

# Blue Horizon: Ocean Relief through Seaweed Aquaculture

Review PIF and Make a recommendation

## Basic project information

**GEF ID**

10573

**Countries**

Regional (Philippines, Viet Nam)

**Project Name**

Blue Horizon: Ocean Relief through Seaweed Aquaculture

**Agencies**

WWF-US

**Date received by PM**

3/24/2020

**Review completed by PM**

10/27/2020

**Program Manager**

Christian Severin

**Focal Area**

International Waters

**Project Type**

FSP

# PIF

## Part I – Project Information

### Focal area elements

#### **1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?**

##### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Partly, please strengthen the link between this proposed investment and the Strategic Action Program of the South China Sea, as this investment will be assisting the countries in implementing the SAP priorities. This line of argumentation needs to be much stronger throughout the documents submitted.

14th of April 2020 (cseverin): Addressed.

Agency Response Thank you for your comment. The South China Sea Strategic Action Program has been included in the project scope, baseline, incremental cost reasoning section, and coordination with GEF and non-GEF interventions section.

##### **Indicative project/program description summary**

#### **2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?**

##### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Partly. The mandate for IW to finance this investment is the investment's ability to support the implementation of the Strategic Action Programme of the South China Sea. Therefore the SAP priorities that the investment will be aligned with needs to be clearly identified and activities supporting their implementation.

1. Please remove output indicators that refer to travel costs, such as 1.1.3 and 2.2.1 etc. Output indicators are to refer to outputs related to the activities, not to the budget.
2. Please ensure that output indicators are formulated as such. Hence, please reformulate 3.1.1 (a and b) and 3.2.1 (c)
3. Output indicator 2.2.3, relates to data collection on the multiple benefits from seaweed farming. It seems that there is plenty of literature references on the benefits from seaweed intercropping such as in multi-trophic system. Please clarify is this is anticipated to be a desk review of existing literature, or the idea is to undertake research to investigate the benefits.

4. 1st of April 2020 (cseverin): Please add the estimated 4400 tons of nutrients to the appropriate output level indicators in table B
  5. Please consider including, at output level, an indicator that will ensure interactions with initiatives such as the Global Seaweed Coalition
  6. Output 1.1.1: Please consider revising this output so that seaweed sector best practice development plans will be presented for adoption at the appropriate regional level?
  7. Output 1.1.2: Please consider if this output can be expanded to include a regional investment platform from which new best practice standards can be disseminated to seaweed industry associations, and from which industry can be paired with investors.
  8. Output 2.1.2: Please consider to reformulate the wording so that the output indicator will include national and local adoption of the plans.
  9. Output 2.2.1: what is meant by “Establish/improve seaweed farmer clubs?”
1. Please consider if the existing ASC-MSC seaweed standards can be reflected upon in the outputs in component 2.
  2. Output 3.3.2: in collaboration with IFC/WB, please consider also bringing the anticipated investment plans to the level of the Global Seaweed coalition and with the intent of securing off-take agreements and equity finance.

14th of April 2020 (cseverin): Partly addressed. Please carefully address ALL comments above below. They are mostly repeats of what was inserted above:

1. Please remove output indicators that refer to travel costs, this is still pending in eg 2.2.1 etc. Output indicators are to refer to outputs related to the activities, not to the budget.
2. Please ensure that output indicators are formulated as such. Hence, please reformulate 3.1.1 (a and b) and 3.2.1 (c)
3. Please add the estimated 4400 tons of nutrients to the appropriate output level indicators in table B
4. Component 1, please consider if one of the existing outputs, (or potentially a new output can be added) can be expanded to include a regional investment platform from which new best practice standards can be disseminated to seaweed industry associations, and from which industry can be paired with investors.
5. Output 2.1.2: Please include wording so that the output indicator will include local adoption of the plans too.
6. Component 2: Please reflect on how the project will be utilizing/informed by the existing ASC-MSC seaweed standards

15th of April 2020 (cseverin):Addressed

28th of October 2020 (cseverin):Partly, please address following comment:

On Executing Partners, please make sure the list is complete. Currently, SEAFDEC is listed, but is not the only the Executing Partner, according to the LOEs. The LOE for the Philippines mentions Bureau of Fisheries and Aquatic Resources-Department of Agriculture while the LOE for Vietnam also mentions Ministry of Agriculture and Rural Development as Implementing Agencies.

29th of October 2020 (cseverin): Addressed

### Agency Response

1. Outputs have been adjusted to no longer refer to travel costs or budget line items.
2. Output 3.1.1 and 3.2.1 have been reformulated, with the detail inserted into the strategy section
3. Thank you for your comment. Data collection and documentation of benefits will be undertaken for the four demonstration farms under Output 3.1.1. Output 2.2.3 has been deleted.
4. 4,400 tons of nutrient capture has been added to Outcome 3.1
5. An output has been added to support the Global Seaweed Coalition (Output 1.1.1)
6. Output 1.1.1 (now Output 1.1.2) has been revised to be more impact-oriented. The project will support development of impact targets and a best practice guide. It will be determined during PPG whether it is appropriate to have this adopted at a regional level.
7. Investors will be engaged through seminars and fora under Output 3.3.2.
8. The language has been adjusted to show that the seaweed development plans will be presented for adoption. It will be determined at PPG stage what the appropriate levels are.
9. The project will work with established seaweed associations in Philippines and Vietnam, as well as smaller and more localized “seaweed farmer clubs” to establish seaweed aquaculture best practices and shared resources for farmers.

1. Opportunities to align with ASC/MSC will be explored during PPG based on stakeholder consultations. Best practices and standards will be incorporated into the Seaweed Toolkit as appropriate (3.2.2).
2. The project will utilize the Global Seaweed Coalition network to facilitate off-take agreement and equity finance. This detail has been added to the strategy section in the narrative.

### **(4/15/2020) WWF GEF:**

1. Thank you for your comment, Outputs have been adjusted to no longer refer to travel costs or budget line items.
2. Thank you for your comment, 3.1.1 and 3.2.1 have been reformulated.
3. 4,400 tons of nutrient capture has been added to Outcome 3.1.
4. Thank you for your comment. Given direct dialogue with government and partners is limited right now, we cannot make this change. However, the project does support multiple opportunities for industry to be paired with investors. Output 3.3.2 includes investment seminars and industry and

investment forums, through which industry can be paired with investors. In addition, the Global Seaweed Coalition supported under Output 1.1.1. will facilitate engagement between industry and investors.

Finally, the project will disseminate best practices to seaweed industry associations and seaweed farmer clubs through output 3.2.2. Sustainable Seaweed Toolkit, and through a knowledge management and communications strategy developed under Component 4.

5. Thank you for your comment, however, given direct dialogue with both governments is limited right now, we cannot make this change now. The appropriate levels of adoption (including local adoption) will be discussed with stakeholders during PPG stage and be based on government standards, including the request to ensure local adoption. This may result in adding that wording to the output in the PPG stage.

6. ASC-MSC seaweed standards have been added to the project baseline. The project will undertake an analysis of best practices and standards – including ASC-MSC seaweed standards and the standards developed by the Global Seaweed Coalition – for Output 3.2.2. Sustainable Seaweed Toolkit and to inform the project demonstration farms under 3.1.1.

**10/29/20**

Thank you for your comment. BFAR and MARD have been added to the list of executing partners.

**Co-financing**

**3. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?**

Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Yes, however, please aware that at the time of CEO Endorsement, proof of the very large fraction of the cofinancing that has been listed as Private sector (~69% of the entire identified co-financing at PIF stage).

Further,

1. The investment mobilized description lacks detail. As part of the description, please add information explaining the nature of the anticipated investment mobilized per each row in table C.
2. Private sector buy-in is a key element of the project. Will global value chain companies provide co-finance as part of the anticipated co-finance contribution from private sector processing, extraction, offtake actors?
3. Please explain to what extent a dialogue has been initiated and add any co-finance contributions from Philippines and Vietnam industry associations.

14th of April 2020 (cseverin): Addressed.

28th of October 2020 (cseverin): Partly, please address following comments:

- 1) Please describe the definition/ approach used to differentiate between "investment mobilized" and "recurrent expenditures". Large share of the co-financing has been identified as "in-kind" and "investment mobilized". However, where co-financing truly meets the definition of "in-kind", it should typically be classified as "recurrent expenditures" rather than "investment mobilized". For further details, please refer to the Co-Financing Guidelines.
- 2) Co-financing source for Foundations should be "other", not "donor Agency".

29th of October 2020 (cseverin): Addressed.

### Agency Response

Noted, the project will clearly identify private sector co-financing at time of CEO Endorsement.

1. A description for investments mobilized has been provided.
2. Global value chain companies are expected to provide cofinancing. The companies will be identified during PPG stage.
3. Co-financing from Philippines and Vietnam industry associations will be determined during PPG stage. These stakeholder will be engaged during PPG stage.

**10/29/20**

1. The cofinancing has been adjusted so that 'in-kind' cofinancing is classified as 'recurrent expenditure.'
2. The co-financing source for Foundations has been adjusted to 'other.'

### **GEF Resource Availability**

**4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):**

Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Yes

### Agency Response

**The STAR allocation?**

Secretariat Comment at PIF/Work Program Inclusion

Agency Response  
**The focal area allocation?**

Secretariat Comment at PIF/Work Program Inclusion

Agency Response  
**The LDCF under the principle of equitable access**

Secretariat Comment at PIF/Work Program Inclusion

Agency Response  
**The SCCF (Adaptation or Technology Transfer)?**

Secretariat Comment at PIF/Work Program Inclusion

Agency Response  
**Focal area set-aside?**

Secretariat Comment at PIF/Work Program Inclusion

Agency Response  
**Impact Program Incentive?**

Secretariat Comment at PIF/Work Program Inclusion

Agency Response  
**Project Preparation Grant**

**5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)**

Secretariat Comment at PIF/Work Program Inclusion 1st of April 2020 (cseverin): Yes

Agency Response  
**Core indicators**

**6. Are the identified core indicators in Table F calculated using the methodology included in the correspondent Guidelines? (GEF/C.54/11/Rev.01)**

### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Partly, please note that core indicator 5.3 is to capture marine litter avoided, not N and P. It would however be appropriate to capture these two estimated amounts in the results framework (table B, on the output level). Please also include mentioning which LME(s) will be positively impacted by these proposed investments (indicator 5.2), this will most likely be the same as identified under core indicator 7.

14th of April 2020 (cseverin): The 4400 tons of N and P avoided, is still not reported on in Table B, Please add.

15th of April 2020 (cseverin): Addressed

27th of October 2020 (cseverin): Please correct core indicator 7.4. This is a new investment, hence it can simply not be at 4, it should be at 1.

27th of October 2020 (cseverin): Addressed

### Agency Response

Thank you for your comment, the project will not report against core indicator 5.3. Rather, this information has been added to Table B.

The project will support the South China Sea LME. This information has been added to core indicator 5.2 and core indicator 7.

## **(4/15/2020) WWF GEF:**

Thank you for this comment, 4,400 tons of nutrient capture has been added to Outcome 3.1.

### **Project/Program taxonomy**

#### **7. Is the project/ program properly tagged with the appropriate keywords as requested in Table G?**

### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): No, please add tags related to pollution reduction in marine systems and implementation of Strategic Action Programmes

14th of April 2020 (cseverin): Addressed.

Agency Response Thank you for your comment, tags have been added related to pollution reduction in marine systems and implementation of Strategic Action Programmes

### **Part II – Project Justification**

**1. Has the project/program described the global environmental / adaptation problems, including the root causes and barriers that need to be addressed?**

### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Partly, as the description is missing the alignment with the SCS SAP and opportunities this investment will be providing the countries in delivering on the SAP priorities. Further, the opportunities in integrating seaweed production in multi trophic systems is not included in the justification. Please include as, all depending on the scale and local conditions, such kind of "inter cropping" may indeed be one of the solutions to broaden the production of seaweed. Simultaneous, such production methods, would also diversify economic vulnerability of coastal communities, while providing multiple other environmental services.

Further, please include the potential benefit of these investments to local food security too, this seems to have been omitted. This section should provide a structured description of the root causes and barriers pertaining to the sustainable growth of the global seaweed sector. Please consider arranging the section into sub-sections, e.g. market barriers, technological barriers; barriers related to policies, standards and regulations, etc.

14th of April 2020 (cseverin): Addressed.

### Agency Response

Thank you for your comment. Alignment with SCS SAP has been included, as well as integration of seaweed production in multi trophic systems.

The barriers have been expanded upon and are now organized as suggested.

**2. Is the baseline scenario or any associated baseline projects appropriately described?**

### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): The Baseline description is very thin, please expand on the local, national and regional activities and especially the private sector baselines that this investment will be building on. Moreover, the baseline also needs to include the regional aspects, such as what exists within the LMEs as well as regional executing partner and its network.

The Baseline should be describing why Vietnam and Philippines have been chosen as pilot countries?

14th of April 2020 (cseverin): Addressed.

### Agency Response

Thank you for this comment, the baseline section has been expanded upon.

The baseline now includes a description of why Vietnam and Philippines have been selected for inclusion in this project.

**3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?**

Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Partly, please provide a Theory of Change for the proposed investment, and ensure that that the ToC will not only outline the components and their activities, outcomes and outputs, but work towards addressing the existing barriers for catalyzing the development of sustainable seaweed production and markets at local, national and global scale.

14th of April 2020 (cseverin): Addressed.

2nd of October 2020 (cseverin): Please provide a bit more descriptive information, under each of the components as to what they will achieve. Currently, the included information only includes outcomes.

21st of October 2020 (cseverin): Addressed

Agency Response

Thank you for your comment. A narrative Theory of Change has been provided, as well as a diagram.

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10/15/2020- Thank you for your comment. A description of what will be achieved per outcome has been provided.

**4. Is the project/program aligned with focal area and/or Impact Program strategies?**

Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin):Partly, but at the time of addressing the points made above, it probably will be fully aligned.

14th of April 2020 (cseverin): Addressed.

Agency Response The comments above have been incorporated into the project and the focal area section has been expanded upon.

**5. Is the incremental / additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?**

Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): No, the project does not include a description on the incremental reasoning. please provide this

14th of April 2020 (cseverin): Addressed.

Agency Response A narrative is now provided in the incremental cost reasoning section.

**6. Are the project's/program's indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?**

Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Yes, but please make additions and edits as suggested above.

14th of April 2020 (cseverin): Partly addressed. Project does not capture eg the 4400 tons N and P in table B and numerous other comments pertaining to the output in Table B needs to be edited, as previous noted.

15th of April 2020 (cseverin): Addressed

Agency Response

Thank you for your comment. Contributions to the global environmental benefits have been adjusted.

Nitrogen and Phosphorus capture is now included and aligned to the appropriate core indicator.

Benefits to the South China Sea have been specified.

**(4/15/2020) WWF GEF:**

Thank you for this comment, 4,400 tons of nutrient capture has been added to Outcome 3.1. Other comments pertaining to Table B have been addressed.

**7. Is there potential for innovation, sustainability and scaling up in this project?**

Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Yes, the project offers great potential for fostering innovation, sustainability and catalyzing development of the global seaweed sector.

Agency Response Thank you for this comment.

**Project/Program Map and Coordinates**

**Is there a preliminary geo-reference to the project's/program's intended location?**

Secretariat Comment at PIF/Work Program Inclusion

14th of April 2020 (cseverin): Yes

## Agency Response

### Stakeholders

**Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?**

#### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Yes, however, it seems that there during PIF preparation have been limited engagement with local communities and resource users, and that primary focus has been on larger corporations and organisations. For this proposed investment to be successful and sustainable, it is essential to ensure local stakeholder buy in. On the global level the continued dialogue with large global players for continued development on standard setting and development of supply chains, will be essential and hence this could be expanded upon in the section.

14th of April 2020 (cseverin): Addressed.

Agency Response Thank you for your comment. The project will engage closely with local communities and resource users during PPG stage, as well as larger corporations and organizations, to ensure a successful and sustainable investment.

### Gender Equality and Women's Empowerment

**Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?**

#### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Yes

## Agency Response

### Private Sector Engagement

**Is the case made for private sector engagement consistent with the proposed approach?**

#### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Yes

## Agency Response

### Risks to Achieving Project Objectives

**Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?**

#### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Partly, please include the assessment of the degree of the different risks identified. Further, please ensure that the project adhere to the GEF Environment and social safeguard policies.

14th of April 2020 (cseverin): Addressed.

2nd of October 2020 (cseverin): Please provide a more thorough analysis of the potential impacts (both opportunities and constraints) of COVID 19 to the project, both on the short and longer term.

Further, please provide a more substantial Climate Risk Screening. It is understood that this is planned to be undertaken in more detail during project preparation, as according to the "WWF Environmental and Social Safeguards Prescreen for PIF Stage Submissions" uploaded. But there is still opportunity to include more information at this time. Please consult the GEF STAP guidance document on climate risk screening for further inspiration.

21st of October 2020 (cseverin): Addressed

#### Agency Response

An assessment has been completed to indicate the degree of each risk.

Safeguards categorization will take place during PPG stage based on project activities. A short description has been added to the risks section

10/15/2020-

A COVID-19 opportunities and constraints analysis was uploaded as a supporting document. Reference has been added to the Risks section of the PIF.

A Climate Risk Screening has been uploaded as a supporting document.

#### Coordination

**Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined? Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?**

#### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Partly, please add description on the planned M&E structure. Further, please expand on the coordination with GEF financed (and other financiers) investments, the two liens included in the proposal is NOT providing enough details.

Further, it seems that seafdec has been indetified as executing agency, but this section does not reflect on that. Please amend.

14th of April 2020 (cseverin): Please elaborate on M&E structure, inserting a table with detail on foreseen ME structure is standard procedure.

15th of April 2020 (cseverin):Addressed

### Agency Response

Thank you for your comment. The description now includes a description of the M&E structure.

Coordination with GEF and non-GEF financed projects has been expanded upon in the narrative.

The section has been amended to clarify SEAFDEC's role as the lead executing agency.

### **(4/15/2020) WWF GEF:**

Thank you for your comment, the M&E reporting structure has been added to the coordination section.

### **Consistency with National Priorities**

**Has the project/program cited alignment with any of the recipient country's national strategies and plans or reports and assessments under relevant conventions?**

### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Yes

Agency Response Thank you for this comment

### **Knowledge Management**

**Is the proposed "knowledge management (KM) approach" in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project's/program's overall impact and sustainability?**

### Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): Yes

Agency Response Thank you for this comment

## **Environmental and Social Safeguard (ESS)**

**Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?**

Secretariat Comment at PIF/Work Program Inclusion

2nd of October 2020 (cseverin): Yes

Agency Response

### **Part III – Country Endorsements**

**Has the project/program been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF data base?**

Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): No, please provide missing endorsement letter

14th of April 2020 (cseverin): Please provide both LOEs

2nd of October 2020 (cseverin): Please provide both LOEs

21st of October 2020 (cseverin): Please provide both LOEs

27th of October 2020 (cseverin): addressed

Agency Response

The missing letter is forthcoming.

#### **(4/15/2020) WWF GEF:**

Thank you for your comment, the letter of endorsement from Philippines is forthcoming. We are experiencing delays due to COVID-19.

#### **(9/28/2020) WWF GEF:**

Thank you for your comment, the letter of endorsement from Philippines is forthcoming. We are experiencing delays due to COVID-19.

**(10/15/2020)** We are still awaiting the letter from the Philippines. We understand there are health issues with the OFP of the Philippines and we are awaiting for a healthy return-to-office for the letter.

#### **(10/27/2020) WWF GEF:**

Both Letters of Endorsement have been provided.

**Termsheet, reflow table and agency capacity in NGI Projects**

**Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.**

Secretariat Comment at PIF/Work Program Inclusion

NA

Agency Response

**GEFSEC DECISION**

**RECOMMENDATION**

**Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?**

Secretariat Comment at PIF/Work Program Inclusion

1st of April 2020 (cseverin): No, please address above comments and resubmit.

14th of April 2020 (cseverin): No, please address above comments and resubmit ASAP

15th of April 2020 (cseverin): No, Please submit LOEs for participating countries.

2nd of October 2020 (cseverin): No, please address above comments

21st of October 2020 (cseverin): No, Please provide missing LOE

27th of October 2020 (cseverin): Please address comment and resubmit ASAP

27th of October 2020 (cseverin): PIF is recommended for technical clearance.

28th of October 2020 (cseverin): No, please address above comments and resubmit ASAP

**ADDITIONAL COMMENTS**

**Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.**

Secretariat Comment at PIF/Work Program Inclusion

**Review Dates**

**PIF Review**

**Agency Response**

<b>First Review</b>		<b>4/10/2020</b>
<b>Additional Review (as necessary)</b>		<b>4/15/2020</b>
<b>Additional Review (as necessary)</b>		<b>9/28/2020</b>
<b>Additional Review (as necessary)</b>		<b>10/10/2020</b>
<b>Additional Review (as necessary)</b>		<b>10/27/2020</b>

**PIF Recommendation to CEO**

**Brief reasoning for recommendations to CEO for PIF Approval**

The project will work at the global, regional, and national level to strengthen and develop seaweed value chains. The investment will be focused in the South China Sea, and will be aligned with the Strategic Action Plan. More specifically, the project will work in the coastal and marine ecosystems of Viet Nam and Philippines, where the potential for the expansion of seaweed aquaculture and seaweed aquaculture value chains exists. Seaweed farming is growing as a lucrative business in coastal provinces - farmed as a foodstuff and in food processing, as well as cosmetics and medical industries. The livelihoods of the people who live in these coastal areas depend on the quality of water and habitat in these rich marine ecosystems.

Seaweeds can be grown with no external inputs, removing eutrophying nutrients from the water and turning them into valuable protein, oils, green chemical feedstock and a range of industrial products. Producing large volumes of seaweeds for human food, animal feed and additives, pharma & medical, fertilizer and food additives could represent a transformational change in the global food security equation. In 2012, global production of seaweeds was approximately 3 million tons dry weight and growing by 9% per annum. Increasing the growth of seaweed farming up to 14% per year would generate 500 million tons dry weight by 2050, adding about 10% to the world's present supply of food, generating revenues and improving environmental quality.

The project will create new sustainable seaweed value chains that will deliver ecosystem services and provide socioeconomic benefits

Seaweeds farming provides livelihood resilience for communities, ecosystem services for biodiversity enhancement and generates revenues for emerging countries in order to alleviate poverty. Seaweed can be integrated into multi trophic systems which can strengthen economic resilience of coastal communities, all while providing benefits that will stabilize and strengthen the health of the surrounding environment. Furthermore, the proposed investment will be stimulating development of innovative technologies and linking communities to a blue carbon market, whereby they can access credits for engaging in seaweed farming.