakeholders in East Nusa Tenggara (ENT) province, Agrita's primary sourcing location. The FIP aims to address the most pressing management needs for this regional octopus fishery, which currently lacks data, is unregulated and does not provide regular reporting. Local and international consultants were hired to assist Agrita in engaging with key stakeholders in Flores Island to develop a workplan for the octopus FIP for the ENT province, as well as with other NGOs working towards a national FIP. In Q1 FY22, Agrita plans to hold the first multi-stakeholder gathering in ENT with the provincial and district local government, local NGOs, academia, fishers, and buyers to discuss the vision, workplan, and joint activities for the FIP.

Looking ahead to FY22, the focus will be to finalize the FIP workplan and to launch the FIP in ENT focusing on:

- Collecting data to inform the impact of the catch on primary, secondary and ETP species, as well as on the habitat, to support regional octopus fisheries management
- Supporting fishers in adopting best practices to increase octopus quality and fishers' income
- Collaborating with other NGOs active in Indonesian octopus fisheries to move towards a national FIP, where data collected can contribute to a national stock assessment that informs the harvest strategy and control rules for sustainable octopus management

In FY22, the team will also focus on:

- Gender mainstreaming – We currently have gender disaggregated data for employees (23% female, 77% male). We are planning to conduct further assessment with a few investees on the gender perspective from the management level and the working conditions for female workers to identify any improvement necessary, as well identifying the role of women in the supply chain.
- Grievance mechanism – We are looking to provide more capacity building in the topic of creating Decent Work for all workers in the seafood supply chain and part of this is to evaluate and strengthen existing grievance mechanism systems.
- Accountability – We plan to conduct in-depth corporate governance assessment and planning for investees that may be weaker in this area, as well as provide more capacity building to develop Environmental and Social Management Systems (ESMS) for investees to increase accountability.

#### **4. Factors that improve likelihood of long term sustainability of project impacts**

To improve the likelihood of long-term sustainability of project impacts, the team is learning that:

- Internally, it is important to integrate ESG into companies' policies and support investees in strengthening their ESMS so that it becomes a standard way of doing business.
- Having a deeper understanding of the investees' supply chain and their level of influence on coastal communities and ecosystems. Where possible, if investees are not sourcing directly from fishers/farmers, we connect them with cooperatives/NGOs that work directly with fishers/farmers to create more transparency and long-term sourcing relationships. This works the same way on the other end of the supply chain - we also connect investees with the type of buyers that value sustainability.
- Putting in place frameworks for fishery management such as FIPs that engages a larger group of stakeholders to ensure buy-in and long-term financing. While this takes a lot of time, effort and costs, it is necessary for certain species and investees. Where possible, to identify existing efforts that investees can be part of.

#### **5. Factors that encourage replication, including outreach, dissemination of lessons learned, and communications strategies**

- Partnering with other impact investment funds to share key learnings such as Circulate Capital and the Yield Lab Agtech Fund or co-invest with other funds i.e. for the Fund's latest investment in Jalatech, we co-invested with another impact fund, Mirova and a traditional technology venture capitalist fund, Real Tech

Fund. This way, we bring more expertise, experience, and capital to grow the investee sustainably. <https://www.meloyfund.com/news/2021/11/24/jala-raises-us6m-in-new-funding-from-mirova-meloy-fund-and-real-tech-fund>

- Partnering with NGOs such as Blue Ventures on the development of the octopus FIP, sharing learnings in WWF’s Regional Bankable Project Workshop, Indonesia Marine Funders Collaboration’s event on ‘Collaboration of the financial sector, technology providers and certification bodies in supporting the realization of sustainable fisheries in Indonesia’.
- Partnering with in-country agencies such as the Swiss Import Export Promotion Office, the Ministry of Marine Affairs and Fisheries, and other local NGOs to organize the Buyer and Supplier Gathering to provide insights and introduction to sustainable fish and seafood exporters in Indonesia.
- Partnering with Rare to: a) identify Fish Forever communities that can supply seaweed to Meloy Fund’s investee and in this process, maximize the potential of seaweed to provide complementary income for fishers and potentially reduce fishing pressure; b) develop a series of whitepaper on ‘Advancing ESG and Impact Investing with Behavioral Science in collaboration with Rare’s Center for Behavior & the Environment.

### **Additional topics (please choose two)**

#### **6. Engagement of the private sector**

Through its TA projects with investees, the Fund is learning that to impact fishers’ household positively, the need to understand the risk of debt bondage between fishers and traders is key. This includes fishers’ access to pre-financing for their fishing trips and how fish is priced at the fisher level which also has environmental consequences. The Fund is looking at different ways to address this matter starting with an assessment of the debt bondage risks in investees’ supply chain, followed by ways to minimize such risks. This ranges from offering pre-financing to supplying ice, helping fishers get registered to access subsidized fuel from the government, clear agreements between vessel owners and fishers including a transparent grading system, and more. The Fund will work closely with investees to ensure that these factors are incorporated into their sourcing policies alongside any quality improvements.

#### **7. Scientific and technological issues**

The Fund has been working with Dr. Sian Morgan, a sustainable fisheries and mariculture expert with over 20 years of experience in using science to inform policy and reform marine value chains. Sian has a PhD in Fisheries, Ecology and Marine Conservation and is advising the Fund in the overall impact management and measurement strategy and implementation as well as on species specific status based on the progress of existing FIPs and where the gaps are. Sian also supported the Fund to broaden its impact management framework to include the evaluation of mariculture and aquaculture investments to minimize the Environmental, Social, and Governance (ESG) risks and maximize the impact. For example:

- In seaweed farming mariculture, it is critical to site farms properly, to ensure that seagrass beds and coral reefs are not damaged, and to minimize the use of single-use plastic materials. Ideally, seaweed farming should be combined with a sustainably managed fishery.
- In shrimp farming aquaculture, it is critical to minimize the percentage of feed comprised of wild-caught fish, ensure zero deforestation of mangrove ecosystems, and properly treat effluent to reduce pollution in the ocean.

On technology, the Fund has been looking at improving investees’ capacity in traceability, ranging from getting investees to join industry wide efforts like the Global Dialogue on Seafood Traceability that developed interoperable industry standards and provide tools and resources to help seafood companies get started, to identifying consultants and well-regarded service providers with the track record of traceability systems that is able to demonstrate improvements to fishers and in the water.



## SECTION VI: PROJECT GEOCODING

This section of the PIR documents the precise and specific geographic location(s) of activities supported by GEF investments based on information provided in the Project Document. The following information should be contained in this section:

- a. Geo Location Information of Project Location(s) for the current fiscal year
- b. Project Map and Coordinates from Project Document

### SECTION INSTRUCTIONS

1. This section describes the changes made towards the geographic locations of activities supported by the GEF investments.
2. List all locations included in the CEO Endorsement/Approval Stage.
3. If there are new or deleted locations, make sure to provide a justification.
4. Add or delete column(s) for location depending on the number of locations for the project.
5. For each required information, make sure to follow the format of the required information
6. Optional fields need not
7. This section has two parts:
  - a. Geo Location Information of Project Location(s) for the current fiscal year
  - b. Project Map and Coordinates
8. Guidance on locations:
  - Bodies of water, land area. If the project targets a lake or land area, then consider either identifying the GeoName ID of the relevant area as available, or coding the specific locations affected by the project or specific points forming an outline of the area boundaries.
  - River, transmission line or similar connection between points. If the project involves connections between points, then geo-code the cities or specific locations that represent the geographic start and end-points of the river or connection line being financed. Additional points can be added as appropriate.
  - Construction of an infrastructure site. If an investment involves the construction of a specific building, the specific geographic location of the building should be coded.
  - Protected area. If the project is operating in a protected area, consider either identifying the GeoName ID of the protected area as available or geo-coding all relevant locations and center of the park as possible and relevant. Even in instances where a WDPA ID has already been shared, Agencies should enter relevant related coordinates to ensure the protected area is recorded. Teams may add the WDPA ID in the Location Description field.
  - Global or coordination projects. Agencies are encouraged to include the geographic location of any physical project activity (such as event or knowledge sharing activity), to
    - ensure the project is visible. In the case of a program, Agencies may enter at least the country or capital city of the country of countries participating in the program.
    - Policy intervention. In the case of a policy support intervention covering a whole country or region, Agencies may consider geocoding either the capital city of the country or just using the GeoName ID of the country as a whole.

[Separate file with GeoNames](#)

**Geo Location Information of Project Location(s) for the current fiscal year** (add additional columns as needed)

| Geo Location Information   | Location No. 1 | Location No. 2 | Location No. 3 |
|--|----------------|----------------|----------------|
| <b>CLASSIFICATION</b><br><i>Indicate whether the site is new or already existing in the previous PIR or indicate whether the site is included at CEO Endorsement/Approval or not. Please add more columns for projects with more than 3 locations.</i>   |                |                |                |
| Note: Provide justification if the location is a new site in this line   |                |                |                |
| <b>GEO NAME ID</b><br><i>Provide the location's Geo Name ID in a numerical format. IDs are available in the GeoNames' geographical database covering all countries and containing millions of placenames with free access at: <a href="http://www.geonames.org">http://www.geonames.org</a>.</i> |                |                |                |
| <b>LOCATION NAME</b><br><i>Name of the geographic locations in which the activity is taking place. In instance when a GeoNames ID is provided above, the name of the said ID should be reflected. Otherwise, the location name provided will be considered as an exact location.</i>             |                |                |                |
| <b>LATITUDE</b><br><i>Provide locations in Decimal Degrees WGS84 format, a notation expressing geographic coordinates as decimal fractions of a degree. Include at least four decimal points.</i>  |                |                |                |
| <b>LONGITUDE</b><br><i>Provide locations in Decimal Degrees WGS84 format, a notation expressing geographic coordinates as decimal fractions of a degree. Include at least four decimal points.</i>   |                |                |                |
| <b>LOCATION DESCRIPTION</b><br><i>(Optional field) Text description that qualifies in a sentence or so the location in which an activity is taking place, such as for example "mini-grid energy system" or "park ranger site".</i>   |                |                |                |
| <b>ACTIVITY DESCRIPTION</b><br><i>(Optional field) Text description that qualifies in a sentence or so the activity taking place at the location, for example, "Installing a mini-grid energy system".</i>   |                |                |                |

Please provide a justification regarding changes in location during implementation. Justifications should also be provided in the event the geographic location of key project activities cannot be provided at CEO Endorsement/Approval stage.

|   |
|---|
| <p><b>(Geo Name ID: Location Name)</b></p> <p><b>Justification:</b></p> |
|---|

**Project Map and Coordinates**

Please provide geo-referenced information and image map where the project interventions took place. If available, please provide attachments as appropriate such as in the case of locations presented along geometric shapes in popular formats like shapefiles, KML and GeoJSON.

***(Geo Name ID: Location Name)***

Map:

**APPENDIX I: PROJECT ANNUAL IMPLEMENTATION PROGRESS RATING**

| Rating                         |    | Overdue (O) | Delayed (D) | Not started on schedule (NS) | Under implementation on schedule (IS) | Completed/Achieved (CA) |
|--------------------------------|----|-------------|-------------|------------------------------|---------------------------------------|-------------------------|
| Highly Satisfactory (HS)       | HS | 0%          |             | 100%                         |                                       |                         |
| Satisfactory (S)               | S  | 20%         |             | 80%                          |                                       |                         |
| Moderately Satisfactory (MS)   | MS | 40%         |             | 60%                          |                                       |                         |
| Moderately Unsatisfactory (MU) | MU | 60%         |             | 40%                          |                                       |                         |
| Unsatisfactory (U)             | U  | 80%         |             | 20%                          |                                       |                         |
| Highly Unsatisfactory (HU)     | HU | 100%        |             | 0%                           |                                       |                         |

- **Highly Satisfactory:** 100% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project. The project can be presented as an example of “good practice” project,
- **Satisfactory:** 80% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project; except for only 20% that are delayed and/or overdue and need remedial action,
- **Moderately Satisfactory:** 60% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project; while 40% are delayed and/or overdue and need remedial action,
- **Moderately Unsatisfactory:** 40% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project; while 60% are delayed and/or overdue and need remedial action,
- **Unsatisfactory:** only 20% of the indicators: a) have been completed/achieved, b) are under implementation on schedule, and/or c) have not started but are on schedule, according to the original/formally revised Project Annual Workplan for the project; while 80% are delayed and/or overdue and need remedial action, and
- **Highly Unsatisfactory:** 100% of the indicators: a) are overdue, and/or b) delayed in their implementation, according to the original/formally revised Project Annual Workplan for the project.

**APPENDIX II: PROGRESS TOWARDS ACHIEVING PROJECT EXPECTED OUTPUTS**

| INDICATORS   | PROJECT TARGET   | END OF YEAR INDICATOR STATUS | PROGRESS RATING <sup>15</sup> | COMMENTS/JUSTIFICATION  |
|--|--|------------------------------|-------------------------------|---|
| <b>Outcome 1.1:</b> Area of coral reef ecosystems in Indonesia and the Philippines under improved sustainable management increased through financial investments that incentivize adoption of sustainable rights-based fisheries management practices that include protection for critical habitats. |  |                              |                               |   |
| <b>Output Indicator 1.1.1.a.:</b><br>Number of investments in Indonesia and the Philippines made through the Meloy Fund  | The exact # of investments will be determined once the Fund rolls out its investment pipeline. The Fund may make multiple investment into one company. | 11                           | IS                            | The Fund has made 11 investments in nine companies total; Adding two new companies to our portfolio during FY21.  |
| <b>Output Indicator 1.1.1.b.:</b><br>Number fishers and fish workers with increased earnings through investments disaggregated by gender of beneficiaries where investments overlap with Fish Forever sites  | >0   | 0                            | IS                            | Currently, no sites of Meloy Fund investment overlap with Fish Forever sites. However, each of the Fund’s investments seeks to improve fisher incomes. To this end, the Fund promotes the equitable distribution of income to fishers by encouraging investees to adopt strategies such as: <ul style="list-style-type: none"> <li>• Ensuring clear agreements exist between vessel owners and fishers that include a transparent grading system</li> <li>• Offering pre-financing for fishing trips</li> <li>• Supplying ice</li> <li>• Helping fishers to register with and access subsidized fuel from the government</li> <li>• Providing training on quality improvements and differentiated pricing for size and quality at the fisher level</li> </ul> |
| <b>Output Indicator 1.1.1.c.:</b><br>Average percent increment in profit per unit effort (PPUE) at sites of investment that overlap with Fish Forever sites  | >0   | 0                            | IS                            | Currently, no sites of Meloy Fund investment overlap with Fish Forever sites.   |

<sup>15</sup> O= Overdue; D= Delayed; NS= Not started on schedule; IS= Under implementation on schedule; and CA= Completed/Achieved

| INDICATORS   | PROJECT TARGET   | END OF YEAR INDICATOR STATUS | PROGRESS RATING <sup>15</sup> | COMMENTS/JUSTIFICATION   |
|--|--|------------------------------|-------------------------------|--|
| <b>Output Indicator 1.1.2:</b> Amount of USD invested for ventures that source from sustainably managed SSFs to acquire or upgrade equipment and/or other assets that preserve or add value to fish and fish products along the supply chain | USD 5 million  | USD 1,163,500                | IS                            | Based on actuals with portfolio companies.   |
| <b>Output Indicator 1.1.3:</b> Number of hours of mentoring and business development support provided to pipeline and portfolio companies  | 50,000 hours   | 12,582                       | IS                            | <p>Total hours: 12,582 total hours through the end of FY21.</p> <ul style="list-style-type: none"> <li>• FY18 = 700 hours</li> <li>• FY19 = 2,668 hours</li> <li>• FY20 = 4,880 hours</li> <li>• FY21 = 4,334 hours</li> </ul>   |
| <b>Outcome 2.1:</b> Outcome 2.1: Capacity of portfolio companies to deliver on the Fund’s environmental and social impact targets improved through fisheries TA provided by Fish Forever   |  |                              |                               |  |
| <b>Output Indicator 2.1.1:</b> Percentage of portfolio companies that have undergone due diligence with technical input from the Fish Forever team   | All portfolio companies – the exact # of portfolio companies will only be determined once the Fund rolls out its investment pipeline | 100 %                        | IS                            | <p>Pre-investment due diligence is conducted for every portfolio company to assess their Environmental and Social (E&amp;S) impact on small-scale fisheries and their ability to meet the minimum E&amp;S standards of the Fund.</p> <p>During the FY21 reporting period, 75 companies (36 in Indonesia; 39 in the Philippines) underwent E&amp;S assessments as per the Fund’s due diligence processes, with technical input from either Fish Forever or other relevant partners (including the newly established Impact Committee).</p> <ul style="list-style-type: none"> <li>• Q1 = 16 (Philippines: 8 companies; Indonesia: 8 companies)</li> <li>• Q2 = 26 (Philippines: 13 companies; Indonesia: 13 companies)</li> <li>• Q3+Q4= 33 (Philippines: 18 companies; Indonesia: 15 companies)</li> </ul> |

| INDICATORS  | PROJECT TARGET   | END OF YEAR INDICATOR STATUS | PROGRESS RATING <sup>15</sup> | COMMENTS/JUSTIFICATION   |
|---|--|------------------------------|-------------------------------|--|
| <p><b>Output Indicator 2.1.2:</b><br/>Percentage of portfolio companies in adherence with the E&amp;S minimum standards</p> | <p>All portfolio companies – the exact # of portfolio companies can only be determined once the Fund rolls out its investment pipeline</p> | <p>100 %</p>                 | <p>IS</p>                     | <p>Every Fund investee must adhere to the minimum and is closely monitored by the Fund team.</p> <p>If issues are identified, the company will undergo a full ESG due diligence as per the Fund’s E&amp;S Management System. Based on the ESG due diligence, the team will then develop a Corrective Action Plan, which it may potentially support (as needed) through the Fund’s TA Facility.</p> |

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| <p><b>Output Indicator 2.1.3.a.:</b><br/>Number FIP roadmaps jointly developed</p> | <p>All portfolio companies working within the seafood value-chain – the exact # of “relevant” portfolio companies can only be determined once the Fund rolls out its investment pipeline</p> | <p>0</p> | <p>IS</p> | <p>Contingent on available funding and based on the fisheries data gathered from the activities above, the Fund looks to assist investees in their participation in FIPs and/or community-based and area-based management programs, such as Fish Forever.</p> <p>Status of portfolio company affiliated FIPs:</p> <ol style="list-style-type: none"> <li>1. Meliomar: They initiated their own FIP in 2017 prior to the Fund’s investment. The Fund’s TA project helped to strengthen the FIP by having a first-time observer program on small vessels, recording data on primary, secondary, endangered, threatened, or protected species and bycatch at sea.</li> </ol> <p>This year, Meliomar completed a Tuna Quality Improvement Project that generated employment for local fishers and increased the quality of tuna supplied to the company. Assistance was also provided to farmers and fisherfolks through technical trainings and by introducing new technologies (i.e., software applications, seaweed dryers, fish tanks).</p> <ol style="list-style-type: none"> <li>2. Agrita: With the support of the Fund’s Technical Assistance Facility (TAF), Agrita is making good progress in their FIP. A local consultant was hired to support Agrita to engage key stakeholders in Flores Island including the district and provincial level Department of Fisheries on the potential of Octopus fisheries in East Nusa Tenggara and to develop a work plan to kick start the octopus FIP. At the same time, the Fund ensures that there is collaboration with other NGOs active in Indonesian octopus fisheries to move towards a national FIP, where data collected can contribute to a national stock</li> </ol> |
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|   |  |  |                               | <p>assessment to inform the harvest and co-management strategy. In November 2021, Agrita held the first multi-stakeholder gathering in with the provincial and district local government, local NGOs, academia, fishers, and buyers to discuss the vision, workplan, and joint activities for the FIP.</p> <p>3. Laut Biru Seafood: The company is in the process of joining the Indonesian Pole and Line and Handline Tuna Fisheries Association’s FIP which has recently achieved Marine Stewardship Council certification. This involves data reporting, vessel registration, monitoring system and capacity building requirements, which the TAF may support.</p> <p>In addition, the Fund supported portfolio companies in pursuing relevant certifications (e.g., BRC, ISO) that can increase their market reach.</p> |
| <p><b>Output Indicator 2.1.3.b.:</b><br/>Number and percentage of portfolio investments sourcing seafood from at least one Fishery Improvement Project (FIP)</p>  | <p>All portfolio companies working within the seafood value-chain – the exact # of “relevant” portfolio companies can only be determined once the Fund rolls out its investment pipeline</p> | <p>Currently, one of the Fund’s portfolio companies sources from a FIP; while three are in the process of initiating or joining existing FIPs.</p> | <p>IS</p>                     | <p>Meliomar’s yellowfin tuna FIP is compliant with Conservation Alliance for Seafood Solutions specifications.</p>  |
| <p><b>Outcome 2.2:</b> Integrity and functioning of targeted coral reef ecosystems maintained through the implementation of community rights-based management at Fish Forever sites, as incentivized through Meloy Fund investments</p> |  |  |                               |   |

| INDICATORS  | PROJECT TARGET  | END OF YEAR INDICATOR STATUS  | PROGRESS RATING <sup>15</sup> | COMMENTS/JUSTIFICATION   |
|---|---|---|-------------------------------|--|
| <p><b>Output Indicator 2.2.1:</b> Number of constituents, disaggregated by gender, in coastal communities reached through Pride campaigns over the course of the project at targeted Fish Forever sites</p> | <p>36,000</p>   | <p>The social marketing and behavior change campaigns reached an estimated 74,000 people (54,000 in Indonesia and 20,000 in the Philippines).</p> | <p>IS</p>                     | <p>In FY21, Fish Forever continued 5 umbrella sub-national social marketing campaigns (“Responsible Fisher Campaign”) for use across multiple local governments or districts in the Philippines and Indonesia. These campaigns amplified core behaviors that coastal communities and their local governments need to achieve for TURF + reserve areas. In addition to the umbrella campaigns, over 10 ‘tactical’ campaigns (rolled out over 22 TURF + reserve area in Indonesia and 31 TURF + reserve area in the Philippines) focused on shifting specific behaviors, such as driving fisher registration, saving club formation, and financial literacy.</p>   |
| <p><b>Output Indicator 2.2.2:</b> Percentage change in knowledge, attitudes, practices towards responsible fishing at targeted Fish Forever sites</p>   | <p>15-20 percent point change from established baseline</p> <p>*baseline figures for each site will need to be determined once the new Fish Forever sites are selected and once it is known where there is overlap with Meloy Fund investments.</p> | <p>Baseline Indonesia 59 percent and 15 percent.</p> <p>Baseline Philippines 74 percent and 9 percent.</p>  | <p>IS</p>                     | <p>Baseline data at our newly selected sites has been conducted in both countries</p> <p>As per the FY19 PIR, across sites in Indonesia, 59 percent of fishers believe that complying with regulations will improve catch and 15 percent of fishers violate no fishing rules in reserves.</p> <p>Surveys conducted in FY20 found that 74 percent of households in the Philippines believe that current regulations will improve catch and 9 percent of fishers violate no fishing rules in reserves.</p> <p>This was collected through household surveys. Household surveys data will not be collected again until the TURF + reserve areas are made legal.</p> <p>Additional surveys will be collected in FY22 to measure change.</p> |

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|--|--|--|-------------------------------|---|
| <p><b>Output Indicator 2.2.3:</b> Number of TURF and no-take zone regulation violations recorded within 3 years of Fish Forever implementation</p> | <p>&lt; the baseline</p> <p>*baseline figures for each site will need to be determined once the new Fish Forever sites are selected and once it is known where there is overlap with Meloy Fund investments.</p> | <p>Perceived compliance with no-take zones was 88 percent based on household surveys conducted in FY 2019 and 2020</p> | <p>IS</p>                     | <p>All TURF + reserve areas have been designed, however they are not yet fully functional at this point. Enforcement plans will be included within the management plans – as such, this data will be collected once these areas are legalized and up and running.</p> <p>Based on FY 2019/2020 household surveys, community members believed that 85 percent of fishers in Indonesia and 91 percent of fishers in the Philippines complied with no-take zones.</p> <p>Additional surveys will be collected in FY22 to measure change.</p> |