



GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS* THE GEF/LDCF/SCCF TRUST FUNDS

GEF ID:	4343		
Country/Region:	Regional (China)		
Project Title:	Implementation of the Yellow Sea LME Strategic Action Programme for Adaptive Ecosystem-Based Management		
GEF Agency:	UNDP	GEF Agency Project ID:	4552 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	International Waters
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	IW-2; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$7,562,430
Co-financing:	\$225,881,766	Total Project Cost:	\$233,444,196
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Ivan Zavadsky	Agency Contact Person:	Jose Erez Padilla

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	<p>Yes, both countries China and DRPK are eligible under Instrument. March 16, 2011 (IZavadsky): In the revised PIF the only eligible country is China. Republic of Korea is cooperating country and will not receive any GEF grant.</p> <p>8th of February 2013 (cseverin): PMIS altered so that the project now only features the one country that will receive funds, namely China.</p>	
	2. Has the operational focal point endorsed the project?	<p>The DRPK GEF OFP endorsed the project on Aug 6, 2010. The agency is asked to submit also the China GEF OFP endorsement letter, which is missing. March 16, 2011 (IZavadsky):</p>	

		project, the the China GEF OFF endorsed the project on March 04,2011.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	<p>The agency justified its comparative advantage by UNDP's experience with a broad range of international transboundary water interventions, based on high-level adoption of 11 SAPS, seven of which are currently being implemented and several of which directly address sustainable fisheries management (W/C Pacific, Caspian Sea, Benguela Current LME, Guinea Current LME). UNDP is also presently supporting preparation of several SAPs for which management of shared fisheries has been identified as a priority transboundary issue (Caribbean Sea LME, Humboldt Current LME, Timor-Arafura Sea, Sulu-Celebes Sea LME, Agulhas/Somalia Current LMEs). In addition to support for the establishment of the world's first post UN Fish Stocks conservation and management organization for highly migratory fish stocks, the Western and Central Pacific Fisheries Commission (WCPFC), UNDP has strengthened or established 13 multi-country marine/coastal, river and lake basin management agencies or commissions including the Benguela Current and Guinea Current LME Commission in 2006. The baseline project, namely in China, provides the agency with necessary framework to foster national reforms and budgeted plans to implement the elements of the project, proposed to be co-financed by the national government. However, the commitment of the Agency to these IW issues is not clear since the UNDP</p>	

		<p>address international waters, transboundary cooperation and LMEs management.</p> <p>March 16, 2011 (IZavadsky): The agency, in the revised PIF, provided additional information and clarification towards its commitment towards international waters, transboundary cooperation and LMEs management. The agency made specific reference to Goal 4 of the 2008-2011 Strategic Plan approved by the UNDP Executive Board and commitments therein towards achievement of the MDG and other international goals through cooperation with regional and national partners. This document states the agency's support to countries in water governance and resource management, biodiversity and ecosystem services for development, which are in the center of the project intervention. The comparative advantage of the agency also lies in its holistic cross-sectoral approach to human development. Furthermore, the agency's avoidance of a single sector (e.g. fisheries or agriculture) focus in its key policy document is actually considered as a positive characteristic of this document towards inclusive, multi-stakeholder, cross-sectoral, ecosystem-based approach to sustainable managing marine ecosystems. The earlier comment was addressed in a satisfactory manner.</p>	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	N.A.	
	5. Does the project fit into the Agency's program and staff capacity in the	Yes, this regional project will establish an YSLME SAP Implementation	

		experiences and good implementation practices from the previous GEF funded TDA/SAP project, which brought forward the high level of countries commitment and co-financing to this SAP implementation project. In addition the agency regional GEF coordinating office and country offices would bring added value to the capacity of the YSLME SAP Implementation Facility to deliver the project results.	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	N.A.	
	• the focal area allocation?	Yes.	
	• the LDCF under the principle of equitable access	N.A.	
	• the SCCF (Adaptation or Technology Transfer)?	N.A.	
	• Nagoya Protocol Investment Fund		
	• focal area set-aside?	N.A.	
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	Yes, the project fully corresponds with the GEF 5 IW Objective 2 and would directly contribute to Obj. 2 outcomes and outputs, as stated in the GEF 5 IW results framework. The project focuses on the implementation of the YSLME SAP, endorsed by the YS countries, and which is anchored on ecosystem-based approaches to the management of the YSLME. The proposed creation of the YSLME Commission will address the need for multi-lateral institutions and programmes of action to enhance fish	

		<p>the FAO Code of Conduct for Responsible Fisheries, engage the fishing and mariculture industries in sustainable management solutions. Innovative measures to reduce nutrient loads will be undertaken, the project will utilize ecosystem-based approaches and adaptive management schemes to manage transboundary water problems. The potential impacts of, and adaptation to climate change will be embedded in the management actions directed towards ecosystem carrying capacity as the central theme of the project. The project will also deliver additional outcomes such as enhanced public awareness, strengthened stakeholder capacity to carry out actions, and institutional sustainability that ensures the SAP and the Commission will be self-sufficient in the long-term. Involvement of all coastal countries in the YS, will contribute to regional environment management, as well as regional peace and stability.</p>	
	<p>8. Are the relevant GEF 5 focal/multifocal areas/LDCF/SCCF/NPIF objectives identified?</p>	<p>Yes, the project is fully aligned with the GEF 5 IW Objective 2 "Catalyze multi-state cooperation to rebuild marine fisheries and reduce pollution of coasts and Large Marine Ecosystems (LMEs) while considering climatic variability and change".</p>	
	<p>9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?</p>	<p>Yes, the SAP approval by the countries and development of National SAPs demonstrates their commitment to improve the management of the YS ecosystem. Targets listed in the SAP are and will be included in the nationally-approved plans that apply to the entire country (e.g. a 30% reduction</p>	

		<p>The Chinese National SAP is expected to be included in the next 5 year national development plan and the ROK National SAP will be implemented within the national framework.</p>	
	<p>10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?</p>	<p>Yes, the establishment of the YSLME Commission will improve the governance of the YSLME and will support the technical management actions enhancing the environmental status of the Yellow Sea. The countries will continue to operate the Inter-Ministry Co-ordinating Committees in order to better harmonise policies and communication between the various government agencies for effective SAP implementation. The YSLME SAP Implementation Facility will co-ordinate the interactions and linkages among scientific research, ecosystem-based management, legislation and policy-making in all participating countries to ensure that the YS continues to provide ecosystem services to the countries and the region.</p>	
<p>Project Design</p>	<p>11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?</p>	<p>Yes, particularly in China, the baseline UNDP WRM project, which supports the UNDAF for China (2011-20015), will strengthen policy and implementation mechanisms to manage natural resources, and will enhance China's response to regional issues. In addition, in all three participating countries (RoK as cooperating one not receiving GEF funds) the baseline activities address the key activities, processes and stress reduction measures ant national scale laying fundamentals for YSLME SAP implementation anf for meeting regionally adopted targets to</p>	

		<p>10% nutrient pollution from the YS coastal countries every 5 years. March 16, 2011 (IZavadsky): The revised PIF added the agency contribution to the baseline project via UNDP's Ocean Governance Programme.</p>	
	<p>12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?</p>		
	<p>13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?</p>	<p>Yes, since the Yellow Sea represents a marine environmental resource under at least 3 national jurisdictions GEF involvement is critical in overcoming the geopolitical complexities and potential conflict among resource users in the Yellow Sea, through the YSLME SAP Implementation Facility, that is the only body capable of coordinating the implementation of the SAP. The full participation of DPRK in this project ensures the engagement of all the Yellow Sea coastal states in the management of their shared transboundary issues and problems and these costs are therefore considered to be almost entirely incremental. Benefits will result from the inclusion of a new partner will accrue in terms of expanded regional and international marine conservation and management efforts in the Yellow Sea. GEF assistance in the institutional, policy and management reforms will move the process from the business-as-usual approach to integrated management across sectors and national boundaries. The adoption of internally-accented procedures and practice in</p>	

		<p>major contribution of the GEF in building regional cooperation particularly among the three countries. GEF funding will be catalytic in generating the substantial co-financing from the riparian countries as in the case of the vessel-buy-back actions in China and ROK which require regional cooperation and would not proceed from unilateral action. Managing to improve ecosystem carrying capacity will be a novel process for the region to engage in, and there is an urgent need to move the region's perception of marine environmental management in this direction. The use of GEF resources together with national financial commitments will also support the sharing of experiences and lessons-learned on national and regional scales, ultimately aimed at increasing the replication potential of the project impacts.</p>	
	<p>14. Is the project framework sound and sufficiently clear?</p>	<p>Yes, the project interventions are organised around four logical components with clearly defined expected outcomes and outputs accompanied by measurable targets of improving policy frameworks, reducing key stresses to the YSLME ecosystem and to put regional cooperation and management of the LME resources on sound, evidence based sustainable management platform, including regional inter-governmental institution.</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>Yes, according to the TDA's findings and SAP's targets and measures adopted thereof, the global environmental benefits, expected to be achieved by the</p>	

		behind them.	
	<p>16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/additional benefits?</p>	<p>Yes, Socioeconomic benefits for the target communities in the three riparian countries will be realized through improvement of the incomes of fishermen in the medium to the long-term as overfishing is effectively addressed through the vessel buy-back schemes. Alternative livelihoods will be provided primarily to displaced fishermen to soften the impacts of the buy-back scheme. The integrated multi-trophic aquaculture (IMTA) will improve production and incomes. Substantive economic valuation activities are planned to assess the economic benefits of the management actions identified in the YSLME SAP. Gender will be mainstreamed in this project through the active engagement of women to optimize the impacts of the interventions, e.g. in component 2 the contribution of women in household income will guide the provision of alternative livelihoods and the development and implementation of IMTA. Also the role of women will be harnessed in formulating procedures to control and remove marine litter at demonstration sites, in recognition of the role of women in managing household waste that could find its way in coastal waters. The project will seek and engage women experts in constituting the local, national and regional scientific committees and in the project management team.</p>	

	<p>17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?</p>	<p>Yes, socioeconomic benefits for the target communities in the three riparian countries will be realized through improvement of the incomes of fishermen in the medium to the long-term as overfishing is effectively addressed through the vessel buy-back schemes. Alternative livelihoods will be provided primarily to displaced fishermen to soften the impacts of the buy-back scheme. The integrated multi-trophic aquaculture (IMTA) will improve production and incomes. Substantive economic valuation activities are planned to assess the economic benefits of the management actions identified in the YSLME SAP. Gender will be mainstreamed in this project through the active engagement of women to optimize the impacts of the interventions, e.g. in component 2 the contribution of women in household income will guide the provision of alternative livelihoods and the development and implementation of IMTA. In component 3, the role of women will be harnessed in formulating procedures to control and remove marine litter at demonstration sites, in recognition of the role of women in managing household waste that could find its way in coastal waters. The project will seek and engage women experts in constituting the local, national and regional scientific committees and in the project management team</p>	
	<p>18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation</p>	<p>Yes, the potential risks were identified, including CC and mitigation measures were proposed.</p>	

	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	Yes, the project design envisaged coordination and collaboration with all key regional initiatives, programmes or inter-governmental procedures in order to ensure synergy with other GEF and non-GEF interventions in the region, including NGOs.	
	20. Is the project implementation/ execution arrangement adequate?	Yes, the project would strongly benefit from the implementation/execution arrangements developed and successfully deployed in the previous GEF intervention on TDA/SAP formulation. The proposed YSLME SAP Implementation Facility would not only benefit from that good practice but is also foreseen as a model for other SAP implementation arrangements in other East Asia Seas LMEs.	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	23. Is funding level for project management cost appropriate?	Yes, the project management costs are appropriate to the size and type of project intervention, the ratio of co-financing with GEF funded project management cost is 5:1.	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?		
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	April 6, 2011(AD): The co-financing seems unbalanced. We understand new information exists on co-financing from China. The PIF	

		<p>clearly outline (1) the Co-financing from both countries and UNDP and (2) what is intended to be funded that will improve the situation of the YSLME. Without this, the project is not recommended for work program inclusion.</p> <p>May 25, 2011 (IZ): The co-financing still needs more clarification and dialogue between the GEF SEC and the agency to distinct the co-financing from parallel financing in line with the GEF policy on co-financing (GEF/C.20/6/Rev.1).</p> <p>8th of February 2013 (cseverin): Co-financing issues has been clarified.</p>	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	<p>Yes, although the co-financing bringing to the project by the Agency makes only part of the baseline project cost, the impact of project activities at national scale and in other basins that are draining to Yellow Sea would foster the necessary national reforms and actions to reduce pollution release and overall improved water resources management.</p> <p>March 16, 2011 (IZavadsky): The revised PIF added the agency contribution to the baseline project via UNDP's Ocean Governance Programme.</p>	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAD?	N A	

	<ul style="list-style-type: none"> • Council comments? 		
	<ul style="list-style-type: none"> • Other GEF Agencies? 	N.A.	
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	<p>No. The PM would recommend to CEO the clearance of the PIF if the agency would submit the missing LoE from China GEF OFP and if the Agency would provide documentation in key UNDP policy/planning documents for mainstreaming of international waters agenda into its regular programmes.</p> <p>April 06, 2011 (AD): The project is not recommended for work program inclusion. Co-financing seems unbalanced. We understand new information exists on co-financing from China. The PIF should be revised with an annex to clearly outline (1) the Co-financing from both countries and UNDP and (2) what is intended to be funded that will improve the situation of the YSLME.</p> <p>May 25, 2011 (IZ): The PIF is not yet recommended for Work Programme inclusion. The co-financing still needs more clarification and dialogue between the GEF SEC and the agency to distinct the co-financing from parallel financing in line with the GEF policy on co-financing (GEF/C.20/6/Rev.1).</p> <p>8th of February 2013 (cseverin): The PIF is recommended for Work Programme inclusion, under the parent programme (Reducing Pollution and Rebuilding Degraded Marine Resources in the East Asian Seas through Implementation of Intergovernmental</p>	

		that has already been approved by Council back in November 2012.	
	31. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*		
	Additional review (as necessary)		
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* This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	
	2. Is itemized budget justified?	
Secretariat Recommendation	3. Is PPG approval being recommended?	
	4. Other comments	
Review Date (s)	First review*	
	Additional review (as necessary)	

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