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United Nations Development Programme
GLOBAL ENVIRONMENT FACILITY (GEF)



To: Mr. Kenneth King
Assistant Chief Executive Officer
GEF Secretariat

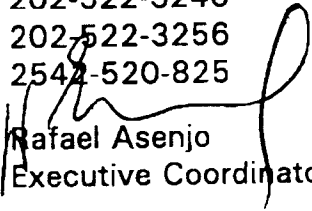
Date: 2 July 1999

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Pages: (18 including this sheet)

From: 
Rafael Asenjo
Executive Coordinator

Subject: PDF A Funding – Conservation of Important Bird Areas in
Madagascar through Community-based Management of Wetlands
Philippines: Biodiversity Conservation and Management of the Bohol
Islands Marine Triangle

Please find attached for your review and comments two PDF Block A requests for funding entitled: **Conservation of Important Bird Areas in Madagascar through Community-based Management of Wetlands and Philippines: Biodiversity Conservation and Management of the Bohol Islands Marine Triangle.**

We would appreciate receiving your comments no later than c.o.b. Friday 9 July 1999.

Thank you.

PM

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PDF A Proposal

PART I - ELIGIBILITY	
1. Project name: <i>Biodiversity Conservation and Management of the Bohol Islands Marine Triangle</i>	2. GEF Implementing Agency: <i>United Nations Development Program (UNDP)</i>
3. Country in which the project is being implemented: <i>The Philippines</i>	4. Country eligibility: <i>The Philippines ratified the Convention on Biodiversity on 8, October, 1993</i>
5. GEF focal area: <i>Biodiversity conservation</i>	6. Operational program/Short-term measure: <i>OP2: Coastal, Marine and Freshwater Ecosystems</i>
7. Project linkage to national priorities, action plans, and programs: <i>This project addresses the priorities of the Philippine National Biodiversity Strategy and Action Plan, the Philippine Marine Policy, the Fisheries Code of the Philippines, and the Philippine Agenda 21. It also complements past and existing Philippine coastal resources management projects, such as the Coastal Environment Program in coordination with the National Integrated Protected Areas System, the Coastal Resource Management Program/USAID, and the Central Visayas Regional Projects I and II. This project also complements regional/international initiatives in which the Philippines is actively participating, such as the Jakarta Mandate on Marine and Coastal Biodiversity under the Convention on Biodiversity, International Coral Reef Initiative, Coastal Zone Environment and Resource Management Project, Association of Southeast Asian Nations Marine Science Program, UNDP/GEF/IMO Regional Program on the Prevention and Management of Marine Pollution in East Asian Seas, the International Protected Seascape System, and IUCN initiatives on conservation of threatened marine mammals.</i>	
8. GEF national operational focal point and date of country endorsement: <i>16 February 1998, by the Department of Environment and Natural Resources (DENR)</i>	
9. Project rationale and objectives: GLOBAL SIGNIFICANCE OF THE BOHOL ISLANDS MARINE TRIANGLE (BMT)¹: 1. Presence of possibly endemic but endangered marine mammals; 4 of the world's 8 species of endangered sea turtles; endangered sea snakes; rare and/or endangered large pelagic fishes like whale sharks, manta, devil and sting rays; rare seashells and seahorses, etc. <i>The BMT's deep sea environments, which range from 32 to 357 m. below mean sea level provide a migratory route for whales, dolphins, and porpoises as well as a habitat for these species and a wide variety of other marine life. Various studies report the presence of 12 of the 20 known species of marine mammals in the Philippines, including the endangered and possibly endemic Bryde's whale (<i>Balaenoptera edeni</i>). The presence of vulnerable and conservation dependent species such as the pygmy killer whale (<i>Feresa attenuata</i>), Pantropical spotted dolphins (<i>Stenella attenuata</i>), sperm whale (<i>Physetor catodon</i>), Fraser's dolphin (<i>Laggenodelphis hosei</i>) and the Spinner dolphin (<i>Stenella longirostris</i>) has also been reported. Studies also report the presence of the possibly rare Melon headed whale (<i>Peponocephala electra</i>). (Philippine Red Data Book, 1997; Perrin, et. al. 1995; Tan, 1995; Alava, et. al. 1993; Leatherwood, et. al. 1992; Gomez, 1998; and Leatherwood and Reeves, 1983).</i> <i>Locals report the presence of 4 of the world's 8 species of sea turtles classified by IUCN as endangered and listed under Appendix 1 of CITES: the green turtle, loggerhead turtle, hawksbill turtle, and leatherback turtle. There are also reports of occasional sightings of the Dugong Dugong dugon classified by IUCN as</i>	

¹ The area of interest for biodiversity conservation within the BMT spans some 1,120 square kilometers and includes the islands of Pamilcan, Balicasag and parts of Pangloa. The area has a total population of 8,000 (1995 census).

endangered or facing extinction (Multisectoral Consultation Report on the BMT, 1997; Phil. Red Data Book, 1997).

*The presence of rare and/or endangered large pelagic fishes like whale sharks, devil, manta and sting rays and various species of seahorses and giant clams has also been reported (White, 1999). The BMT is also known for its wide variety of seashells including such rare shells as the *Conus gloriamaris*, *Cyprea guttata* and *C. Valencia* (Gomez, 1988)*

2. **Generally good to excellent coral reef cover and 400-500 coral reef fishes.** *The BMT also contains extensive coral reef habitats, ranking amongst the top 10 sites in the Philippines and possibly in Southeast Asia. Scientific studies attest to the diversity of coral species, and list some 144 species as occurring (White, 1984 and Gomez, 1988) including such dominant species as *Acropora* spp., the massive *Porites* spp., and huge gorgonians & whip corals measuring 2-5 m wide. About 30 species of *Chaetodontids* are reported (White, 1983) and a recent (conservative) estimate lists 400-500 species of reef fish (White, 1999). Other studies estimate that coral reefs in the Philippines (and possibly in the BMT) may have more 400 species of reef building corals (belonging to 90 genera) compared to about 48 to 70 species in the Caribbean (Maragos, et. al., 1996). Thus, it is of paramount importance that protection be extended to these coral reef ecosystems, especially considering that an estimated 90% of all reef species are small invertebrates which are yet to be discovered (World Conservation Monitoring Center, WCMC).*
3. **Presence of migratory birds.** *The presence of migratory birds such as Chinese Egret, Golden Plover, Little Whimbrel, and the Greenshank has also been reported (Report on the Consultation with Stakeholders of the BMT, 1997).*

THREATS AND IMPLEMENTATION GAPS WITHIN THE BMT:

The principal threats to biodiversity in the BMT stem from destructive fishing practices, including reef blasting and cyanide fishing practiced by subsistence fisherfolk. The harvesting of some species with low fecundity is also a problem. Studies indicate that the most severely impacted species includes the Bryde's whale (whale meat is a local delicacy), and rare and/or endangered large pelagic fishes such as manta rays and whale sharks (White and Savina, 1986). The root causes of these pressures are briefly summarized below. These equate to management gaps that an entry point for incremental conservation measures to secure global environmental benefits

1. **Lack of logistical support and other resources, thereby leading to weak protection against threats from destructive fishing practices.** *A lack of logistical support and basic enforcement and communications infrastructure is reducing the efficacy of legislation and management controls.*
2. **Lack of materials and expertise, weak community participation and inadequate community resource management capacities.** *A lack of information, awareness and management capacities retards community-based conservation and natural resource management. A targeted conservation education drive is needed to impart conservation values to communities and encourage their participation in management.*
3. **Insufficient biodiversity inventory.** *Important gaps in information on the status and distribution of threatened species and habitats serves as a barrier to effective coastal zone/marine conservation.*
4. **Weak institutional coordination.** *There are several isolated, marginal and parallel efforts in the area that demand coordination to ensure synergy in efforts to achieve conservation and sustainable development objectives.*
5. **Lack of alternative livelihoods.** *Fishing provides some 94% of local income. The lack of alternative, conservation-compatible economic livelihoods increases the risks communities face in foregoing destructive resource use practices, and serves as a disincentive to their participation in conservation management.*
6. **Increase in tourism.** *Because of the beauty of the BMT's terrestrial, coastal and marine landscape, tourism has increased. While tourism, if developed as a community based enterprise, can provide an alternative form of livelihood, efforts are needed to manage visitors and contain adverse ecological impacts. At present, eco tourism is not fulfilling its potential as a community based conservation-compatible livelihood alternative owing to a lack of development know-how and management capacities within local communities.*

COMPLEMENTARY PROGRAMS

It is obvious that more needs to be done but future interventions can build on a number of past and present efforts. The scientific, economic, social, and global significance of the BMT has long been recognized and various local, national and international groups are supported interventions in the area. Such efforts are as follows:

1. **Local government regulations.** *The Local Government Units have passed legislation several times establishing 8 marine reserves within the BMT and banning capture of marine mammals.*
2. **Support from scientists and academic institutions.** *A number of recognized scientists and academic institutions such as Silliman University (known for its expertise in the marine sciences) have conducted research on the area. The Silliman University has worked towards establishment of a marine sanctuary in the BMT.*
3. **Classification of the BMT as a Marine Park.** *On account of its global significance, the WCMC has recommended that some 50,000 hectares of the BMT be classified, in accordance with IUCN criteria for protected marine parks, as a marine reserve/marine park similar to the Tubbataha Reefs National Marine Park.*
4. **Alternative livelihood and other community development projects.** *Alternative livelihood projects presently implemented in the BMT range from mangrove rehabilitation, to agroforestry and tourism. For example, the FPE — together with the Keidanren Nature Conservation Fund (Japan) — has been funding a livelihood project involving mangrove reforestation, presently being implemented by the Bohol Integrated Development Foundation. The World Wildlife Fund-Philippines (Kabang Kalikasan ng Pilipinas) is also implementing a community-based whale-watching project within the BMT. The Coastal Resource Management Project-USAID/Manila has also included portions of the BMT as one of its project sites.*
5. **Increasing international interest.** *Earthwatch is also conducting an expedition to the BMT in May 1999.*

PROJECT OBJECTIVES:

The proposed Medium Sized Project, to be jointly funded by the GEF and other funding sources, aims at mitigating threats to the BMT in order to:

1. *ensure the sustainable and effective protection of a representative sample of the BMT ecosystem, thereby ensuring the protection of rare and/or endangered, conservation dependent marine and coastal resources; and*
2. *ensure the equitable and sustainable use of marine resources in the BMT.*

10. Expected outcomes of the Medium Size Project (MSP) and of counterpart:

The proposed project will have the following outcomes within the BMT:

1. *Enhanced protection of endemic, rare and/or endangered species;*
2. *Improved biodiversity inventory as a management tool;*
3. *A Master Plan for the BMT;*
4. *Effective and strengthened monitoring and regulation;*
5. *Strengthened coordination among stakeholders;*
6. *An effective partnership with research and training centers;*
7. *Strengthened community level capacities to conserve biodiversity;*
8. *A viable, more comprehensive and sustainable alternative livelihood program;*
9. *Legislation supporting designation of the BMT as a Protected Seascape under the National Integrated Protected Areas System Act.*

11. Planned activities to achieve outcomes

There are a number of gaps in the programmatic framework for biodiversity conservation, including a need to co-ordinate and better target existing sustainable development baseline interventions. Because it has been serving as a catalyst for multisectoral cooperation, the FPE is well placed to ensure coordination of existing as well as future interventions. Other activities needed to achieve conservation outcomes are as follows:

1. *Developing communications and transport infrastructure needed to ensure effective biodiversity protection;*
 2. *Strengthening the biological inventory for planning and management purposes;*
 3. *Developing a Master Plan for the BMT with broad stakeholder collaboration;*
 4. *Enhancing conservation functions through engagement of local communities in the management process. Activities would include development and application of social fencing strategies to track violations, establishment of appropriate institutional arrangements, and application of mechanisms to prevent resource use conflicts;*
 5. *Training of community leaders and members in participatory conservation methods;*
 6. *Identifying, developing and implementing a viable alternative livelihood program, building on existing baselines (the source of funding for this component will be determined following an assessment of incremental costs)²;*
 7. *Drafting of other needed legislation, lobbying for its passage, and monitoring its enforcement.*
- 12. Stakeholders involved in the project: (see #15)**

PART II – INFORMATION ON BLOCK A PDF ACTIVITIES

13. Activities to be financed by the PDFA:

1. *Visits by community decision-makers to other Coastal Resources Management Project (CRMP) sites in order to document lessons relevant to conservation in the BMT;*
2. *Consultations among stakeholders, including experts and co-financiers;*
3. *Evaluation of different options for ensuring long-term operational sustainability³;*
4. *Preparation of full project brief.*

14. Expected outputs and completion dates:

Expected outputs of those activities to be financed by the PDFA are as follows:

1. *Clarification of project objectives and activities with all critical stakeholders;*
2. *Enhanced coordination among stakeholders arising from the consultations;*
3. *Full Project Brief.*

Expected outputs of those activities co-financed by FPE and its partners are as follows:

1. *Enhanced coordination among stakeholders;*
2. *Memorandum of Agreement (MOA) between FPE and other groups on implementation and co-financing;*
3. *Stakeholders Analysis Report and participatory rapid rural appraisal of areas under threat;*
4. *Problems and Objectives Analysis Report;*
5. *Integrated Report on coastal resources management programs in the Philippines and lessons for possible replication in the BMT;*
6. *Incremental cost estimate;*
7. *Project ideas and concept papers on alternative livelihoods (i.e ecotourism and seagrass farming).*

² The project would complement baseline activities aimed at securing the sustainability of local livelihoods by removing barriers to the introduction and replication of promising alternatives, and demonstrating sound management methods. The viability of different activities will be assessed during project development. At this juncture, the following potential activities have been identified: a.] marine based ecotourism such as scuba diving and snorkeling, dolphin and manta ray watching in which local communities play a major role; and b.] Seaweed (*Eucheuma*) farming in the inner reef flats of Panglao.

³ In the long-term, sustainability will rest on the degree communities perceive biodiversity conservation to coincide with their wider social and economic interests. The project would impart conservation values to communities and structure incentives so as to optimise benefit flows at the local level. Benefits may take the form of:

- a. Increased fish catch and yield in the areas adjacent to marine sanctuaries;
- b. Fees collected for entrance to marine protected areas and shared at the barangay and municipal levels;
- c. Catering of services to tourists (divers, swimmers, kayakers, observers etc.) in the form of transport, food, souvenirs, guide services etc. This is all starting to occur on Olango Island, Cebu, a neighboring island, and a Ramsar Site where similar ventures are set up and run by the communities concerned.

15. Other possible contributors/donors and amounts:

The FPE shall be responsible for coordinating with other organizations that are implementing their own projects within the BMT, as follows (in alphabetical order):

- *Bohol Integrated Development Foundation, an NGO engaged in community-based conservation and social mobilization;*
- *Bureau of Fisheries and Aquatic Resources-Department of Agriculture;*
- *Coastal Resources Management Project, a USAID-funded project covering some portions of the BMT;*
- *Foundation for Sustainable Society, Inc., an NGO providing funds for sustainable livelihood*
- *Kabang Kalikasan ng Pilipinas (WWF- Philippines), an NGO implementing a whale-watching project in one of the three islands of the BMT;*
- *Local Government Units, from the village government to the provincial government;*
- *Philippine Tourism Authority, very active in ecotourism within the area;*
- *Protected Areas and Wildlife Bureau-DENR;*
- *Resort Owners Association, also very active in ecotourism within the area;*
- *Silliman University-Marine Laboratory, one of the best universities in Southeast Asia, conducting various research within the area*
- *Media, other businesses, and academic institutes.*

The counterpart of FPE and its partners mentioned above shall cover the following:

- *project coordination;*
- *drafting of MOA with all sectors/NGOs mentioned above;*
- *additional community organizing;*
- *participatory rapid rural appraisal of areas under threat;*
- *integration of information from all available secondary sources, for a biodiversity inventory;*
- *information, education, communication, and motivation campaign;*
- *technical assistance and expertise before, during and after consultations;*
- *identifying alternative livelihood opportunities.*

16. Total budget and information on how costs will be met (including the PDFA grant, in USD):

ACTIVITIES	FPE	PDFA
1) project coordination	3,000	
2) integration of all available information, for a biodiversity inventory	5,000	
3) community organising	3,000	
4) participatory rapid rural appraisal	3,000	
5) information, education, communication campaign	4,000	
6) technical assistance during consultation and in preparing project brief	5,000	
7) incremental cost estimate	1,000	
8) multisectoral consultations and workshops		11,000
9) site visits to coastal resource management projects		6,000
10) project brief preparation		8,000

PART III - INFORMATION ON THE APPLICANT INSTITUTION**17. Name:**

Foundation for the Philippine Environment (FPE)

18. Date of establishment, membership, and leadership:

January 1992; 25 staff; 11-member Board of Trustees

19. Mandate/terms of reference:

FPE is an NGO that serves as a catalyst for multisectoral cooperation towards community-based, proactive, innovative, responsive, and coordinated biodiversity conservation and sustainable development efforts.

20. Sources of revenue:

Debt-for-nature swap between the Government of the Philippines (GOP) and the U.S. government and a donation from the Bank of Tokyo.

21. Recent activities/programs, in particular those relevant to the GEF:

- *In 1994, while the NGOs for Integrated Protected Areas (NIPA) had not received the first tranche of the grant fund from the WB/GEF for protected areas, six months after grant agreements were signed, FPE provided bridge funding for preparatory activities. (Note: This proposed project for the BMT is not part of that earlier project which is only funding 10 areas; BMT is not located near any of these areas.) At present, FPE, in cooperation with the Ford Foundation, is still providing support to some NIPA project sites.*
- *FPE coordinates the development of a Coordinating Framework for Biodiversity Conservation and Sustainable Development projects being implemented by Philippine-based National Environmental Funds, other NGOs, the DENR, and bilateral and multilateral donor agencies;*
- *FPE manages the project on the Philippine Country Study for the Philippine National Action Plan on Climate Change;*
- *FPE serves as the Focal Point for the GEF-NGO Network for East Asia and the Pacific;*
- *FPE serves as the Contact for National Environmental Funds in Asia-Pacific;*
- *FPE has been managing an environmental endowment fund for Philippine NGOs/POs/communities. As a grant-maker, funds facilitator and a catalyst for multisectoral cooperation, FPE has provided over 266 million pesos (US\$6 million) worth of grants all over the country. FPE also funded preliminary efforts at integrated park management that included management planning and formation of the Protected Area Management Boards, both being critical requirements for incorporation into the National Integrated Protected Areas System (NIPAS). To aim for a strategic impact, FPE conceptualized and developed with various sectors proactive projects that are geared towards expanding, strengthening and consolidating national, regional and community-based biodiversity conservation projects, such as capacity-building, environmental defense, upgrading data gathering, processing, analysis, and information dissemination all over the country, use of radio broadcasting for environmental awareness raising, participation in the formulation of a state policy regulating the scientific and commercial use of Philippine biological and genetic species.*

22. Project Identification Number: PHI/99/G41

23. Implementing Agency Contact Person: Tim Boyle: Regional Coordinator, UNDP/RBAP GEF Unit, Telephone [1 212] 906 6511; Fax: [1 212] 906 5825; email Tim.Boyle@undp.org

23. Project linkage to Implementing Agency program(s):

The UNDP Country Cooperation Framework (CCF) for the Philippines supports components of the Philippine Agenda 21, the country's response to the Earth Summit in 1992. The Philippine Agenda 21 is action-oriented and uses a people-centered and ecosystems-based approach to protect and regenerate the environment, while ensuring synergy between environmental, social, political and economic considerations. The UNDP CCF embodies a clear recognition of the continuing concern for sustainability of the resource base and identified biodiversity and marine environmental management as one of its focal areas for cooperation. The proposed project on the biodiversity conservation and management of the Bohol Marine Triangle will support the Philippine Agenda 21 and will contribute in achieving the objectives of the National Biodiversity Strategy and Action Plan (NBSAP) through improved institutional support mechanisms, stronger protection system against illegal fishing and other threats to the marine resources as well as improved knowledge on alternative livelihood options and public awareness on marine resource protection. The project will be linked-up with existing UNDP programmes and projects that provide alternative livelihood to communities as well as with programmes on capacity-building on environmental management for local governments which include Tagbilaran City in Bohol.

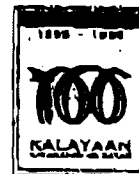
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UNDP MANILA PHILS

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2/13

16 February 1998

MS. SARAH L. TIMPSON
Resident Representative
United Nations Development Programme
NEDA sa Makati Bldg.
Amorsolo St., Legaspi Village
Makati City

Dear Ms. Timpson:

We would like to endorse to the UNDP the proposal of Foundation for Philippine Environment "Community-Based Biodiversity Conservation and Management of the Bohol Islands Marine Triangle" for consideration by the Global Environment Facility under the PDF-A grants assistance programme. The proposed project is eligible under the GEF focal area on biodiversity conservation and falls under the operational program on coastal and marine ecosystems.


The proposed project will address the threats that contributed to the degradation of the 50,000 hectares marine triangle in Bohol Island which serves as a highway of the very high diversity of marine species migrating to and from Indonesia, Malaysia and Papua New Guinea.

The requested PDF-A grants assistance will be used to develop a full project brief for submission to the GEF Medium-Sized Grants Program.

We hope that the proposal merits your approval and endorsement to the GEF Headquarters.

Thank you and best regards.

Very truly yours,


DELFIN J. GANAPIN, JR.
Undersecretary and GEF Focal Point