



REQUEST FOR CEO ENDORSEMENT¹

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

PART I: PROJECT INFORMATION

Project Title: Coastal Resources for Sustainable Development: Mainstreaming the Application of Marine Spatial Planning Strategies, Biodiversity Conservation and Sustainable Use			
Country(ies):	Vietnam	GEF Project ID: ²	4659
GEF Agency(ies):	WB (select) (select)	GEF Agency Project ID:	P124702
Other Executing Partner(s):	Vietnam Ministry of Agriculture and Rural Development (MARD)	Submission Date:	
GEF Focal Area (s):	Multifocal Area	Project Duration(Months)	60
Name of Parent Program (if applicable): For SFM/REDD+ <input type="checkbox"/>	Scaling Up Partnership Investments for Sustainable Development of the Large Marine Ecosystems of East Asia and their Coasts	Agency Fee (\$):	520,000

A. FOCAL AREA STRATEGY FRAMEWORK³

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
(select) BD-1	1.1: Improved management effectiveness of existing and new protected areas. Indicator 1.1: Protected area management effectiveness score as recorded by Management Effectiveness Tracking Tool. (GEF \$1,750,000; Co-financing \$25,839,071)	1.1. New protected areas (3-5) and coverage (50,000) of unprotected ecosystems. 1.2. New protected areas (1-2) and coverage (50,000) of unprotected threatened species (1-2).	GEF TF	1,750,000	25,839,071
(select) BD-2	2.1: Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation. Indicator 2.1: Landscapes and seascapes certified by internationally or nationally recognized environmental standards that incorporate biodiversity considerations (e.g. FSC, MSC) measured in hectares and recorded by GEF tracking tool. (GEF \$875,000; Co-financing \$8,986,976)	2.1. Policies and regulatory frameworks (3-5) for production sectors. 2.2. National and sub-national land-use plans (2-3) that incorporate biodiversity and ecosystem services valuation. 2.3. Certified production landscapes and seascapes (50,000 hectares).	GEF TF	1,750,000	17,973,953

¹ It is important to consult the GEF Preparation Guidelines when completing this template

² Project ID number will be assigned by GEFSEC.

³ Refer to the [Focal Area/LDCF/SCCF Results Framework](#) when filling up the table in item A.

	<p>2.2: Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks.</p> <p>Indicator 2.2: Polices and regulations governing sectoral activities that integrate biodiversity conservation as recorded by the GEF tracking tool as a score.</p> <p>(GEF \$875,000; Co-financing \$8,986,976)</p>				
IW-2 (select)	<p>2.3: Innovative solutions implemented for reduced pollution, rebuilding or protecting fish stocks with rights-based management, ICM, habitat (blue forest) restoration/conservation, and port management and produce measurable results</p> <p>Indicator 2.3: Measurable results for reducing land-based pollution, habitat, and sustainable fisheries from local demonstrations (GEF \$3,000,000; Co-financing \$61,786,976)</p>	<p>2.2: National and local policy/legal/institutional reforms adopted/implemented</p> <p>2.3: Types of technologies and measures implemented in local demonstrations and investments</p>	GEF TF	3,000,000	61,786,976
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)	Others		(select)		
Subtotal				6,500,000	105,600,000
Project management cost ⁴			GEF TF		12,300,000
Total project costs				6,500,000	117,900,000

B. PROJECT FRAMEWORK

⁴ GEF will finance management cost that is solely linked to GEF financing of the project. PMC should be charged proportionately to focal areas based on focal area project grant amount.

**Project Objective:
to improve the sustainable management of coastal fisheries in the project provinces.**

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Confirmed Cofinancing (\$)
Component A: Institutional capacity strengthening for sustainable fisheries management (BD-1 and 2 and IW-2; PEMSEA SDS-SEA "Sustain" Objectives 1-3)	TA	<p>A.1 Inter-sectoral Planning for Coastal Areas</p> <p>A.2 Upgrading of Vietnam Fisheries Database (Vnfishbase) System</p> <p>A.3 Conducting Selected Policy Research</p> <p>A.4 Enhanced awareness, information management and sharing of experiences</p>	<p>A.1 Inter-sectoral planning and strategic environmental assessments carried out in the Project Provinces for sustainable fisheries management</p> <p>A.2 Vnfishbase system upgraded with: (a) provision of additional information and linkage with other fisheries databases of the ministry; (b) development of a knowledge management system; (c) provision of essential infrastructure; and (d) development of human resources</p> <p>A.3 Selected research carried out to contribute to the development of the Fisheries Master Plan to 2020</p> <p>A.4 Learning and information exchange through IW:LEARN activities: Establishment of project website following IW:LEARN guidelines, participation in GEF IW biennial conferences, and sharing of experiences. At least 2 Experience Notes produced.</p> <p>See Annex A for result indicators and target values.</p>	GEF TF	1,500,000	5,300,000
Component B: Good practices for a	TA	B. 1 Improved Bio-Security Management	B.1 Bio-security management improved	GEF TF	0	48,100,000

sustainable aquaculture		<p>B. 2 Improved Seed Quality Management</p> <p>B. 3 Improved Environmental Management</p>	<p>with: (a) upgrading of rural infrastructure schemes in selected major farming communities; (b) provision of technical training for farmers on Good Aquaculture Practices (“GAP”) application, including establishment of on-farm GAP demonstration sites; (c) provision of technical equipment, training, and operating costs for disease diagnostics, surveillance, early reporting, and outbreak containments for selected provincial and district extension centers and sub-departments of animal health/aquaculture; and (d) provision of technical assistance for GAP certification, capacity building, and technical monitoring; and (e) diversification of culture species and farming systems.</p> <p>B.2 Seed quality management improved with: (a) upgrading of public bio-security infrastructure for selected hatchery areas; (b) introduction and implementation of a hatchery standardization program; (c) studies on hatchery planning; (d) establishment of dedicated and bio-secure shrimp hatchery areas which are designated to use only domesticated and Specific Pathogen Free</p>			
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			<p>(SPF) broodstock; and (e) support for MARD research institutes to carry out an initial research program on domestication and breeding improvement</p> <p>B.3 Improved environmental management with: (a) strengthening the capacity of the Department of Natural Resources and Environment (“DONRE”) in the Project Provinces to conduct regular risk-based water quality monitoring programs, including provision of additional technical equipment, training and financing of incremental operating costs; and (b) disseminating data and results from monitoring activities to local authorities and the public</p> <p>See Annex A for result indicators and target values.</p>			
<p>Component C: Sustainable management of near-shore capture fisheries (BD-1, 2, and IW-2; PEMSEA SDS-SEA "Sustain" Objectives 1-3)</p>	TA	<p>C.1 Co-Management of Near-Shore Capture Fisheries, including conservation of marine biological diversity and sustainable, equitable fisheries for coastal communities</p> <p>C.2 Rehabilitation of fishing ports and landing sites</p>	<p>C.1 Co-management of near-shore capture fisheries among government authorities and fishing communities in selected districts and communes with: (a) provision of support for local fishing communities to prepare and implement co-management plans; (b) strengthening of the monitoring, control, and surveillance systems of MARD and</p>	GEF TF	5,000,000	52,200,000

			<p>the Project Provinces; and (c) provision of support in developing selected basic infrastructure for local ethnic minority and/or poor fishing communities to improve their livelihoods. Through (a) and (b), the project will also support establishment of locally-managed marine areas with functional zoning for biodiversity conservation, fisheries resource protection and recovery, and the equitable sharing of benefits; and Fisheries Improvement Plan(s) for the nearshore fisheries sector including: (i) MSC pre-assessments conducted; (ii) best practices solution model(s) developed including bycatch best practices and catch documentation schemes; and (iii) improved market access for best practice fisheries</p> <p>See Annex A for result indicators and target values</p> <p>C.2 Hygienic conditions and operational efficiency improved in selected fishing ports and landing sites, including: (a) rehabilitation and/or upgrading of fishing ports and landing sites; and (b) training, capacity building, and</p>			
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			development of management plans to improve the operational efficiency of the rehabilitated/upgraded sites.			
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
Subtotal					6,500,000	105,600,000
Project management Cost ⁵				GEF TF		12,300,000
Total project costs					6500000	117900000

C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount (\$)
Other Multilateral Agency (ies)	IDA	Soft Loan	100,000,000
National Government	Ministry of Agriculture and Rural Development	Grant	11,700,000
Private Sector	Local Sources of Borrowing	In-Kind	6,200,000
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
Total Co-financing			117,900,000

D. GEF/LDCF/SCCF/NPIF RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in \$)		
				Grant Amount (a)	Agency Fee (b) ²	Total c=a+b
World Bank	GEF TF	Biodiversity	Vietnam	3,500,000	280,000	3,780,000
World Bank	GEF TF	International Waters	Vietnam	3,000,000	240,000	3,240,000
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0

⁵ Same as footnote #4.

Total Grant Resources	6,500,000	520,000	7,020,000
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E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Estimated Person Weeks	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
Local consultants*	1,800.00	900,000	5,550,000	6,450,000
International consultants*	140.00	875,000	175,000	1,050,000
Total		1,775,000	5,725,000	7,500,000

* Details to be provided in Annex C.

F. PROJECT MANAGEMENT COST

Cost Items	Total Estimated Person Weeks/Months	Grant Amount (\$)	Co-financing (\$)	Project Total (\$)
Local consultants*	0.00	0	4,220,000	4,220,000
International consultants*	0.00	0	0	0
Office facilities, equipment, vehicles and communications*		0	1,490,000	1,490,000
Travel*		0	3,020,000	3,020,000
Others**	Incremental Operating Costs	0	3,570,000	3,570,000
		0		0
Total		0	12,300,000	12,300,000

* Details to be provided in Annex C.

** For others, to be clearly specified by overwriting fields *(1) and *(2).

G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No

(If non-grant instruments are used, provide in Annex E an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

H. DESCRIBE THE BUDGETED M & E PLAN:

Monitoring and evaluation (M&E) activities are envisaged across the various sub-components and are designed to provide the information necessary to manage the project effectively and to assess project impact. Monitoring arrangements for the project will be established in line with the Aligned Monitoring Tool (AMT) established by the Ministry of Planning and Investment (MPI), as well as the GEF Biodiversity and IW Tracking Tools, including evaluation tools such as the World Bank-WWF "MPA Scorecard". In the Project Coordination Unit (PCU) and each of the Provincial Project Management Units (PPMUs), at least one M&E staff will be appointed to consolidate information from the components and prepare a quarterly report that would be disseminated and discussed among key stakeholders at the provincial level. Independent M&E consultants will also be recruited to assist the PCU and PPMUs in setting up and handling M&E activities in accordance with Decision 803/2007/QD-BKH dated July 30, 2007 of MPI. Intended results, results indicators and arrangements for results monitoring are specified in the Results Framework. For details, see Annex 1 of Project Appraisal Document. The total cost of these M&E activities is estimated at US\$0.6 million, of which IDA would finance 100%. An impact evaluation exercise will also be financed, specifically focusing on the co-management of near-shore fisheries --component C1 - financed by the GEF.

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1.1. The [GEF focal area/LDCF/SCCF strategies/NPIF Initiative](#):

This project is a partially blended World Bank/GEF investment project that is an important portion of the strategic World Bank/GEF program (Scaling Up Partnership Investments for Sustainable Development of the Large Marine Ecosystems of East Asia and their Coasts(GEF Program ID: 4635) aimed at supporting the commitments made by PEMSEA Country Partners. Specifically, this project implements the Blue Agenda by addressing the overexploitation of fisheries through improvements in governance of marine and coastal resources based ICM and ecosystem based management. In addition, this project will make relevant contributions to the knowledge sharing platform of PEMSEA and to another related World Bank/GEF project (Applying Knowledge Management to Scale up Partnership Investments for Sustainable Development Large Marine Ecosystems of East Asia and their Coasts).

Also, the project is specifically aligned with the goals of the GEF Biodiversity focal area, namely the conservation and sustainable use of biodiversity and the maintenance of ecosystem goods and services, and as well as with the goals of the GEF International Waters focal area, which aims for the promotion of collective management for transboundary water systems and subsequent implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services. Specifically, the project is aligned with Biodiversity Strategic Objective 1 (BD-1): Improve Sustainability of Protected Areas Systems; and Biodiversity Strategic Objective 2 (BD-2): Mainstream Biodiversity Conservation and Sustainable Use into Production Landscapes/Seascapes and Sectors. The consistency with BD-1 is reflected by the project's overarching goal of improving the sustainability of the protected area system by addressing key gaps (e.g. ecosystem and species coverage); by applying underutilized tools (e.g. harvest refugia areas and local co-management) that hold promise for significantly increasing the extent of protection coverage; and by implementing a more strategic and coordinated approach to protected area establishment and the sustainable management of marine resources (marine management areas). There is similarly mutual alignment with BD-2 as indicated by the focus on mainstreaming the application of marine spatial planning strategies, biodiversity conservation and sustainable use into fisheries management and planning, including mainstreaming the use of fisheries refugia and habitat protection in parallel with local co-management frameworks.

The project is furthermore consistent with the GEF International Waters Strategic 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. Several project activities and outcomes are specifically aimed at developing and promoting innovative approaches for protecting (and rebuilding) fish stocks and their habitats, at key sites for near-shore fisheries, including reducing impacts from destructive fisheries, supporting capacity reduction, strengthening enforcement and regulations, supporting community rights-based management, and developing infrastructure. The project will comply with the annual GEF IW and Biodiversity tracking tool submissions.

A.1.2. For projects funded from LDCF/SCCF: the LDCF/SCCF eligibility criteria and priorities:

N/A

A.1.3 For projects funded from NPIF, relevant eligibility criteria and priorities of the Fund:

N/A

A.2. National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NIPs, PRSPs, NPFE, etc.:

The project is strategically aligned with various objectives contained in the National Action Plan on Biodiversity, particularly Objective 1b: “To increase the total area of wetlands and marine reserves of national and international importance to over 1.2 million hectares” as well as various components of Objective 1d (Sustainable Use of Marine Resources), including building and developing models of sustainable use of biological natural resources; strengthening state management capacity on biodiversity, and; completing a system of mechanisms, policies and legal documents on biodiversity.

The project will also support Vietnam’s Fisheries Development Strategy through 2020 approved by the Prime

Minister on September 16, 2010 (Decision No. 1690/2100/QĐ-TTĐ), which re-orientes the development of the fisheries sector to focus more on product quality and sustainable growth, and is also consistent with aspects of the Development Strategy such as applying spatial planning to fisheries management, promoting fisheries improvement through market-based approaches, reducing bycatch and applying fisheries refugia.

This project will be synergetic with the regional project Platform for the Large Marine Ecosystems of East Asia – Scaling up through Country Partnership, which addresses threats and priority actions identified by Southeast Asian countries (as identified in the Manila Declaration). The Project is contributing to the SDS-SEA targets by promoting a number of approaches that assist in establishing an ICM approach in Vietnam. By improving the application of integrated coastal management as related to fisheries overexploitation and sustainable use in the coastal zone, and by sharing of experiences and learning of successful examples through new knowledge management systems, this project will be effectively optimized with this larger strategy and regional program.

B. PROJECT OVERVIEW:

B.1. Describe the baseline project and the problem that it seeks to address:

This project is a GEF/IDA partially blended project, and the objective of the project is to improve the management of coastal fisheries in support of sustainable fisheries in selected coastal provinces of Vietnam. The IDA financing focuses on more short-term economic benefits, while the GEF financing focuses on global environmental benefits. By including a selected number (8) Provinces – namely Nghe An, Thanh Hoa, Ha Tinh, Binh Dinh, Phu Yen, Khanh Hoa, Soc Trang, and Ca Mau - from 3 representatives regional clusters (Mekong, South-Central, North-Central) that are major players in Vietnam's capture fisheries and aquaculture sub-sectors, the project will contribute to the broader goal of supporting coastal livelihoods as well as the viability and competitiveness of the fisheries sector at the national level, thus contributing to longer term national sustainable socio-economic development goals.

The project's objectives will be met through four interrelated components: (i) The first component will be aimed at institutional capacity strengthening for sustainable resources management in support of fisheries. This component is intended to contribute to the further translation of national policies into effective implementation and transformative changes, and to improved resource and sector wide planning. The main activities will be mapping and economic analytical work, applying intergrating spatial planning and resource mapping to fisheries planning (including co-management areas applied to fisheries and habitat protection), the development and implementation of selected policies and plans, and database development for environmental and natural resources management. These activities in Integrated Planning for Sustainable Coastal Fisheries management are consistent with Degree 92/2006/NĐ-CP and Degree 04/2008/NĐ-CP on approval and with the management of Master Plan on Socio-Economics development in provinces; Degree 25/2009/NĐ-CP on integrated management of natural resources and environment management of sea and islands; Degree 33/2010/NĐ-CP on fishing operations of organisations and individuals on Vietnamese sea water; and Degree 65/2010NĐ-CP on guidance on implementation the Biodiversity Law. By providing the necessary planning and mapping tools for comprehensive assessment and protection, these activities will provide the initial key phase of a long-term sustainable investment project; (ii) The second component will promote sustainable aquaculture practices through upgrading and scaling up of good practices, related infrastructure, and management of risks and diseases; (iii) The third component will promote sustainable near-shore capture fisheries by strengthening enforcement and monitoring capacity, promoting community right-based management at key sites, establishing managed areas for habitat protection, species recovery and sustainable nearshore fisheries management at selected co-management sites, implementing Fisheries Improvement Plans(s) for selected fisheries, reducing destructive fishing and bycatch while promoting more environmentally responsible fisheries, addressing pollution, facilitating alternative livelihoods outside capture fisheries, and developing infrastructure to reduce vulnerability to natural disasters; (iv) The fourth component will be project management activities to support implementation of the activities described above.

Issues to be addressed by the baseline project: Vietnam's coastline is over 3,200 long and includes more than 20 distinct ecosystem types including coral reefs, sea grasses, mangroves, inland marshes, estuaries, coastal lagoons, dunes, and beaches. Many of these ecosystems are regionally unique in their oceanographic properties. At the species and habitat level, Vietnam is a reservoir of diversity, home to over 11,000 known species. The marine and

coastal resources derived from this biodiversity base provide some of Vietnam's most important renewable natural assets, and indeed for Vietnam's 28 coastal provinces marine fisheries and aquaculture accounts for the largest share of income and employment. However, these resources are under increasing pressure from the nation's impressive development, with the abundance and richness of marine species steadily declining and marine habitats increasingly being degraded or lost. The fallout of these impacts on marine resources and marine biodiversity are numerous and serious. Indicators that marine biodiversity is in decline are widespread. Twenty-five percent of Vietnam's coral reefs are classified as being "at very high risk" from degradation and habitat loss—the highest rate of more than 10 countries surveyed in Southeast Asia. Sea grass beds are similarly declining, threatening the livelihoods of the communities who depend upon them. Mangrove forests, central to the biodiversity of marine and estuarine ecosystems as a natural nursery for a wide range of finfish and shellfish, have declined from 400,000 ha in 1943 to 59,760 ha in 2008. Marine turtle populations have declined dramatically from the cumulative impacts of fisheries bycatch, coastal development and directed harvesting. Looking to the future, there is every likelihood that the pressure on marine and coastal resources will continue to rise, with coastal populations expected to rise (in line with the population of Vietnam which will grow by tens of millions of persons in the next decades), and with national and provincial plans that continue to put a high premium on maximizing production outputs.

In addition to the threats to all marine species, the deterioration of Vietnam's coastal resources specifically threatens the long-term viability of the fishery sector. Fish populations are declining throughout the entirety of Vietnam's coastal areas, leading to economic hardships for millions. Coastal pollution and overfishing are reducing the ability of the fishery sector to provide food security and livelihoods.

Overall, the approach to marine biodiversity conservation interventions in response to such challenges has tended to be opportunistic and independent rather than strategic and coordinated. One main issue is the current inadequate level of protection for Vietnam's marine and coastal areas, which is insufficient to capture the biological importance and ensure the sustainable use of marine biological diversity - especially given the increasing pressures from development and associated declines in species abundance and richness and the incremental degradation or loss of marine habitats. Moreover, conservation and sustainability tools, including tools for mainstreaming sustainable use of biodiversity in fisheries management, have been of limited scope, underutilized and/or poorly implemented. For example, while Vietnam has made notable progress in developing a marine protected areas (MPAs) network plan and establishing individual MPAs, to date there has been relatively less attention paid to their application in biodiversity conservation or sustainable fisheries management. Moreover, the "MPA" program in Vietnam refers to a very specific model of management and administrative process including the formal establishment of a management board at the Provincial level. Experience has shown that the average MPA under the Vietnam MPA Network program requires 5 years of planning and upwards of 1 million U.S dollars per site. While these MPAs are important, the entire MPA Network plan is limited to 16 proposed sites (representing less than 1% of EEZ), and is clearly insufficient to address broader protection needs in the marine realm. Yet despite these limitations, the urgency of developing individual MPAs may be driving poorly-informed decisions, with the end result being that Vietnam's network of protected areas in marine and coastal ecosystems will not meet optimum levels of biodiversity conservation or long-term economic (i.e., sustainable use) effectiveness.

The application of fisheries-based criteria in biodiversity conservation and sustainable use has likewise been limited. Very few fully protected and limited use areas exist, whether under the MPA Network sites or other designations. However a variety of tools and approaches proven in other regional geographies hold promise for Vietnam, including Locally Managed Marine Areas (LMMA) and similar locally-based designations. Moreover, there are existing precedents for effective locally-based planning, zoning, regulation and enforcement in marine areas. The Project activities on co-management thus provides the necessary and enabling pathway and capacity for realizing this promise and achieving sustainable results on the stated fisheries and biodiversity objectives. Under a co-management regime, fully protected and/or limited harvest areas can be established to increase recruitment, reduce habitat impacts and/or protect key spawning areas. Zoning can also be applied to address user conflicts as well as establish community fishing areas, providing additional incentives for protection and ensuring more equitable sharing of benefits. Fisheries refugia can also be applied to integrate fisheries management goals with habitat protection. Through the previous GEF-UNEP project "Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand", a short list of potential spawning and nursery areas for possible fisheries refugia designation has been identified, together with guidelines for fisheries refugia establishment and strategies

for addressing documented barriers (accessible via IW:LEARN documentation).

Similar challenges and implementation gaps are being faced in the actualization of relevant national actions plans and strategies. For example, although National Plans of Action have been developed for marine turtles and dugongs, these have yet to demonstrably reduce impacts on these Red-listed species. Similarly, the application of eco-certification and Fisheries Improvement Plan (FIP) planning approaches that engage the community and private sector in developing fisheries best practices, including bycatch best practices, have received some recent attention; however, there remains important opportunities for scaling up and mainstreaming, especially considering the initial success with MSC (i.e. Ben Tre clam certification, the first MSC certified fishery in SE Asia) and the strong potential (and private sector interest) related to FIPs. And while the importance of an ecosystem-based approach has been increasingly recognized in marine and coastal programs and plans (and highlighted in the National Biodiversity Strategy), there are very few real examples where such an approach has altered the production-based models that typify planning and management in the marine realm. Under Project activities these gaps can also be meaningfully addressed, including the protection of Red-listed species, the recovery of critical habitat, and the development of best practice solution models for local nearshore fisheries.

B. 2. [Incremental /Additional cost reasoning](#): describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated [global environmental benefits](#) (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

The baseline scenario is that continued limited effectiveness, applicability and/or under-utilization of marine spatial management and marine species protection, the lack of integrated planning in marine and coastal ecosystems, the lack of mainstreaming of biological conservation and sustainable use in marine fisheries, the lack of effective monitoring in the coastal zone, and poorly developed knowledge management systems, will lead to continued degradation of biological diversity, polluted seas, and unsustainable use of marine and coastal resources and thus seriously hampering the ability of the broader CRSD framework of meeting its targets.

By strengthening institutional capacity for sustainable resources management in support of fisheries; by supporting the improved understanding of ecosystems through better information collection and management; by enabling the broad implementation of community-based management frameworks; by protecting or rehabilitating critical habitats and protecting marine species of special concern; by optimizing its approach with parallel efforts to implement innovative measures in the production sector (such as technical gear transfer to reduce bycatch and the use of market-based incentives including Fisheries Improvement Plans that provide a step-by-step framework for fisheries improvement linked to eco-certification criteria) to improve fishing practices; by developing local capacity for effective protected area management and their long-term sustainable financing; by accelerating capacity for monitoring and evaluating key biological and sustainability indicators, and; by providing reference points for developing and testing strategies for co-management, job diversification and capacity reduction, the IDA-GEF Project will address these shortcomings of the baseline scenario.

The rationale for the GEF Project is therefore to address the barriers and implementation gaps described above through supporting key biodiversity conservation, sustainable use, and fisheries resources objectives under an integrated and mutually reinforcing IDA-GEF-GoV co-financed project framework, providing not only an ideal platform for delivering global environmental benefits and meeting key GEF focal area objectives and COP priorities but also ensuring that the broader CRSD framework meets its targets related to marine biodiversity conservation and sustainable use of fish stocks. Furthermore, the IDA-GEF-GoV project will provide a crucial delivery mechanism for meeting the objectives of the Strategic Platform or Partnership for the East Asian Seas LMEs, providing regional synergies on habitat protection, community-based management of fish stocks, and knowledge management (and therefore delivering on GEF-5 Strategic Objectives for International Waters (IW), in particular Objectives 2 and 3).

B.3. Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF). As a background information, read [Mainstreaming Gender at the GEF.](#):

The socioeconomic benefits to communities derived from the project include an increase in the number of

fisheries benefiting from more sustainable management, including improved product sustainability, better quality seafood, improved product technologies, preferential sourcing and enhanced access to niche markets. Equity benefits will also arise from the mainstreaming of co-management and rights-based measures in the marine and coastal resource sector. The project's support for participatory co-management is also expected to have positive benefits on local economies. Activities supported by the project will also have a positive impact on ethnic minority communities, including improving coastal fisheries management and thereby sustaining local livelihoods. In the short to medium term the project will furthermore assist the delivery of existing and planned job diversification and livelihood strategies (including infrastructure development) in coastal regions, thus improving overall enabling economic environment for coastal communities.

In line with the CPS' Gender Agenda, every project financed by the Bank is required to apply a gender lens to take advantage of opportunities to bring equal benefits to women and to enhance their participation in activity design, implementation, and monitoring throughout the project life. Gender analysis will be done as soon as the project starts to further understand the role of men and women in the project's targeted fishing communities. This analysis will be done to understand existing livelihoods of fishing households, and their fishing activities in relation to project activities from a gender perspective. The analysis will explore opportunities and constraints to the participation of men and women (with an emphasis on women) in project activities, thereby exploring ways to promote the participation of women throughout project cycle. This gender mainstreaming effort will be implemented to promote gender equality in accordance with the Country Partnership Strategy for Vietnam (FY12-16). The findings from the gender analysis and the social assessment will be used to design a plan of action that promotes women's participation in project activities with an overarching objective of improving the livelihoods of fishing communities while enabling sustainable coastal resource management. In doing this, the project will also explore collaboration opportunities with other donors and governmental agencies, such as MOLISA, and non-governmental organizations to maximize the participation of women in the project.

B.4 Indicate risks, including climate change risks that might prevent the project objectives from being achieved, and if possible, propose measures that address these risks to be further developed during the project design:

The overall project risk is 'Substantial', with all risk categories, except Program and Donor, rated substantial (see Risk Ratings Summary).

Risk Ratings Summary

Stakeholder	S	Design	S
Country	S	Social and Environmental	S
Sector and Multi-Sector	S	Program and Donor	L
Capacity	S	Implementation and Sustainability	S
Governance	S	Other (Optional)	
Fraud and Corruption	S	Other (Optional)	
Overall Preparation Risk	S	Overall Implementation Risk	S

Several key risks and issues have been identified, including, at sector level, (i) the lack of coordination among the planning authorities over coastal land use; (ii) short to medium-term socio-economic risks from the current national policy on fishing capacity reduction (mainly small-scale vessels), which will negatively affect large numbers of poor fisher families; (iii) tensions over the aspirations for resource sustainability on the one hand, and, on the other hand, increasing raw material demands by the seafood industry resulting from

high national targets for fisheries production as well as over-capacity in the sector (vessels, processing facilities); (iv) the difficulty of promoting widespread alternative income opportunities for fishers; (v) long-term risks to coastal infrastructure due to potential sea level rise.

The CRSD project includes a comprehensive Operational Risk Assessment Framework (ORAF) which highlights risk management techniques that may be applied to address the above risks. Included in the ORAF are measures for optimizing inter-governmental cooperation, such as capacity building activities in project design, and training and experience sharing workshops. Furthermore, a responsibility matrix will be provided in the Operational Manual with a description of TOR for each agency. The project includes safeguard measures to address potential negative economic impacts on poor fisher families derived from capacity reduction efforts and/or fisheries refugia establishment (i.e. loss of fishing access or opportunity). These measures specifically include alternative livelihood opportunities at the project level, demand-based vocational training to fishers' spouses and children, as well as finance for new public infrastructure where appropriate to support local emerging livelihoods activities and generate additional incomes. In addition to standard M&E and reporting, the project will include local monitoring and evaluation criteria for fisheries refugia management which track a variety of local level socio-economic and governance indicators to identify instances of income reduction resulting from management measures and to gauge the success of associated alternative income programmes.

No climate change risks are anticipated with the project; indeed the project is expected to complement GOV's development goals to improve the resilience of coastal zones to climate change.

B.5. Identify key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable:

Together with the Departments of Agriculture and Rural Development (DARDs), the Vietnam Administration of Seas and Islands, Environment Administration under MONRE and DONREs in eight selected provinces (including Thanh Hoa, Nghe An, Ha Tinh, Binh Dinh, Phu Yen, Khanh Hoa, Soc Trang and Ca Mau) will take part and play important roles during project implementation, especially in guiding the provinces in regards to coastal use zoning, spatial management planning, reviewing the status of coastal ecosystem and biodiversity functions, reviewing regulations on biodiversity, preparing reports on the resilience of coastal resources and ecosystems to climate change, conducting strategic environmental assessments and monitoring the implementation of Environment Laws in GAP areas. The National Steering Committee and Provincial Steering Committee will be established with the participation of relevant ministries to provide guidance for project implementation.

In addition to MARD and other essential government agencies (particularly the Vietnam Administration of Seas and Islands under MONRE), private industry and civil society are expected to play an important role. The Vietnam National Association of Fisheries (VINAFIS) and the Vietnam Association of Seafood Exporters and Processors (VASEP) as well as several fishing companies (buyers, exporters etc.) throughout the supply chain, have already indicated strong support for this project and their continued involvement buy-in will be crucial to success. National research organizations such as RIMF and NIO are expected to play a key role, particularly in technical data provision and input on resource and biodiversity assessment and protected area planning. Women's Union groups, and NGOs (WWF) are also on-board and this should ensure that all stakeholders are properly consulted and represented in the decision-making process.

B.6. Explain how cost-effectiveness is reflected in the project design:

The project design reflects a number of lessons from the implementation of Bank and donor-supported projects in the fisheries sector in Vietnam and experience from other countries. These lessons include those related to co-management, aquaculture practices, and integrated spatial planning. Incorporating these lessons into the project design will contribute to ensuring that proposed activities are cost-effective and securing the smooth implementation of the project.

Co-management. One of the important lessons learned from fisheries resource management is that devolution of resource management to local fishing communities will give them a direct incentive to manage the resources. A

close cooperation between the Government and the local fishing communities through co-management arrangements is essential to achieve sustainable fisheries management. To allow fisheries co-management to operate successfully, it is necessary to establish fishing community associations and provide them necessary support to ensure their survival and sustainable operation. If fishers and fishing communities are adequately involved in developing regulations, co-management can build ownership and lead to effective implementation of the governance structure.

Good aquaculture practices (GAP). High incidence of disease and adverse environmental impacts associated with rapid expansion and intensification of aquaculture can be managed by the application of good aquaculture practices (GAP). Shrimp health management is strongly linked with other aspects of shrimp farming sustainability and the application of better management practices (BMP) or GAP. Enhancement of seed quality and improved stocking practices, pond management and bio-security during production are also important.

Integrated spatial planning (ISP). Integrated spatial planning (ISP) has been used increasingly over the past few years as a practical tool to manage both conflicts and compatibilities in the use of marine and coastal resources. This concept was first introduced by UNESCO in 2006, and is similar to the coastal zone management concept that has been piloted in many places in Vietnam through donor supported projects.

Other lessons from Vietnam projects. Past experience from Bank operations in Vietnam shows that decentralization to the provincial level in implementation and procedural approval enhances ownership at local levels (province, district and commune) and improves project implementation and the pace of disbursement. In addition, to avoid slow project start-up in the initial years, technical designs and draft bidding documents for the first year works packages have been prepared prior to Credit negotiations.

B.7. Outline the coordination with other related initiatives:

The project is fully consistent with the national priorities of the government, and has been formulated based on the National Strategy on Development of the Fisheries Sector till 2020, approved by the Prime Minister through Decision No 1690/QĐ-TTg on September 16th 2010. This project will be implemented with the view to contributing to the relevant targets in the aforementioned Strategy, particularly as related to Major Solution 5 on Environmental Protection, wherein objectives include to “integrate environmental issues in the planning process of ...fisheries by sector”, to “strictly implement procedures of seasonal fishing and prohibit exploitation...in breeding season”, and “strictly forbid the use of destructive fisheries (methods)”. The National Strategy further aims to “develop a system of marine protected areas and...conservation zones” (Development Orientation 1b).

This project will also build on the lessons learned from various GEF-supported initiatives in Vietnam and regionally related to marine and coastal management, namely the GEF-UNEP “Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand” (see B1 above), GEF-UNDP “Marine Biological Conservation and Sustainable Use in the Con Dao Islands Region” and the “Hon Mun Marine Protected Area Pilot Project” under GEF-World Bank, DANIDA and IUCN. Direct programmatic links will be made with the DANIDA-supported “Livelihoods and MPAs (LMPA) Project” under MARD, by building upon the improved capacity at the provincial and district levels for planning, managing and evaluating MPAs for biodiversity conservation, species protection and sustainable local fisheries. The project is also designed to optimize its approach and add value to the GEF project “West Pacific East Asia Oceanic Fisheries Management” project implemented by UNDP in association with the Western and Central Pacific Fisheries Commission.

This project will be synergetic with the regional project Platform for the Large Marine Ecosystems of East Asia – Scaling up through Country Partnership, which addresses threats and priority actions identified by Southeast Asian countries (as identified in the Manila Declaration). The Project is contributing to the SDS-SEA targets by promoting a number of approaches that assist in establishing an ICM approach in Vietnam. By improving the application of integrated coastal management as related to fisheries overexploitation and sustainable use in the coastal zone, and by sharing of experiences and learning of successful examples through new knowledge management systems, this project will be effectively optimized with this larger strategy and regional program.

C. GEF AGENCY INFORMATION:

C.1 Confirm the co-financing amount the GEF agency brings to the project:
US\$100.00M

C.2 How does the project fit into the GEF agency's program (reflected in documents such as UNDAF, CAS, etc.) and staff capacity in the country to follow up project implementation:

The project is consistent with the CPS' goal of creating and sustaining opportunities for development with increased attention to natural resources management (Pillar II). By contributing to improved product quality and reduced physical losses, it will also contribute to the CPS' agenda for competitiveness (Pillar I). By assisting vulnerable fisher households, the project will make a contribution to the CPS' agenda on poverty reduction and economic opportunity (Pillar III). The project will serve to complement other Bank instruments, including sectoral investment loans (SILs) focusing on water resources management and disaster risk management, and the programmatic climate change development policy loan (DPL) series.

The main strategy and approach for implementation support to reduce the identified risks include capacity building for implementing agencies, enhancement of project governance, and diligent project monitoring and supervision, especially in the initial period of project implementation. IDA's implementation support plan for the project consists of scheduled supervision and implementation support missions, site visits, and fiduciary compliance reviews. During the course of project implementation, the Bank's task team will be available (most of them are located within the country) to discuss and assist the implementation agencies when required. International technical assistance, through the FAO-CP, in the aquaculture and fisheries fields will be maintained in IDA's missions to ensure the technical quality of project implementation as well as support for broader strategic issues in the sector. For details, see Annex 5: Implementation Support Plan in the Project Appraisal Document.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. INSTITUTIONAL ARRANGEMENT:

The GEF implementing agency of this project is the World Bank. In Vietnam, the project implementing agencies will be the Ministry of Agriculture and Rural Development (MARD) and the eight project provinces, namely Ca Mau and Soc Trang (Mekong Delta Cluster), Khanh Hoa, Phu Yen, and Binh Dinh (South Central Cluster), and Ha Tinh, Nghe An, and Thanh Hoa (North Central Cluster).

B. PROJECT IMPLEMENTATION ARRANGEMENT:

Section IV-A and Annex 3 of the PAD provide detailed information on project implementation arrangement

The project will be implemented in 8 provinces: Ca Mau and Soc Trang (Mekong Delta Cluster); Khanh Hoa, Phu Yen, and Binh Dinh (South Central Cluster); and Ha Tinh, Nghe An, and Thanh Hoa (North Central Cluster). The project implementing agencies will be MARD and the PPCs of the eight project provinces.

Central Level. MARD is the central Line Agency responsible for overall project implementation. A Central Steering Committee (CSC), chaired by a leader of MARD, have been established under MARD to provide technical and policy guidance for the project.

The Project Coordination Unit (PCU), established within MARD, is the key implementing agency at the central level, responsible for: (a) providing guidance and support to Provincial Project Management Units (PPMUs) in project implementation and management; (b) developing and maintaining a sound Project accounting system; (c) handling International Competitive Bidding (ICB) packages, selection of international consultants, and other procurement matters as the case may be; and (d) monitoring the quality of project implementation, safeguards compliance, and impact for reporting to MARD and IDA.

Provincial Level. The Provincial People's Committee (PPC) is the provincial Line Agency responsible for project implementation at the provincial and local levels. A Provincial Steering Committee (PSC), chaired by the Vice Chair of the PPC, have been established to provide technical and policy guidance to the PPMU on project implementation in the

Province.

The Provincial Project Management Unit (PPMU), established under the Department of Agriculture and Rural Development (DARD) of the project province, is the key project implementing agency at the provincial level, responsible for: (a) preparing project plans and reports; (b) handling procurement activities; (c) preparing and submitting evaluation reports for approval; (d) maintaining a sound accounting system for the project, satisfactory to IDA; (e) monitoring the quality of project implementation and safeguards compliance; and (f) coordinating with selected districts and communes to carry out planned activities.

The organizational structure for implementation is presented in Figure 1 of the PAD. Detailed project implementation arrangements are presented in Annex 3 of the PAD.

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF

The project design is fully aligned with and part of a single agency program framework approved by the GEF Council in November 2011.

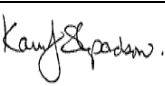
PART V: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

- A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S):** (Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this template. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Dr Nguyen Van Tai	Director General ISPONERE	MONRE	05/25/2012

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Karin Shepardson Program Manager, ENVGC World Bank			Jiang Ru	202-473-8677	jru@worldbank.org

ANNEX A: PROJECT RESULTS FRAMEWORK AND MONITORING

Project Development Objective (PDO): The PDO is to improve the sustainable management of coastal fisheries in the project provinces.

PDO Level Results Indicators*	Core Indic.	Unit of Measure	Baseline	Cumulative Target Values**					Frequency	Data Source/ Methodology	Responsibility for Data Collection	Description (indicator definition etc.)
				YR 1	YR 2	YR3	YR 4	YR5				
Indicator One: Increase in the proportion of farms meeting national standards for water effluent following the adoption of Good Aquaculture Practices.	-	%	0	5	10	20	40	50	Annual	Yearly survey reports	PCU and PPMUs	Calculated Cumulatively
Indicator Two: Reduction in shrimp disease losses in the production areas applying Good Aquaculture Practices.	-	%	0	0	5	10	15	20	Annual	Yearly survey reports	PCU, PPMUs, extension officers	Calculated cumulatively
Indicator Three: Increase in the proportion of areas in which sustainable Near-Shore fisheries resource management systems are applied.	-	%	0	0	10	20	40	50	Annual	Yearly survey reports	PCU, PPMUs, DECAFIREP	Calculated cumulatively
INTERMEDIATE RESULTS												
Intermediate Results (Component A): Institutional capacity strengthening for sustainable fisheries management												
1. Percent of Project Provinces and their respective Districts and Communes receiving training in inter-sectoral planning.	-	%	0	20	40	60	80	100	Annual	Consolidated yearly reports	PCU and PPMUs	Cumulative
2. Number of Project Provinces having provincial inter-sectoral planning teams established.	-	Number of provinces	0	2	4	8	8	8	Annual	Consolidated yearly reports	PCU and PPMUs	Cumulative
3. Number of studies carried out at national and provincial levels in support of the Fisheries Master Plan to 2020.	-	Number of studies	0	2	4	8	12	12	Annual	Consolidated yearly reports	PCU and PPMUs	Cumulative
4. Number of Project Provinces having the fisheries database system upgraded and fully operational.	-	Number of provinces	0	0	2	4	6	8	Annual	Consolidated yearly reports	PCU and PPMUs	Cumulative

PDO Level Results Indicators*	Core Indic.	Unit of Measure	Baseline	Cumulative Target Values**					Frequency	Data Source/ Methodology	Responsibility for Data Collection	Description (indicator definition etc.)
				YR 1	YR 2	YR3	YR 4	YR5				
Intermediate Results (Component B): Good practices for sustainable aquaculture												
1. Number of farmers receiving training in Good Aquaculture Practices.	-	Number of farmers	0	1,000	2,000	5,000	10,000	20,000	Annual	Consolidated yearly reports	PCU, PPMUs, extension officers	Cumulative
2. Number of hatcheries operating at bio-security standards.	-	Number of hatcheries	0	0	0	10	15	20	Annual	Consolidated yearly reports	PCU, PPMUs, extension officers	Cumulative
3. Percentage of farms in targeted areas using certified and/or quality seeds.	-	%	25	25	30	35	40	50	Annual	Consolidated yearly reports	PCU, PPMUs, extension officers	Calculated cumulatively
4. Number of provincial agencies in charge of aquatic animal disease management strengthened in disease diagnostic, surveillance, and early reporting.	-	Number of agencies	0	0	0	4	6	8	Annual	Consolidated yearly reports	PCU, PPMUs, extension officers	Cumulative
5. Percentage of farms in targeted areas accessing and/or using appropriate water and/or waste management systems.	-	%	< 10	0	10	20	40	50	Annual	Consolidated yearly reports	PCU, PPMUs, extension officers	Calculated cumulatively
Intermediate Results (Component C): Sustainable management of near-shore capture fisheries												
1. Number of Districts having co-management for Near-Shore capture fisheries successfully adopted and carried out.	-	Number of districts	0	0	2	4	8	16	Annual	Yearly survey reports	PCU, PPMUs, DECAFIREP	Cumulative
2. Number of hectares of high bio-diversity areas and important natural habitats in which co-management successfully carried out.	-	Ha	0	0	0	10,000	20,000	30,000	Annual	Yearly survey reports	PCU, PPMUs, DECAFIREP	Cumulative
3. Number of District monitoring, control and surveillance field stations established, adequately staffed, and fully operational.	-	Number of stations	0	0	2	4	8	16	Annual	Consolidated yearly reports	PCU, PPMUs, DECAFIREP	Calculated cumulatively
4. Number of fishing ports and landing sites operating with improved hygiene conditions and handling practices.	-	Number of ports/landing sites	0	0	1	3	6	16	Annual	Consolidated yearly reports	PCU, PPMUs,	Cumulative

PDO Level Results Indicators*	Core Indic.	Unit of Measure	Baseline	Cumulative Target Values**					Frequency	Data Source/ Methodology	Responsibility for Data Collection	Description (indicator definition etc.)
				YR 1	YR 2	YR3	YR 4	YR5				
Intermediate Results (Component D): Project management, monitoring and evaluation												
1. Number of Project Provinces having satisfactory performance in Project management and monitoring & evaluation.	-	Number of provinces	0	1	4	5	6	6	Annual	Yearly survey reports	PCU, PPMUs,	Cumulative

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

N/A. The project is part of a single agency program framework approved by the GEF Council in November 2011.

ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT USING GEF/LDCF/SCCF/NPIF RESOURCES

<i>Position Titles</i>	<i>\$/ Person Week*</i>	<i>Estimated Person Weeks**</i>	<i>Tasks To Be Performed</i>
For Project Management			
Local			
International			
Justification for travel, if any:			
For Technical Assistance			
Local			
Eight (08) Local consultants on fisheries co-management (in 8 project provinces)	500	1,800	Assisting the PPMUs in working with local fishers in some 140 selected fishing communities to facilitate them to prepare and implement co-management plans and take part in data collection for Impact Evaluation.
International			
One consultant for assistance in integrated spatial planning for coastal areas	6,250	12	Assisting the PPMUs in conducting integrated coastal zoning and spatial planning for all coastal districts in the project provinces through field surveys and consultations with and participation from different concerned sectors and stakeholders to provide the basis for the formulation of sustainable planning for coastal aquaculture and marine capture fisheries in the project area.
One biodiversity consultant	6250	48	Assisting in preparing and implementing biodiversity conservation/fisheries improvement plans as part of co-management plans.
Team of consultants for designing and implementing Impact Evaluation.	6,250	80	Assisting in the design and implementation of the Impact Evaluation Initiative for the project, focusing on co-management.

Justification for travel, if any:			

* Provide dollar rate per person week. ** Total person weeks needed to carry out the tasks.

ANNEX D: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS

A. EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.

N/A

B. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:

N/A

C. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMENTATION STATUS IN THE TABLE BELOW:

<i>Project Preparation Activities Approved</i>	<i>Implementation Status</i>	<i>GEF/LDCF/SCCF/NPIF Amount (\$)</i>				<i>Cofinancing (\$)</i>
		<i>Amount Approved</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>	<i>Uncommitted Amount*</i>	
N/A	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
Total		0	0	0	0	0

* Any uncommitted amounts should be returned to the GEF Trust Fund. This is not a physical transfer of money, but achieved through reporting and netting out from disbursement request to Trustee. Please indicate expected date of refund transaction to Trustee.

ANNEX E: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/NPIF Trust Fund or to your Agency (and/or revolving fund that will be set up)

N/A

Annex 1

Vietnam Coastal Resources for Sustainable Development – GEF P124702

The Utilization of Marine Management Areas for BD-1 Focal Area:

- In Vietnam, the legal definition of an MPA refers to a very specific model of management and administrative processes including the formal establishment of a management board at the Provincial level. Experience has shown that the average MPA under the Vietnam MPA Network program requires 5 years of planning and upwards of \$US 1 million per site. While these MPAs are important, the entire MPA Network plan is limited to 16 proposed sites (representing less than 1% of EEZ), and is clearly insufficient to address broader protection needs in the marine realm.
- Considering the limitations of MPAs in Vietnam, the CRSD proposes to utilize Locally Managed Marine Areas (LMMAs) – technically a type of MPA.
- Under co-management frameworks these "LMMAs" would essentially use local/district regulations to establish the controls, zoning etc. as the LMMA requires. These could also be developed as "TURFs" (protection with territorial use) or perhaps a "Co-managed Marine Area" with clear protection objectives in the management plan, as a means to increase the biodiversity protection coverage in CRSD provinces.
- There are already precedents in Vietnam of co-managed areas with protection regimes mandated under local laws and regulations. This suits the overall approach of decentralized decision-making, simplified management and recognizing too that districts are generally more innovative and engaged than the province, and more still than national level.
- Co-managed LMMAs provides the necessary and enabling pathway and capacity for realizing sustainable results on the stated fisheries and biodiversity objectives. Under a co-management regime, fully protected and/or limited harvest areas can be established to increase recruitment, reduce habitat impacts and/or protect key spawning areas. Zoning can also be applied to address user conflicts as well as establish community fishing areas, providing additional incentives for protection and ensuring more equitable sharing of benefits.
- In terms of results indicators, the LMMAs would apply the same evaluation tools as MPAs (i.e. WWF-World Bank MPA Track Tools and standard management evaluation guidelines like “How is Your MPA Doing?”)

Annex 2

Vietnam Coastal Resources for Sustainable Development – GEF P124702 Preliminary identification and analysis of candidate Locally Managed Marine Areas (LMMA) for BD-1 Focal Area

This Annex presents the possible candidates of locally management areas that could be selected for the GEF financing. During project implementation, additional surveys will be carried out and cross-checked with commune/district priorities and additional or new sites could be proposed. These five (05) sites comprise a total marine area of 65,000 - 75,000 ha, and have been identified through review of past studies and surveys as well as consultation with CRSD consultants (FAO) in 2011.

1) Hon Me - Thanh Hoa Province

Total proposed (marine) area: approx. 10,000 ha
Ecosystem Represented: Coral Reef
Vietnam management category: Proposed II – Nature Reserve (IUCN Category VIII); MPA
District(s): Tinh Gia

Location: Hon Me Archipelago area is located in the coastal area of Tinh Gia District, in the southeast of Thanh Hoa Province and falls within the coordinates: 105°51'18'' to 105°56'30'' E and 19°19'12'' to 19°23'18''. Located 11 kilometers from Nghi Son Harbor, the Hon Me area of interest consists of one large island (Hon Me) and eight smaller islands or islets.

Values and Rationale: Historically characterized by high biodiversity and species richness. A wide variety of marine habitats distributed around the islands including coral reefs, submerged banks, rock beds, sandy substrate, cobble, and gravel grounds. This region is a source area for fish and shellfish larvae and supports breeding and spawning of marine fishes.

A total of 141 species of zoobenthonic spp., 133 phytoplankton spp., 56 species of coral, 55 species of coral reef fish (including 11 new species to Viet Nam), and 46 species of zooplankton, have been documented. Zoobenthic species of high economic value - such as sea cucumber, crab, lobster and abalone are found, but these are being depleted by over-exploitation.

Coral reefs are distributed over an extensive area, but coral cover has decreased to less than 25%, impacted by illegal fishing (dynamite, cyanide and small mesh gillnets), overfishing and coastal development (i.e. sedimentation) exacerbated by climatic events (i.e. coral bleaching). In addition to the larger economically important fish, *Pomacentridae* (clownfish, damselfish) and *Holocentridae* (squirrelfish) support local subsistence fisheries and a limited local trade network (food fish and aquarium trade). These families of fish are also under threat from the cumulative impacts of overharvesting, climate change, ocean acidification and the marine aquarium trade. An oil refinery in Nghi Son is also planned to begin construction in 2013.

Hon Me is one of the 16 priority areas under the Vietnam MPA Network; however, substantial efforts for MPA establishment at this site have not commenced.

2) Quy Nhon Group - Binh Dinh Province

Total proposed marine area: 10,000 – 15,000 ha
Ecosystem Represented: Coral Reef, Seagrass, Coastal Lagoon,
Vietnam management category: (Partially) Proposed III – Managed Nature Reserve (IUCN

Category VIII)
District(s): Nhon Chau, Nhon Ly, Nhon Hai, Ghenh Rang

Location: The Qui Nhon group consists of an interconnected area covering Nhon Chau, Nhon Ly, Nhon Hai and Ghenh Rang districts, abutting Qui Nhon city in Binh Dinh Province.

Values and Rationale: The Quy Nhon group has been identified for its strong fisheries resource and biodiversity values, including ecosystem restoration and protection of endangered species. Biodiversity values include coral reefs and a turtle reserve in Nhon Hai Commune (IUCN have been involved in sea turtle awareness and conservation projects).

A comparative advantage is that a fisheries co-management group pre-established and trained. There is also a reef survey completed and past trialing of alternative livelihoods in the form of seaweed production. A solid waste management plan is in use. The lobster seed fishery is also reasonably well organized and patrolled. The main threats in this region include dynamite fishing, cyanide and bottom trawling. Ornamental coral trade remains an issue, and recently a local titanium extraction trade has emerged in Nhon Hai, further threatening sea turtle nesting sites and interesting habitat.

3) Cu Mong Lagoon – Phu Yen Province

Total proposed marine area: 3,000 – 5,000 ha
Ecosystem Represented: Coastal Lagoon, Seagrass
Vietnam management category: Proposed III - Managed Nature Reserve (IUCN Category VI – Resource Reserve)
District(s): Song Cau

Location: Cu Mong Lagoon region is 3,000 square kilometers of lagoon ecosystem located in the northern part of Song Cau District, Phu Yen Province.

Values and Rationale: This lagoon has been consistently identified as having a high potential for habitat protection as a representative coastal wetland of central Vietnam, including as a National Biodiversity Action Plan priority wetland area. Seagrass beds cover a large area (200 ha), and provide important spawning and nursery area for marine organisms. Economically important species include 22 crustaceans, eight mollusks, and two echinoderms. This lagoon is a breeding ground of the shrimp species *Penaeus merguensis*. There is a high diversity of economically important shrimp species throughout the lagoon. Fish production ranges from the lagoon ranges from 70 – 150 tons per year but with small size groups and a low value.

There is presently insufficient capacity to protect the lagoon and the area has become degraded by over-exploitation and irrational, un-planned, low-benefit aquaculture. Mangroves have been cut for shrimp pond development and have nearly disappeared. The lagoon has not been designated a protected area, although there have been past proposals to develop it as a Habitat/Species Management Area.

4) O Loan Lagoon – Phu Yen

Total proposed marine area: approx. 3,000 ha
Ecosystem Represented: Coastal Lagoon
Vietnam management category: Proposed III - Managed Nature Reserve (IUCN Category VI – Resource Reserve)
District(s): Tuy An

Location: O Loan Lagoon is in Tuy An District, 30 km north of Tuy Hoa town. The area of the lagoon is 1,650 ha and has a maximum depth of 2 m. The proposed protected area is mentioned in the wetlands list of the Vietnam BAP. Resource utilization has been managed by the Tuy An District government.

Values and Rationale: Identified for potential habitat rehabilitation, restoration and protection of bivalve life-cycles. Seagrass beds have been observed with in a small area of about 10 ha. Mai Nha Island is located near the lagoon mouth and is surrounded by coral reefs and has an attractive landscape. Past surveys have focused on economic species and there are records of 30 species of seaweed, 16 molluscs, and 20 crustaceans. The most important economic activity is shrimp production with the main species being *Penaeus monodon*, *P. merguensis*, and *Metapenaeus ensis*.

Commercial fisheries values include groupers, crabs and most importantly blood cockle clams (which are highly valued and nationally famous). There is no specific unit to protect the lagoon, which has been exploited with limited planning. The ecosystem has been seriously degraded by pollution and waste from shrimp ponds. Living resources have also been over-exploited. According to local fishermen, blood cockle production has steadily since 1990s, traced to the fast growth in the fish farming area surrounding the lagoon, along with the use of water treatment chemicals and sewage in the farming process. Over-exploitation of cockles of all sizes led to steady deterioration, although renewed recovery efforts in the past few years have had some qualified success.

5) Cau Mau/Dat Mui Nature Reserve - Ca Mau

Total proposed marine area: 30,000 ha
Ecosystem Represented: Mangroves, Tidal Flats
Vietnam management category: II- Nature Reserve, III-Managed Nature Reserve (IUCN Category IV– Managed Nature Reserve)
District(s): Ngoc Hien and Cai Nuoc

Location: 30,000 ha area comprising a remnant of a former large area of mangrove and associated mud flats covering the tip of Ca Mau Peninsula, the small gulf at the mouth of the Song Bai Hop River, and wet grasslands to the north.

Values and Rationale: Arguably the largest and best stands of mangrove left in Vietnam with a high species richness. The mangrove forest is very important for wildlife, especially birds - 26 resident waterfowl have been recorded as well as rare and threatened species. At least two to three new breeding colonies of large waterfowl have been established in adjacent wetlands. The extensive tidal flats are important staging and wintering areas for large numbers of migratory birds, and are a very important nursery ground, especially for shrimp. The Dat Mui Mangrove Forest is listed in the Directory of Asian Wetlands among "the most seriously threatened wetlands in Asia".

Tens of thousands of hectares of mangrove forests that once covered the entire southern part of the Ca Mau Peninsula have been cleared for the construction of shrimp ponds. This has greatly diminished the natural rich biodiversity in the area. Additionally, illegal exploitation of mangrove for wood supplies and charcoal manufacture still occurs. Some hunting also occurs in the area and is particularly threatening to waterfowl utilizing the wetlands.

Co-management interventions may focus on rehabilitation/protection of mangroves, protection of fish/shellfish nursery areas and possibly livelihood opportunities around local fisheries (the mangrove wild shrimp fishery has been identified in past scoping exercises for possible community-based Fisheries Improvement Planning process).

6) Other sites (TBD)

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