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***Reversing Environmental Degradation Trends
in the
South China Sea and Gulf of Thailand***

REPORT

Ninth Meeting of the Regional Scientific and Technical Committee

Hue, Viet Nam, 20th – 22nd August 2008



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Table of Contents

1. OPENING OF THE MEETING	1
1.1 WELCOME ON BEHALF OF UNEP	1
1.2 WELCOME ADDRESS ON BEHALF OF THE GOVERNMENT OF VIET NAM	1
1.3 INTRODUCTION OF MEMBERS	2
2. ORGANISATION OF THE MEETING	2
2.1 ELECTION OF OFFICERS	2
2.2 DOCUMENTATION AVAILABLE TO THE MEETING	2
2.3 PROGRAMME OF WORK AND ADMINISTRATIVE ARRANGEMENTS FOR THE CONDUCT OF THE MEETING	3
3. ADOPTION OF THE MEETING AGENDA	3
4. ADMINISTRATIVE AND FINANCIAL MATTERS	3
4.1 STATUS OF ADMINISTRATIVE REPORTS FOR THE YEAR 2007 AND FIRST HALF OF 2008	3
4.2 CALCULATION OF ACTUAL CO-FINANCING	4
4.3 TIMETABLE AND STATUS OF PROJECT CLOSURE	6
5. REPORTS FROM THE NATIONAL TECHNICAL FOCAL POINTS REGARDING NATIONAL CO-ORDINATION AND ACTIVITIES AT THE NATIONAL LEVEL JANUARY TO JULY 2008 ..	6
5.1 VIET NAM – DR. MAI TRONG NHUAN, NTFP VIET NAM	6
5.2 THAILAND – MS. NIRAWAN PIPITSOMBAT, ALTERNATE NTFP THAILAND	7
5.3 PHILIPPINES – DR. GIL JACINTO, NTFP PHILIPPINES	7
5.4 MALAYSIA – MR. LEE HENG KENG, ALTERNATE NTFP MALAYSIA	8
5.5 INDONESIA – MS. ZULHASNI, ALTERNATE NTFP INDONESIA	8
5.6 CHINA – PROFESSOR HUANG ZHENG GUANG, NTFP CHINA	8
5.7 CAMBODIA – MR. KOCH SAVATH, NTFP CAMBODIA	9
6. REPORTS FROM THE REGIONAL WORKING GROUPS AND REGIONAL TASK FORCES ON PROGRESS AND ACHIEVEMENTS TO DATE	9
6.1 REGIONAL WORKING GROUP ON MANGROVES; DR. HANGQING FAN, CHAIRPERSON	9
6.2 REGIONAL WORKING GROUP ON CORAL REEFS; DR. PORFIRIO ALIÑO, CHAIRPERSON	9
6.3 REGIONAL WORKING GROUP ON SEAGRASS; MS. TU THI LAN HUONG, CHAIRPERSON	10
6.4 REGIONAL WORKING GROUP ON WETLANDS; MR. ZAINUDDIN AB. SHUKOR, VICE-CHAIRPERSON	10
6.5 REGIONAL WORKING GROUP ON FISHERIES; DR. DAO MANH SON, VICE-CHAIRPERSON	10
6.6 REGIONAL WORKING GROUP ON LAND-BASED POLLUTION; DR. GULLAYA WATTAYAKORN, CHAIRPERSON	11
6.7 REGIONAL TASK FORCE ON ECONOMIC VALUATION; DR. NGUYEN THE CHINH, VICE-CHAIRPERSON	11
6.8 REGIONAL TASK FORCE ON LEGAL MATTERS; MR. DUONG THANH AN, CHAIRPERSON	11
7. CONSIDERATION OF ACTIVITIES AND ACHIEVEMENTS OF THE DEMONSTRATION SITES AND PILOT ACTIVITIES	12
7.1 OUTCOMES AND FINDINGS FROM THE TERMINAL EVALUATIONS	12
7.2 ACHIEVEMENTS AND LESSONS LEARNT FROM THE DEMONSTRATION SITES AND PILOT PROJECTS	12
8. STATUS OF THE REGIONAL TRAINING PROGRAMME	13
9. OPERATION AND MAINTENANCE OF THE PROJECT WEBSITE, AND REGIONAL GIS AND META DATABASES	15
10. ARRANGEMENTS FOR THE TERMINAL EVALUATION OF THE SOUTH CHINA SEA PROJECT	16
11. FINAL REVIEW OF THE REVISED STRATEGIC ACTION PROGRAMME (SAP) AND RECOMMENDATIONS TO THE PROJECT STEERING COMMITTEE REGARDING ITS' APPROVAL	17

11.1	REPORT FROM THE PROJECT DIRECTOR REGARDING PROPOSED AMENDMENTS TO THE TEXT OF THE SAP FROM THE PARTICIPATING COUNTRIES	17
11.2	REPORTS FROM THE NATIONAL TECHNICAL FOCAL POINTS REGARDING THE ACCEPTABILITY OR OTHERWISE OF THE DRAFT MEMORANDUM OF UNDERSTANDING AMONG THE COUNTRIES BORDERING THE SOUTH CHINA SEA FOR THE COORDINATION OF ACTIONS TO IMPLEMENT THE STRATEGIC ACTION PROGRAMME.....	19
11.3	RECOMMENDATIONS TO THE PROJECT STEERING COMMITTEE REGARDING THE FINAL APPROVAL OF THE SAP AND THE SIGNATURE OF THE MEMORANDUM OF UNDERSTANDING	19
12.	OPERATIONAL ARRANGEMENTS FOR IMPLEMENTING THE STRATEGIC ACTION PROGRAMME	20
12.1	OUTCOME OF THE DELIBERATIONS OF COBSEA REGARDING CO-ORDINATION OF THE IMPLEMENTATION OF THE STRATEGIC ACTION PROGRAMME	20
12.2	STATUS OF THE AGREEMENT BETWEEN UNEP AND THE GEF SMALL GRANTS PROGRAMME	21
12.3	STATUS OF THE GEF PROJECT PROPOSAL ON DEVELOPMENT AND OPERATION OF THE REGIONAL FISHERIES REFUGIA SYSTEM.....	22
12.4	ELEMENTS FOR INCLUSION IN A FOLLOW-UP GEF SUPPORTED INTERNATIONAL WATERS PROJECT FOR SAP IMPLEMENTATION	22
12.5	NATIONAL PRIORITY PROJECTS AND THE REGIONAL DONORS' FORUM.....	24
13.	ANY OTHER BUSINESS.....	26
14.	ADOPTION OF THE REPORT OF THE MEETING	26
15.	CLOSURE OF THE MEETING	26

List of Annexes

ANNEX 1	List of Participants
ANNEX 2	List of Documents
ANNEX 3	Agenda
ANNEX 4	Status of Project Closure
ANNEX 5	Agreed Final Amendments to the Text of the Sixth Draft of the SAP
ANNEX 6	Final Text of Memorandum of Understanding among the Countries Bordering the South China Sea Concerning Co-ordination of Actions Undertaken to Implement the Strategic Action Programme for the South China Sea

Report of the Meeting

1. OPENING OF THE MEETING

1.1 Welcome on behalf of UNEP

1.1.1 The Project Director, Dr. John C. Pernetta opened the meeting, at 8.30am on 20th August 2008, and welcomed participants on behalf of the Executive Director of UNEP, Dr. Achim Steiner; and the Director of the UNEP Division of Global Environment Facility Co-ordination, Dr. Maryam Niamir-Fuller.

1.1.2 Dr. Pernetta warmly welcomed all participants to the ninth and final meeting of the Regional Scientific and Technical Committee (RSTC) in the framework of the UNEP/GEF project entitled "*Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand*". Dr. Pernetta expressed his hope that this would not be the last opportunity for the group to meet and expressed his view that there would likely be a need for such a committee in the framework of Strategic Action Programme (SAP) implementation.

1.1.3 Dr. Pernetta noted that there were a wide range of administrative and substantive matters requiring attention from the RSTC, including: co-financing of the project; the timetable for, and status of project closure; status of National Action Plan adoption; achievements and lessons learned from the demonstration sites and pilot activities; outputs of the regional training programme; operation and maintenance of the South China Sea website and databases; and perhaps most importantly operational arrangements for implementing the Strategic Action Programme (SAP).

1.1.4 Dr. Pernetta noted that the project had achieved a wide range of successes both in administrative and scientific terms, which had been reviewed during the Third Regional Scientific Conference and eighth meeting of the Regional Scientific and Technical Committee. He noted in particular some cutting edge intellectual contributions in terms of the determination of regional economic values and modelling of assimilative capacity of the South China Sea marine basin for nutrient pollutants. He expressed his sincere appreciation for the efforts of all the individuals and organisations that form the South China Sea project partner network. He noted especially the contributions of the expert members of the RSTC and Regional Working Groups, who individually and collectively had made significant scientific and technical contributions to the project without fee or remuneration. He noted further that the project was unique in that all experts and consultants involved in the achievement of these successes had come from within the region and the only individuals from outside the region involved in the project were three members of the Project Co-ordinating Unit.

1.1.5 Dr. Pernetta directed the attention of the meeting to the wide range of new publications produced by the project in the last eight months. He reminded participants that the project was in its last year and that the RSTC had an important role in providing guidance to the Project Steering Committee with regard to the follow up actions for SAP implementation. Finally, Dr. Pernetta noted that the meeting would demand a considerable amount of work from the members both individually and collectively and expressed his hope that despite the work load the meeting would be both enjoyable and productive.

1.2 Welcome Address on behalf of the Government of Viet Nam

1.2.1 Dr. Pernetta expressed his pleasure that Ms. Nguyen Thi Thuy Hoa, the Vice-Chairperson of Thua Thien-Hue's Provincial People's Committee was able to be present for the opening of the meeting. He invited Ms. Hoa to address the committee.

1.2.2 Ms. Hoa welcomed participants to Viet Nam and Hue City. Ms. Hoa informed the meeting that the Government of Thua Thien-Hue was well aware that rapid economic development presented various threats to the environment in Viet Nam, particularly its coastal and marine areas. Ms. Hoa expressed her view that the UNEP/GEF South China Sea was significant in terms of building national capacity for marine environment and resource management, as well enabling the regional coordination required to effectively manage shared, inter-connected water bodies such as the South China Sea and Gulf of Thailand.

1.2.3 Ms. Hoa informed the meeting that Thua Thien-Hue Province was honoured to have been selected as the location for the ninth meeting of the RSTC, and expressed her thanks to the staff of the Ministry of Environment and Natural Resources for their efforts in organising the meeting. Ms. Hoa wished delegates an enjoyable stay in Hue City and that the meeting would be a success.

1.3 Introduction of Members

1.3.1 The Project Director warmly welcomed the new members and alternates and invited participants to introduce themselves to the meeting. Members proceeded to introduce themselves, indicating their institutional affiliations and role in the project. The list of participants is provided in Annex 1 of this report.

1.3.2 The Committee noted that the National Technical Focal Points for Indonesia, Malaysia, and Thailand would be unable to attend the meeting and were represented by alternates, namely Ms. Zulhasni, Mr. Lee Heng Keng, and Ms. Nirawan Pipitsombat, respectively. It was noted also that the Chairpersons for the Regional Working Groups on Wetlands and Fisheries, and the Regional Task Force on Economic Valuation were also not present and were represented by alternates, namely Mr. Zainuddin Ab. Shukor, Dr. Dao Manh Son, and Dr. Nguyen The Chinh, respectively.

2. ORGANISATION OF THE MEETING

2.1 Election of Officers

2.1.1 Members were reminded that Dr. Vo Si Tuan, Mr. Koch Savath, and Professor Huang Zhengguang, had been elected and served as Chairperson, Vice-Chairperson and Rapporteur for the committee during 2002 and 2003. It was noted that at the fourth meeting held in Pattaya, Thailand in February 2004, members agreed that the officers originally elected in 2003 would continue to serve for the duration of the meeting and would be replaced immediately thereafter by newly elected officers.

2.1.2 At the end of the fourth meeting Dr. Gil Jacinto, Mr. Heru Waluyo, and Dr. Tuan were elected as Chairperson, Vice-Chairperson, and Rapporteur, respectively. These officers continued to serve during the fifth meeting of the Committee convened in Fangchenggang, China in December 2004.

2.1.3 Members recalled that at the sixth meeting of the Committee convened in Batam in December 2005, Mr. Savath, Professor Huang and Ms. Wahyu Indraningsih were elected as Chairperson, Vice-Chairperson and Rapporteur respectively. Mr. Savath and Professor Huang were re-elected to the same Office during the seventh meeting in Siem Reap in November 2006, and Dr. Mai Trong Nhuan was elected as the Rapporteur for that meeting. During the eighth meeting convened in Trat, Thailand in December 2007, Professor Huang, Ms. Nirawan, and Mr. Florendo Barangan were elected as the Chairperson, Vice-Chairperson, and Rapporteur respectively.

2.1.4 Members were further reminded that the Rules of Procedure state that the Committee shall elect officers from amongst the members at the commencement of each meeting and that, such officers may be elected no more than once. Dr. Jacinto proposed that Professor Huang and Ms. Nirawan be re-elected. Professor Huang noted that he preferred not to Chair the meeting, and it was proposed and agreed that Ms. Nirawan be elected as the Chairperson and Professor Huang be elected as the Vice-Chairperson. Mr. Lee nominated Dr. Jacinto as rapporteur, and this was seconded by Dr. Ong Jin Eong. There being no further nominations, Ms. Nirawan, Professor Huang, and Dr. Jacinto were duly elected by acclamation.

2.2 Documentation Available to the Meeting

2.2.1 The Chairperson invited Dr. Pernetta to introduce the documentation available to the meeting. Dr. Pernetta reviewed the documents listed in document UNEP/GEF/SCS/RSTC.9/Inf.2 and noted that these had been lodged on the project website and were also available to participants in electronic format. He briefly highlighted the items on the list of the discussion documents indicating the key issues requiring discussion and decision by the Committee. He noted that members were invited to table any additional documents, and the full list of documents made available to the meeting is contained in Annex 2 of this report.

2.3 Programme of Work and Administrative Arrangements for the Conduct of the Meeting

2.3.1 The Chairperson then invited Dr. Pernetta to introduce the draft programme for the conduct of business contained in document UNEP/GEF/SCS/RSTC.9/Inf.3. Dr. Pernetta briefed participants on the administrative arrangements for the conduct of the meeting, noting that the meeting was scheduled to take place over three days and that it could form small working groups to elaborate on specific matters if required. He expressed his hope that the business of the meeting could be completed during the day time sessions and that members would not be required to work during the evening.

3. ADOPTION OF THE MEETING AGENDA

3.1 The Chairperson, Ms. Nirawan, introduced the Provisional Agenda prepared by the Project Co-ordinating Unit (PCU) for the meeting as document UNEP/GEF/SCS/RSTC.9/1, and the Annotated Provisional Agenda, document UNEP/GEF/SCS/RSTC.9/2 and invited members to propose any amendments or additional items for consideration by the committee.

3.2 There being no amendments or additional items proposed, the draft agenda was adopted as tabled and is attached as Annex 3 to this report.

4. ADMINISTRATIVE AND FINANCIAL MATTERS

4.1 Status of Administrative Reports for the Year 2007 and First Half of 2008

4.1.1 The Chairperson invited the Project Director to introduce document UNEP/GEF/SCS/RSTC.9/4 "*Status of the Six Month Progress and Expenditure Reports, and Audit Reports from the Focal Points*" and to highlight any matters requiring attention of, or decision by the Committee.

4.1.2 Dr. Pernetta drew the attention of the Committee to Table 1 in document UNEP/GEF/SCS/RSTC.9/4 and informed the meeting that all signed progress and expenditure reports had been received from all focal ministries and specialised executing agencies covering the entire period to December 2004. He informed the meeting further that Table 2 of the document contained information regarding the status of report submission with respect to the years 2005, 2006, 2007, and the first half of 2008. He noted that of the 86 sets of progress and expenditure reports due for 2005, 85 (99%) final signed sets of reports had been received, and that of the 86 sets of reports due in 2006, 84 (97%) have been received in final signed form. He reminded the Committee that the outstanding reports relate to the Indonesian Wetlands Component where the Specialised Executing Agency, Wetlands International withdrew from the agreement without supplying either the final sets of administrative reports, or the agreed substantive outputs.

4.1.3 Dr. Pernetta informed the Committee that the situation is less acceptable in the case of the 2007 financial year: He noted that for the first half of 2007, 43 progress and expenditure reports were anticipated of which 2 progress and 2 expenditure reports have yet to be received in draft (compliance 95%). He noted further that for the second half of 2007 only 40 sets of progress and expenditure reports were anticipated since activities had ceased under three of the Memoranda by that time. Draft reports are outstanding for the Inter Ministry Committees in Thailand and Viet Nam, as well as from the Specialised Executing Agency for Wetlands in Indonesia, Wetlands International.

4.1.4 Dr. Pernetta informed the Committee that final fund transfers were effected to the SEAs during the first half of 2008 and a number of SEAs had budget revisions permitting carry forward of unspent funds from 2007 to the first half of 2008. He noted that the final sets of progress and expenditure reports relating to national activities undertaken by the SEAs were due on July 31st 2008, and informed the meeting that by that date only 8 of the 40 anticipated sets of draft reports had been received (compliance 20%).

4.1.5 With respect to the Regional Task Forces on Legal Matters and Economic Valuation, Dr. Pernetta informed the meeting that all except three required reports had been received for all reporting periods to 31st December 2007. He noted that the situation for the first half of 2008 was not as positive, with only three of the twelve sets of reports due for the period 1st January – 31st June 2008 having been received in draft by the due date of 31st July 2008 (25% compliance). He informed

the meeting that the situation was somewhat better for the demonstration sites, with all required reports for the period to 31st December 2007 having been received. He informed the meeting further that six of the 12 sets of reports for the first half of 2008 had been received by the PCU (50% compliance).

4.1.6 Regarding the status of the cash advances and reported expenditures of the Inter Ministry Committees and the Specialised Executing Agencies in the participating countries, Dr. Pernetta informed the meeting that the total amount of cash advanced to SEAs at the national level since 2002 was 7.9 million US dollars of which 0.8 million US dollars (10%) is presently unaccounted for. He noted that a substantial proportion of these funds (US\$763,356 or 66%) have been transferred since June 30th 2007 in respect of the demonstration site activities and additional activities approved by the seventh Project Steering Committee meeting in December 2007.

4.1.7 Dr. Pernetta informed the meeting that no audit report for funds advanced in 2002 and 2003 remain outstanding, whilst one, namely that for Fisheries in Thailand for 2004 remains outstanding (98% compliance). He noted that in this case no audit report has been received for the subsequent years. For cash advances in 2005, 48 audit reports have been received together with a combined audit report for the years 2005 and 2006 in the case of the Focal Ministry in Viet Nam (compliance 98%, 49 of 50 required audits). Forty six (46) of the anticipated 55 audit reports have been received for advances made in 2006 (84% compliance), whilst no audit reports have been received in respect of the Focal Ministry and Wetlands in Malaysia, the Focal Ministry and Fisheries in Thailand, and the Focal Ministry, Land-based Pollution and Wetlands in Indonesia. Dr. Pernetta informed the meeting that for 2007, 33 audit reports had been received (60% compliance) and 22 remain outstanding, whilst final audit reports have been received in respect of 9 of the Memoranda of Understanding, mostly from SEAs in Viet Nam.

4.1.8 The Chairperson requested members to check the data and information contained in Tables 1 – 5 of document UNEP/GEF/SCS/RSTC.9/4. Mr. Lee and Professor Huang questioned that number of days overdue for reports for the period 2003 for both Malaysia and China. Dr. Pernetta agreed these appeared to be in error and stated that he would personally check and update the figures. Dr. Gullaya Wattayakorn noted that activities of the land-based pollution in Thailand had been concluded in 2007 and that the status of the final audit report for the period 2008 as contained in Table 5 of the document should be changed from “*not received*” to “*not applicable*”.

4.1.9 Several members, including Ms. Zulhasni, Mr. Lee, Dr. Porfirio Aliño, and Mr. Duong Thanh An that several reports listed as outstanding had recently been submitted to the PCU. It was noted that the information contained in the discussion document had been finalised at the end of July 2008 for distribution to members and duplication. Mr. Lee informed the meeting that he would follow up report submission with relevant focal points in Malaysia, and the Chairperson encouraged all members to ensure the timely submission of required reports.

4.1.10 There followed a discussion regarding the use of unspent cash balances currently held by the Inter Ministry Committees and Specialised Executing Agencies. It was noted that it would not be possible to close the project document until all expenditures are reported on, and it was suggested that given past delays in the submission of expenditure statements and audit reports that it may not be appropriate to recommend the implementation of new or additional activities. In considering the problems that some Focal Ministries and Specialised Executing Agencies will likely face in returning unspent funds to UNEP, it was suggested that activities approved by the Project Director could perhaps be undertaken provided that the relevant IMC or SEA could guarantee the submission of a terminal audit report to the PCU by the end of October 2008.

4.2 Calculation of Actual Co-financing

4.2.1 The Chairperson invited Dr. Pernetta to introduce document UNEP/GEF/SCS/RSTC.9/5 “*Co-financing of the Project to Date and Comparison with Original Agreed Estimates*” and to highlight any matters or actions requiring attention of the committee. Before proceeding to introduce the document Dr. Pernetta reminded the Committee that the level of co-financing raised is a good indicator of government commitment, to and involvement in, the project and that this will be used by the Global Environment Facility to gauge the success of the project and in decision making about any GEF funded follow up actions.

4.2.2 Dr. Pernetta proceeded to review the information and data contained in Tables 1 – 11 of the document and noted that overall 103% of the total verifiable sum of co-financing has been achieved to date although this can be expected to rise significantly once all expenditure and progress reports have been finalised. He noted further that, for the purposes of the analysis contained in the document it is assumed that a similar fraction of the un-verifiable co-financing has been realised resulting in overall in-kind co-financing of US\$6,368,233.

4.2.3 Dr. Pernetta informed the meeting that the total cost of project implementation to date (US\$33,770,308) was very close to the original budget submitted to and approved by the GEF (US\$34,054,830). He informed the Committee that the actual figures contained in the document were incomplete in that the final expenditure and progress reports had yet to be received from a number of demonstration sites and it seemed likely therefore that the estimates of co-financing from these sources will be revised upwards. In addition, the present document contains no estimate of in-kind co-financing derived from participation in the three Regional Scientific Conferences; the three Mayors' Round-Tables; the two NGO Fora; the seven regional training courses; and the 37 national level echo-seminars convened to date. In the case of the last two items, Dr. Pernetta noted that the estimated co-financing totals in excess of US\$157,570 and US\$316,470 respectively and that the final analysis should result in a significant increase in government in-kind co-financing.

4.2.4 Dr. Pernetta concluded by expressing his view that the model adopted in the project for tracking in-kind co-financing would be useful in the design and implementation of other GEF and UNEP projects, and by the participating countries in developing projects and for demonstrating government commitment to project implementation. Mr. Lee agreed that this achievement of the South China Sea was worthy of replication in other projects and programmes involving bilateral donors in national projects, and should be applied in other projects.

4.2.5 There followed a discussion regarding how in-kind co-financing is reported and tracked. Members recalled that it was a requirement of the Memoranda of Understanding signed with both the focal ministries and each Specialised Executing Agency that included in each six month report is a listing of the national meetings convened in the framework of the project, their duration, agenda, report, and list of participants. Dr. Pernetta noted that this information is used to calculate the in-kind co-financing, which has been actually realised through participation of individuals in national level meetings. He noted further that the participation of individuals in regional level meetings is verifiable from the meeting reports published by the PCU.

4.2.6 Dr. Pernetta reminded the Committee that a further requirement under the Memoranda of Understanding was that the component and sub-component focal points in each country devote 25% of their time to the national activities of the project. He noted that assuming that the number of working days per year is around two hundred and thirty, 25% represents 57.5 working days per year, and that whilst it is not possible to objectively quantify the total actual time spent by these individuals on project activities the fact that in almost all cases the entire set of anticipated national outputs were produced at high quality would support the contention that the unverifiable portion of the co-financing was in fact raised.

4.2.7 Several members pointed out that successful execution of the project often required spending more than 25% of their time on project activities. It was suggested by Dr. Pernetta, and the meeting agreed, that future projects may wish to consider how to track the actual time spent by focal points on execution and coordination of project activities. The use of time sheets was proposed as one possible mechanism, although it was noted that the use of time sheets was not common or required of government officials in any participating country, except Malaysia.

4.2.8 It was also suggested by Professor Huang, and agreed by the Committee, that future projects may wish to reconsider the use of the coefficient of US\$70 per person per day to cost the time given to the project by all nationals from the participating countries. Members recalled that the US\$70 co-efficient was agreed by the first Project Steering Committee meeting in 2001 and was considered at that time to be an inclusive costing of salary and benefits, plus office support costs that was to be applied to all individuals, from all countries, regardless of their individual level of seniority or actual salary. Professor Huang noted for example that due to inflation and general salary increases the actual cost per person per day would have likely increased to approximately US\$100 per day in 2008.

4.3 Timetable and Status of Project Closure

4.3.1 The Chairperson invited Dr. Pernetta to introduce UNEP/GEF/SCS/RSTC.9/6 "*Timetable and Status of Project Closure*" and to highlight any potential areas of difficulty in meeting the agreed timeline.

4.3.2 Dr. Pernetta noted that during the eighth meeting of the RSTC the procedures for closure of the project were outlined in document UNEP/GEF/SCS/RSTC.8/6. He reminded the Committee that all activities, and hence expenditures were planned to be completed by June 30th 2008 and that the following documents would be required by 31st July 2008:

- A six month progress report on activities between January and June 30th where the prior six month report has not been submitted a combined report for both periods will be accepted;
- An expenditure report encompassing all expenditures between the time of the last accepted expenditure report and June 30th 2008; and,
- An inventory report of all non-expendable equipment purchased under the agreement.

4.3.3 Dr. Pernetta further reminded the Committee that a terminal audit report covering all expenditures not covered by previously submitted audit reports should be submitted within three months of completion of the activities, i.e., 30th September 2008.

4.3.4 Dr. Pernetta reviewed Table 1 of the document which contained information regarding the status of the progress, expenditure, and audit reports for each MoU. He noted that progress towards closure of the activities at the national level were well in hand, although he requested National Focal Points and National Technical Focal Points to encourage the focal points and individuals responsible to ensure that all reports are submitted to the project Co-ordinating Unit by 30th September 2008.

4.3.5 Several members identified minor anomalies in Table 1 of the document. Professor Huang noted that reports for the IMC in China had been sent to the PCU in electronic form and by registered mail on 20th July 2008 and that receipt of these had been confirmed by the relevant PCU staff member. Professor Huang tabled copies of these reports. Dr. Son noted that all final signed reports for fisheries in Viet Nam had also been sent to the PCU during July 2008.

4.3.6 Mr. Savath noted that reports from the Ministry of Environment, Cambodia were sent to the PCU on 18th August and that the terminal audit report of recent expenditures would be available on 15th September 2008. Dr. Fan Hangqing noted that his reports would be submitted immediately following the completion of a study tour to the Fanchenggang mangrove demonstration site, and it was agreed that in order to finalise arrangements for this study tour the National Technical Focal Points for Malaysia and the Philippines would work to finalise lists of participants from their countries for involvement in the tour. Ms. Tu Thi Lan Huong noted that in the case of the seagrass sub-component in Viet Nam a list of non-expendable equipment had been sent to the PCU. Dr. Pernetta informed her that this needed to be checked prior to its final acceptance.

4.3.7 The RSTC agreed that the tables relating to project closure would be amended overnight and attached to the meeting report as Annex 4.

5. REPORTS FROM THE NATIONAL TECHNICAL FOCAL POINTS REGARDING NATIONAL CO-ORDINATION AND ACTIVITIES AT THE NATIONAL LEVEL JANUARY TO JULY 2008

5.1 Viet Nam – Dr. Mai Trong Nhuan, NTFP Viet Nam

5.1.1 Dr. Mai briefly reviewed document UNEP/GEF/SCS/RSTC.9/7-Vn "*Report of the National Technical Focal Point of Viet Nam*". It was noted that a total of 26 national committee meetings had been convened during the period January 2007 – July 2008 to discuss matters relating to completion and implementation of NAPs, well as to review and revise the draft Strategic Action Programme. It was noted that all substantive outputs from the Specialised Executing Agencies had been delivered, with the formal adoption of the Integrated National Action Plan (INAP) being the key substantive outcome still outstanding. A total of six national echo seminars were convened during the period November 2007 – April 2008. A meeting of the IMC was convened on 27th June 2008 to review inputs to the planned regional Donors' Forum.

5.2 Thailand – Ms. Nirawan Pipitsombat, alternate NTFP Thailand

5.2.1 Ms. Nirawan briefly reviewed document UNEP/GEF/SCS/RSTC.9/7-Thai “*Report of the National Technical Focal Point of Thailand*”. It was noted that no National Technical Working Group or Inter-Ministry Committee meetings had been convened in 2008. Ms. Nirawan reminded the Committee that the NAPs for the habitat sub-components had been incorporated into the National Biodiversity Strategic Action Plan (NBSAP), and noted that this had been formally approved by cabinet on 15th January 2008. Ms. Nirawan informed the meeting that the Office of Natural Resources and Environmental Policy and Planning (ONEP) and concerned government agencies were working with the Budget Bureau for the approval of funds for implementation.

5.2.2 Ms. Nirawan informed the meeting that ONEP had convened a meeting involving 60 participants from 28th – 29th January 2008 to identify priority actions for NAP implementation. Ms. Nirawan noted that the proposed text for the Memoranda of Understanding had been circulated amongst related stakeholders on 8th February 2008, and that there were no objections from the Pollution Control Department, the Department of Marine and Coastal Resources, and the Department of Fisheries. Ms. Nirawan expressed her hope that final comments on the Memorandum will be received from the Department of International Law and Treaties in the near future.

5.2.3 In response to a question from Dr. Gullaya, Ms. Nirawan noted that the Pollution Control Department had not been represented in the January workshop and consequently she would contact them further to ascertain whether the SAP activities were already included in their own planned activities. Ms. Nirawan noted that Dr. Tuan had been invited to present the outcomes of the South China Sea project to the Asian Regional meeting on Wetland of the RAMSAR Convention, hosted by the Office of Natural Resources and Environmental Policy and Planning.

5.2.4 Dr. Tuan queried why five priority NAP projects or activities had been identified in Thailand, but had not been submitted to the PCU for consideration during the planned Donors’ Forum. Ms. Nirawan noted that these would be implemented and funded as part of the NBSAP and it was not the intention of Thailand to seek donor support for these projects. Dr. Pernetta suggested that Ms. Nirawan or Dr. Sirikul Bunpapong should attend the Donors’ Forum to deliver a presentation on the mode of NAP and SAP implementation adopted by Thailand.

5.3 Philippines – Dr. Gil Jacinto, NTFP Philippines

5.3.1 Dr. Jacinto briefly reviewed document UNEP/GEF/SCS/RSTC.9/7-Phi “*Report of the National Technical Focal Point of the Philippines*”. It was noted that a total of 6 meetings of the National Technical Working Group had been convened to discuss matters relating to: action items decided during the eighth RSTC and seventh PSC meetings; fisheries *refugia*; preparation of the Integrated National Action Plan (INAP); review of the revised SAP; and briefing of the DENR Secretary and MoU signing. A total of six national echo seminars were convened during the period January – June 2008. Four project proposals for the proposed Donors’ Forum were also developed and revised. The Philippines also hosted the RTF-E, RWG-W, and RWG-F meetings during this period. Dr. Jacinto also noted that the INAP remained incomplete, although this is not a deliverable under the project.

5.3.2 Dr. Pernetta informed Dr. Jacinto that during the Third Regional Scientific Conference, Dr. Alfred Duda of the GEF Secretariat had informed the conference that GEF uses outcomes such as NAP adoption and implementation as indicators of government commitment and support to SAP Implementation projects. Dr. Pernetta stressed the importance of NAP adoption in gaining support from GEF for follow up projects to the South China Sea project. Dr. Pernetta informed the Committee that very few NAPs have been adopted at the ministerial level, although activities have already been integrated in government department programmes with activities funded through recurrent budgets. He suggested that it could be argued that this represents a high level of government commitment to making the NAPs operational. Dr. Jacinto expressed his view that many of the activities of the NAPs are consistent with ongoing activities of DENR Departments and the Medium Term Development Plan for the Philippines. In addition, the legal basis for the implementation of the NAPs can be Executive Order 533 (E.O. 533) issued by the President of the Philippines in June 2006, adopting Integrated Coastal Management (ICM) as a national strategy and establishing supporting mechanisms for its implementation. The DENR is currently finalising the implementing rules and regulations of E.O. 533 and, when completed, can be the means for meeting NAP targets.

5.4 Malaysia – Mr. Lee Heng Keng, alternate NTFP Malaysia

5.4.1 Mr. Lee introduced document UNEP/GEF/SCS/RSTC.9/7-Mal “*Report of the National Technical Focal Point of Malaysia*”. Mr. Lee noted that the Inter-Ministry Committee (IMC) had met twice during the period of January – August 2008 and that these meetings were attended by all Specialised Executing Agencies (SEAs), namely the Marine Parks Department, Department of Environment, Fisheries Department, and Department of Wildlife and National Parks Peninsular Malaysia. The meetings were held on 15th – 16th May 2008 and 11th August 2008 respectively. The IMC met to adopt the National Action Plan for all the four components (Land Based Pollution, Wetlands, Seagrass and Coral Reefs) and to continue its national consultation on the proposed draft Strategic Action Programme (SAP). All suggestions for amendment to the revised SAP have been forwarded to the PCU.

5.4.2 Mr. Lee informed the meeting that three National Technical Working Group (NTWG) meetings were convened with the relevant Specialised Executing Agencies (SEAs) to discuss *inter alia* the status of project implementation and matters related to the proposed draft SAP. The NTWG meetings were held on 8th January 2008, 1st July 2008, and 1st August 2008 respectively. The meetings, specifically noted decisions of the eighth RSTC and seventh PSC meetings convened in December 2007, and identified actions to be undertaken to ensure the timely completion of the project. A national echo seminar on economic valuation was also conducted during the period. Mr. Lee also informed the meeting of a request for minor changes to the Malaysian data contained in the coral reef component of the revised SAP.

5.5 Indonesia – Ms. Zulhasni, alternate NTFP Indonesia

5.5.1 Ms. Zulhasni presented document UNEP/GEF/SCS/RSTC.9/7-Ind “*Report of the National Technical Focal Point of Indonesia*”. Ms. Zulhasni highlighted the current institutional arrangements for the implementation of the project in Indonesia, noting that the Ministry of Environment functions as the Focal Ministry with responsibility for convening meetings of Inter-Ministry Committee and NTWG. Activities of each component of the project and the status of the habitat demonstration sites were reviewed.

5.5.2 Regarding the adoption of the National Action Plans, Ms. Zulhasni informed the meeting that each of these were at various stages of adoption, and noted that it was anticipated that these would be finalised by the end of 2008. It was noted also that a national workshop on the revised Strategic Action Programme had been convened on 25th January 2008. A total of six national echo training seminars had also been conducted during 2008.

5.5.3 Dr. Pernetta sought information from Ms. Zulhasni regarding actions which had been taken to resolve outstanding problems relating to the Specialised Executing Agency for wetlands in Indonesia, Wetlands International. Ms. Zulhasni informed Dr. Pernetta that no progress had been made in this regard. Dr. Pernetta reminded Ms. Zulhasni that Wetlands International had failed to produce substantive outputs, specifically the National Action Plan, National Report, and GIS data, and that no administrative reports had been received since the first half of 2005. He informed Ms. Zulhasni that unless an agreement can be reached between the PCU and the Ministry of Environment, Indonesia regarding how to proceed with having the funds returned to UNEP, it will be necessary to request the United Nations auditors to undertake an audit of activities relating to the wetlands sub-component in Indonesia.

5.6 China – Professor Huang Zhengguang, NTFP China

5.6.1 Professor Huang introduced document UNEP/GEF/SCS/RSTC.9/7-Chi “*Report of the National Technical Focal Point of China*”. Professor Huang informed the Committee that China’s second national workshop on the revised Strategic Action Programme had been convened in Beijing from 19th – 20th March 2008. He noted that fourteen representatives from SEPA, the Ministry of Foreign Affairs, the three provincial governments bordering the South China Sea, and all focal points for the project attended the workshop. The National Focal Point for the project, Mr. Li Xinmin chaired the meeting.

5.6.2 Professor Huang noted that national echo seminars on mangroves, seagrass, wetlands, and economic valuation had been convened by the concerned Specialised Executing Agencies. Similarly workshops to identify national priority interventions for SAP implementation and the text of the Memorandum of Understanding had been convened and the outputs communicated to the PCU in advance of the meeting.

5.7 Cambodia – Mr. Koch Savath, NTFP Cambodia

5.7.1 Mr. Savath presented document UNEP/GEF/SCS/RSTC.9/7-Cam “*Report of the National Technical Focal Point of Cambodia*”. Mr. Savath noted that the management teams for the Peam Krasop, Cambodia and Trat, Thailand demonstration sites, and the management teams for the Kampot, Cambodia and Phu Quoc, Viet Nam demonstration sites, had both met twice during February – March 2008. An important outcome of the meeting between Kampot Province (Cambodia) and Kien Giang Province (Viet Nam) was the formal signing of the Memorandum of Agreement between the Governor of Kampot and the People’s Committee of Kien Giang Provinces.

5.7.2 Mr. Savath noted that two meetings of the Inter-Ministry Committee had been convened since January 2008, and that a national consultation on the revised Strategic Action Programme had been convened from 24th – 25th December 2007. All relevant stakeholders expressed their strong support for the SAP and looked forward to timely adoption of the SAP. Mr. Savath noted that all habitat NAPs had been formally adopted at the Ministerial level.

5.7.3 With respect to priority projects for NAP implementation, Mr. Savath informed the meeting that a national workshop was convened from 24th – 25th March 2008. Concept papers for a total of six priority projects were identified and subsequently reviewed by the PCU.

6. REPORTS FROM THE REGIONAL WORKING GROUPS AND REGIONAL TASK FORCES ON PROGRESS AND ACHIEVEMENTS TO DATE

6.1 Regional Working Group on Mangroves; Dr. Hangqing Fan, Chairperson

6.1.1 Dr. Fan presented document UNEP/GEF/SCS/RSTC.9/8-RWG-M “*Report of the Chairperson of the Regional Working Group on Mangroves*”. Dr. Fan noted that the ninth meeting of the RWG-M was convened in Beihai, China, 2nd – 4th April 2008. It was noted that one of the main activities of the RWG-M during that meeting included consideration of the total economic values for mangrove ecosystem and the outcomes of the cost benefit analysis of actions contained in the mangrove component of the revised SAP. Regarding the terminal evaluations of the mangrove habitat demonstration sites it was noted that reports have been received for the Fanchenggang, China and Batu Ampar, Indonesia sites. Evaluation reports remain outstanding for the Trat, Thailand and Peam Krasop, Cambodia sites.

6.2 Regional Working Group on Coral Reefs; Dr. Porfirio Aliño, Chairperson

6.2.1 Dr. Aliño presented document UNEP/GEF/SCS/RSTC.9/8-RWG-CR “*Report of the Chairperson of the Regional Working Group on Coral Reefs*”. Dr. Aliño informed the Committee that the ninth meeting of the RWG-CR was convened in Belitung, Indonesia from 21st – 24th April 2008. The main work of the RWG-CR during the meeting involved: reviewing the status of substantive outputs; consideration of the outputs of the regional training workshop on coral reefs and seagrass; review of progress at the coral reef demonstration sites; finalisation of coral reef sub-component inputs to the revised SAP; and the identification of national priorities for coral reef interventions in the framework of the SAP.

6.2.2 Dr. Aliño noted that draft terminal evaluation reports have been received for the Masinloc, Mu Koh Chang, and Phu Quoc coral reef sites. A total of six national echo seminars on coral reefs were conducted during the reporting period. Three coral reef concept papers were also developed by the RWG-CR for presentation to the proposed Donors’ Forum in October 2008.

6.2.3 During discussion Dr. Pernetta informed the meeting that recently the PCU had received notification that a young couple planning to be married in the US intended to request their wedding guests to make donations to the Mu Koh Chang demonstration site in place of giving gifts. The RSTC noted that this was an unexpected benefit from the project website.

6.3 Regional Working Group on Seagrass; Ms. Tu Thi Lan Huong, Chairperson

6.3.1 Ms. Huong presented document UNEP/GEF/SCS/RSTC.9/8-RWG-SG "*Report of the Chairperson of the Regional Working Group on Seagrass*". Ms. Huong informed the Committee that the ninth meeting of the RWG-SG was convened in Phu Quoc, Viet Nam from 3rd – 5th March 2008. Ms. Huong informed the meeting that the main activities of the group during that meeting included: the review of substantive national and regional outputs of the RWG-SG; consideration of training materials developed for the regional training workshop on coral reefs and seagrass; review of achievements and lessons learned at the seagrass demonstration sites; and the finalisation of inputs to the seagrass sub-component of the SAP.

6.3.2 Ms. Huong informed the meeting that terminal evaluations of the Phu Quoc and Bolinao seagrass demonstration sites had been completed, and that evaluations were outstanding for the Hepu and Kampot sites. It was also noted that three lessons learned notes had been prepared by members of the RWG-SG during 2008 and had been submitted to the PCU. National echo seminars on seagrass had been conducted within all participating countries throughout the year.

6.4 Regional Working Group on Wetlands; Mr. Zainuddin Ab. Shukor, Vice-Chairperson

6.4.1 Mr. Zainuddin presented document UNEP/GEF/SCS/RSTC.9/8-RWG-W "*Report of the Chairperson of the Regional Working Group on Wetlands*". Mr. Zainuddin informed the Committee that the ninth meeting of the RWG-W had been convened in Taytay, Palawan, Philippines from 6th – 8th May 2008. The main business of this meeting included: finalisation of a list of substantive outputs from the wetlands sub-component; consideration of materials produced for the regional training workshop on wetlands; identification of priority national level activities for SAP implementation; and review of the status of the medium-sized projects.

6.4.2 Mr. Zainuddin noted that with respect to the wetland MSPs, the Shantou wetlands project in China had been formally approved by the GEF CEO and the first tranche of funds for this project was disbursed to the executing agency during the first quarter of 2008. He noted that there have been delays in the approval of the Malampaya Sound wetlands project in the Philippines, the Thale Noi wetlands project in Thailand, and the Balat estuary project in Viet Nam as a result of the need for project documents to be revised into new GEF formats and due to problems securing letters of commitment with respect to co-financing. He noted that only co-financing commitment letters have been secured for the Malampaya Sound site. Regarding the conduct of the national echo seminars on wetlands, Mr. Zainuddin noted that these had been convened in all countries except Indonesia.

6.4.3 Ms. Nirawan noted that the regional expert on wetlands Dr. Sansanee Choowaew had been awarded a medal by the RAMSAR Secretariat for her services to wetlands education in the region and that a deciding factor in her selection for this award had been her regional work and experience with the South China Sea project. She expressed her pleasure that the work of the South China Sea project had been recognised in this way and the RSTC recorded their congratulations to Dr. Sansanee.

6.5 Regional Working Group on Fisheries; Dr. Dao Manh Son, Vice-Chairperson

6.5.1 Dr. Son presented document UNEP/GEF/SCS/RSTC.9/8-RWG-F "*Report of the Chairperson of the Regional Working Group on Fisheries*". Dr. Son informed the Committee that two meetings of the RWG-F had been convened during 2008. An *Ad-Hoc Meeting* of the group was convened in Bangkok, Thailand from 21st – 22nd February, and the tenth meeting of the RWG-F was convened in Busuanga, Palawan, Philippines from 2nd – 5th June 2008.

6.5.2 Dr. Son noted that the work of the RWG-F during these meetings had focused on development of the proposed GEF fisheries *refugia* project, including: identification of the precise nature and costs of the activities that needed to be undertaken at the national level in each country; and identification of the extent to which these activities were already planned, or could in the future be financed through the recurrent budgets of the Departments of Fisheries in each country. The group also discussed the procedures for securing letters of commitment with respect to co-financing from the Departments of Fisheries as well as GEF Operational Focal Points endorsement letters for the project. The tenth meeting of the group finalised a revised GEF Project Identification Form for this proposed project.

6.6 Regional Working Group on Land-based Pollution; Dr. Gullaya Wattayakorn, Chairperson

6.6.1 Dr. Gullaya presented document UNEP/GEF/SCS/RSTC.9/8-RWG-LbP “*Report of the Chairperson of the Regional Working Group on Land-based Pollution*”. Dr. Gullaya informed the meeting that no meeting of the Regional Working Group on Land-based Pollution had been convened since the eighth meeting of the Regional Scientific and Technical Committee in December 2007. Dr. Gullaya noted that there appeared to be no significant issues with the administrative reports for this component and that the key outstanding tasks of the Specialised Executing Agency included adoption of the National Action Plans.

6.6.2 It was noted by Professor Huang that the National Action Plan for Land-Based Pollution in China had been adopted in 2007. It was also noted that GIS data had been submitted to the PCU from the Specialised Executing Agency in Indonesia. Dr. Gullaya informed the meeting that the terminal evaluation report for the Batam land-based pollution pilot activity had not been submitted to the PCU.

6.7 Regional Task Force on Economic Valuation; Dr. Nguyen The Chinh, Vice-Chairperson

6.7.1 Dr. Chinh presented document UNEP/GEF/SCS/RSTC.9/8-RTF-E “*Report of the Chairperson of the Regional Task Force on Economic Valuation*”. Dr. Chinh informed the Committee that the eighth meeting of the Regional Task Force on Economic Valuation was convened in Busuanga, Palawan, Philippines from 10th – 13th March 2008.

6.7.2 It was noted that this meeting: reviewed additions to the empirical datasets of economic values of ecosystem goods and services in the South China Sea; prepared inputs to a publication to compare and contrast the outcomes of the work of the Regional Task Force with that of Costanza *et al*; considered the preparation of publications and presentations to promote the work of the task force in regional and International fora; planned use of an online database of economic values; and identified priority actions for economic valuation in the framework of any future project to implement the revised Strategic Action Programme for the South China Sea.

6.7.3 Dr. Chinh informed the meeting further that RTF-E members had also contributed to the conduct of the regional training workshop on economic valuation and that national echo seminars had been convened in all countries, except Cambodia. In support of the RTF-E initiative to promote their work in appropriate International and regional fora, the government nominated members of the RTF-E from Malaysia and the Philippines, namely Dr. Khalid Abdul Rahim and Dr. Noel Eusebio Oyardo Padilla represented the task force and delivered presentations on the work of the group during the Global Forum on Oceans, Coasts and Islands convened in Hanoi, Viet Nam from 7th – 11th April 2008.

6.7.4 Dr. Pernetta informed the committee of the progress made during 2008 in comparing and contrasting the work of the RTF-E with that of Costanza *et al*. He noted that he and Dr. Padilla had been in close communication regarding this matter and were committed to its finalisation. Professor Huang noted that the government nominated member of the RTF-E, Mr. Li Kaiming had published two articles in Chinese language outlining the work and achievements of economic valuation of habitat goods and services in China.

6.8 Regional Task Force on Legal Matters; Mr. Duong Thanh An, Chairperson

6.8.1 Mr. An presented document UNEP/GEF/SCS/RSTC.9/8-RTF-L “*Report of the Chairperson of the Regional Task Force on Legal Matters*”. Mr. An informed the meeting that the seventh meeting of the RTF-L was convened in Nha Trang, Viet Nam from 12th – 14th May 2008. He noted that important items of business considered by the meeting, included: results of national informal consultations including focus group workshops; outcomes of the deliberations of the Project Steering Committee and COBSEA meetings regarding the implementation of the Regional Strategic Action Programme; contents of the regional Strategic Action Programme regarding alternative regional instruments and mechanisms for strengthening marine environmental co-operation in the South China Sea; and inputs from the legal task force to a possible GEF project for SAP implementation.

6.8.2 Mr. An noted that important outputs of the meeting included: draft terms of reference and rules of procedure for a possible South China Sea, Strategic Action Programme implementation committee; and a listing of proposed activities at the regional and national levels to assist in moving towards more formal arrangements for strengthening cooperation in the management of the marine and coastal environment of the South China Sea.

7. CONSIDERATION OF ACTIVITIES AND ACHIEVEMENTS OF THE DEMONSTRATION SITES AND PILOT ACTIVITIES

7.1 Outcomes and Findings from the Terminal Evaluations

7.1.1 The Chairperson invited Dr. Pernetta to introduce document UNEP/GEF/SCS/RSTC.9/9 "*Achievements and Lessons Learned from the Demonstration Sites and Pilot Activities*". Dr. Pernetta reminded the Committee that key achievements at the demonstration sites had been considered during the eighth meeting of the RSTC convened in December 2007, and that during the period January -June 2008 the demonstration sites and pilot activities had been provided funds through their operational budgets to undertake terminal evaluations of the sites.

7.1.2 Dr. Pernetta explained that draft terms of reference for final evaluations of the demonstration sites had been prepared by the PCU and circulated to demonstration site managers and relevant project component focal points. Dr. Pernetta informed the meeting that terminal evaluations had been received for the following sites: Fanchenggang, China (mangroves); Batu Ampar, Indonesia (mangroves); Muh Koh Chang, Thailand (coral reefs); Masinloc, Philippines (coral reefs); Phu Quoc, Viet Nam (coral reefs and seagrass); and Bolinao, Philippines (seagrass). These terminal evaluation reports were available for the information of the Committee in Annexes 2 – 7 of document UNEP/GEF/SCS/RSTC.9/9.

7.1.3 It was noted that terminal evaluation reports were outstanding for the following sites: Trat, Thailand (mangrove); Belitung, Indonesia (coral reefs); Hepu, China (seagrass); Kampot, Cambodia (seagrass and transboundary); Peam Krasop, Cambodia (Wetlands/Mangrove and transboundary); and Batam, Indonesia (Land-Based Pollution).

7.1.4 Dr. Pernetta advised the committee that in his opinion there were no "surprises" in the evaluation reports and that by and large the conclusions showed that the anticipated outputs had been produced, and that the lessons learned identified through peer review and evaluation during the regional working groups consideration of the progress reports throughout the course of execution of the activities were the key features meriting wider dissemination following project closure.

7.1.5 The Committee noted the conclusions of the various evaluations and agreed that the lessons learned needed to be documented, disseminated and made continuously available following project closure.

7.2 Achievements and Lessons Learnt from the Demonstration Sites and Pilot Projects

7.2.1 Members recalled that the eighth meeting of the RSTC and the seventh meeting of the PSC had discussed possible mechanisms for disseminating information regarding successful experiences and lessons learned at the demonstration sites. The Committee was informed that the PCU had developed a generic template for preparation of good practices and lessons learned notes and that this had been circulated to demonstration site managers and project component focal points in January 2008. Dr. Pernetta noted that eight draft lessons learned papers had been received by the PCU to date on the following topics:

- Private sector involvement in mangrove management at the Fangchenggang mangrove site.
- Operation of a network of small scale sanctuaries at the Masinloc coral reef site.
- Integrating fisheries and habitat management at the Phu Quoc coral reef and seagrass site.
- Public education and awareness for sustainable use of mangroves at the Trat mangrove site.
- Integrating traditional wisdom on coral reef management planning at the Belitung coral reef site.
- Developing sustainable coral reef based tourism at the Mu Koh Chang coral reef site.
- Joint management of transboundary waters at the Kampot and Phu Quoc demonstration sites.
- Habitat rehabilitation at the Thi Nai Lagoon self-funded demonstration project.

7.2.2 The Committee noted further that the plan approved by the RSTC in December 2007 had been for these notes to be submitted to the PCU no later than 30th March providing sufficient time for editing by the PCU, translation at the national level, and publication in national languages prior to the closure of national activities. In the event, a number of these had been received in draft in late June and July; consequently insufficient time remained for translation and publication in national languages.

7.2.3 The Committee agreed that the time remaining for producing the notes in national languages was insufficient but that the lessons learned notes should be edited and formatted for publication at the regional level in English language. It was further agreed that the lessons learned notes should be published before mid October 2008 in order that they can be distributed by the Thailand National Focal Point in their booth during the 10th Conference of Parties to the Ramsar Convention that would take place in Changwon, Republic of Korea from 28th October – 4th November 2008. The National Technical Focal Points from each participating country requested the following number of copies of the notes for distribution at the national level: Cambodia (40); China (30); Indonesia (50); Malaysia (100); Philippines (100); Thailand (50); and Viet Nam (60).

7.2.4 Professor Huang indicated that it would be valuable to have the notes in Chinese and that he would facilitate the translation of the notes into Chinese for wider distribution and both Ms. Zulhasni and Ms. Nirawan indicated that they would try to ensure translation for use at the local level in Indonesia and Thailand. All focal points agreed that they would post the notes on appropriate websites at the national level.

8. STATUS OF THE REGIONAL TRAINING PROGRAMME

8.1 The Chairperson invited Mr. Christopher Paterson to introduce document UNEP/GEF/SCS/RSTC.9/10 "*Final Report of the Regional Training Programme*" and to highlight the achievements and problems encountered in implementing the programme.

8.2 Mr. Paterson informed the committee that the regional component of the UNEP/GEF South China Sea Project Training Programme was operated between April 2007 and June 2008. He noted that a total of seven regional training workshops were conducted in Malaysia, Philippines, and Thailand by five implementing entities, namely: the Universiti Sains Malaysia; the Marine Science Institute of the University of the Philippines; the Center for Applied Economic Research, Faculty of Economics, Kasetsart University; the Faculty of Environment and Resource Studies, Mahidol University; and the Southeast Asian Fisheries Development Center.

8.3 Mr. Paterson reported that the operation of the regional training programme involved 104 days of regional training and the participation of 153 individuals from the seven participating countries. A total of 66 resource persons supported the conduct of the workshops, all of whom were nationals of, or in a few instances resident in the participating countries. Mr. Paterson reported that the specific outputs from the regional programme included: 192 PowerPoint presentations containing 5,612 slides; 571 pages of text in 17 lecture notes; 61 recommended readings with a total 2,231 pages of text; 7 training videos; and a package of larval fish identification resource materials. He noted that the total cost of the regional training workshops was US\$338,164, with the costs of individual workshops ranging between US\$35,673 and US\$74,771.

8.4 Mr. Paterson informed the meeting that all training materials developed and used in the regional training workshops were accessible via the training section of the South China Sea project website and were available to the meeting on a DVD-ROM. He noted that detailed summary reports for each workshop, including indexes to all training materials developed, were included in document UNEP/GEF/SCS/RSTC.9/10 as Annexes 1-7.

8.5 Mr. Paterson informed the meeting that a total of thirty seven (37) national "echo" seminars were conducted over the period June 2007-June 2008, and involved a total of 1,592 participants and 111 days of training. He noted that the total anticipated cost of these national echo-seminars was US\$148,405, and that this figure would be revised following receipt of all final progress and expenditure reports from the Specialised Executing Agencies for the periods June-December 2007 and January-June 2008.

8.6 The Chairperson invited members to comment on the usefulness of the programme overall and recommend how the training materials developed could be made continuously available following closure of the project. Professor Huang noted that in the case of China, the training programme had been particularly useful and the supporting national echo seminars had been very effective in increasing awareness of local government officers both to the South China Sea Project interventions in China and to various aspects of the sustainable management of coastal ecosystems.

8.7 Ms. Zulhasni noted that both the regional and national training events had assisted in building awareness and support at provincial and local levels in Indonesia with respect to the South China Sea project. Ms. Zulhasni noted that the participation of individuals from the demonstration sites in the regional training events had been effective in providing staff of local government agencies with the skills and knowledge required to improve the integration of environmental considerations in economic development planning of coastal provinces bordering the South China Sea. Ms. Zulhasni noted that Table 2 of the document would require updating to include information relating to the conduct of a national echo seminar on economic valuation in Pontianak, West Kalimantan Province from 24th – 26th June 2008 involving 30 participants.

8.8 Regarding the future use of training materials, Dr. Jacinto suggested that the situation with respect to the copyright of materials would influence how the materials could be used in the future. Dr. Jacinto sought clarification from the Project Director regarding this matter. Dr. Pernetta informed the meeting that the only materials copyrighted in the strictest sense are texts and published documents used as resource materials in the workshops. He noted that as the training materials had been developed specifically for the workshops using funds from the GEF project grant, the copyright of these materials belonged to UNEP. As such Dr. Pernetta noted that the materials were freely available for use by any individual or organisation, and the only request from UNEP would be that reference to UNEP or the UNEP/GEF South China Sea Project be made when they were used.

8.9 Dr. Jacinto suggested that it may be conceivable that a number of organisations involved in coastal and marine education and public awareness building might wish to either load these materials to their websites or provide links to them on the South China Sea website, and queried what were the implications with respect to intellectual property rights. Dr. Pernetta noted that such use and duplication of the materials should be encouraged with the aim of enhancing the wide dissemination and use of the experiences. Dr. Srisuda Jarayabhand suggested, and the Project Director agreed, that it may also be useful to load the materials to the website of the Coordinating Body on the Seas of East Asia (COBSEA).

8.10 Ms. Nirawan requested clarification regarding whether the materials could be used in Thailand to develop on-line training programmes through an appropriate distance education organisation and Dr. Pernetta responded that this was of course possible but that as with all other uses UNEP would appreciate receiving notification of such use. In response to a query from Ms. Zulhasni, Dr. Pernetta indicated that there was no reason why individual organisations and focal points could not make duplicate copies of the DVD ROM's for dissemination at the national level.

8.11 All National Technical Focal Points agreed that they would endeavour to make national language training materials developed for the national echo seminars accessible online in the near future.

8.12 Dr. Pernetta noted that Mr. Paterson's presentation had focused on the successes of the training programme and suggested that it may be appropriate to give some consideration to aspects of the programme which did not work as well as others. Firstly he informed the Committee that the planned workshop on Project Planning and Management had not been conducted. He noted that it was initially envisaged that this workshop would be organised and convened by the PCU, but that it had not been possible for this to take place due to limited staffing of the PCU. He noted that depending on the workload of the PCU during the final quarter of 2008 it may be possible for this workshop to be conducted prior to the conclusion of the project.

8.13 Dr. Pernetta noted that the funds for study tours had also been under utilised and suggested that this may have been due in part to difficulties associated with the organisation of such events in the South China Sea region. He noted also that there was limited exchange of staff between demonstration sites and suggested that the plans of the project in this respect may have been

somewhat premature. He suggested that the exchange of individuals between sites would likely be more effective now that the activities of the demonstrations could demonstrate lessons learned and provide a more solid opportunity for capacity building of staff involved in establishing new management areas.

8.14 Regarding the DVD-ROM of training programme outputs, Dr. Ong Jin-Eong suggested, and the Committee agreed, that copies of this should be sent to the entities involved in the organisation of the workshops for distribution to all resource persons. It was also agreed that the following number of copies of the DVD-ROM would be produced and sent to the participating countries for national distribution: Cambodia (110); China (50); Indonesia (80); Malaysia (40); Philippines (100); Thailand (50); and Viet Nam (110).

9. OPERATION AND MAINTENANCE OF THE PROJECT WEBSITE, AND REGIONAL GIS AND META DATABASES

9.1 The Chairperson invited Mr. Paterson to introduce document UNEP/GEF/SCS/RSTC.9/11 "*Analysis of the Usage and Effectiveness of the South China Sea Online Collaborative Information Base and Recommendations Regarding Operation and Management Following Project Closure*".

9.2 Mr. Paterson briefly compared the usage of the South China Sea project website for the periods 2006/07 and 2007/08 and noted that the number of visitors to the site had increased 3.5 fold during this period. He informed the meeting that this was largely the result of the website having been featured by Google in its official news on 25th February 2008, and the addition of the project to the Google Earth outreach showcase.

9.3 Mr. Paterson reminded the meeting that the project website currently supports a wide range of features to enable online communication between and among members of the project network, to enhance accessibility to project outputs, and to ensure wide syndication and dissemination of project news and information. He noted that each feature has been developed to meet specific operational requirements of the South China Sea project, and suggested that the potential usefulness of each feature following project closure would depend on the level of functionality required from the website at that time.

9.4 Mr. Paterson advised the Committee that the future uses of the South China Sea website and associated databases will be influenced by the post project situation regarding regional co-ordination. Mr. Paterson suggested that the possible post project scenarios are varied but all will likely involve COBSEA in regional co-ordination to some degree or another. He proceeded to review the anticipated requirements, objectives, and required inputs to the website under the post project scenarios of: (a) GEF funded SAP implementation and fisheries *refugia* projects; priority interventions implemented by the GEF Small Grants Programme and donors; and, little or no regional co-ordination of SAP activities. Detailed information regarding the future operation of the website and databases were presented to the Committee in Tables 5-7 of document UNEP/GEF/SCS/RSTC.9/11.

9.5 Mr. Paterson suggested that the full use of the existing range of features of the website will only likely occur under the scenario of GEF funded SAP implementation and fisheries *refugia* projects. He noted that maintaining the inputs to the site in terms of contributions of content and technical support (e.g. hosting, maintaining software, and data security) would require substantial financial resources, and it is unlikely that these resources would be available under any other scenario.

9.6 The Chairperson then invited the RSTC to review the options for future operation of the website and to make recommendations to the Project Steering Committee. Following discussion of the usage and value of the website, and the practicalities of keeping website content and the content management system current, the RSTC agreed that the following recommendation should be delivered to the eighth Project Steering Committee meeting:

The RSTC recognises that the existing project website provides a rich and extremely valuable source of information, data, databases, training materials, models and other items of relevance to the South China Sea. Furthermore the website was recognised internationally by Google Earth, the GEF Secretariat and IW-Learn as being the most comprehensive body of information and data pertaining to any large marine ecosystem or

shared water body world-wide. In addition the number of individual visits to the site per month (c110,000); the numbers of document downloads; and the number of countries from which visitors originate (120+ of which the seven participating countries all rank in the top 20) attest to the global and regional significance of the site.

In light of this, and recognising that COBSEA has decided to take responsibility for oversight of the implementation of the Strategic Action Programme the RSTC recommends that the Project Steering Committee recommend to COBSEA that the COBSEA Secretariat be charged with responsibility for maintaining a South China Sea website. The COBSEA Secretariat would need to assess the resource requirements both financial and human, bearing in mind that the site would need to be modified to make pages available for the national focal points to provide up-dates of the actions and activities associated with the implementation of the National Action Plans and Strategic Action Programme.

10. ARRANGEMENTS FOR THE TERMINAL EVALUATION OF THE SOUTH CHINA SEA PROJECT

10.1 The Chairperson invited Dr. Pernetta to introduce this Agenda Item. Dr. Pernetta reminded members that during the eighth meeting of the RSTC in December 2007 a tentative schedule for the conduct of the terminal evaluation of the project was discussed and accepted by the committee. The meeting recalled further that it was anticipated that the first draft of the evaluation report would be available in late July for presentation and review during the ninth meeting of the RSTC.

10.2 Dr. Pernetta noted with regret that the tentative schedule was not acceptable to UNEP's Evaluation and Oversight Unit (EOU) and that he had only been informed immediately prior to the meeting that a final evaluation team had been selected. He noted that he did not yet have a detailed programme for the evaluation, but understood that this would be prepared in the near future. He noted further that it appeared that the evaluation would be undertaken during the period September – December 2008.

10.3 The Regional Scientific and Technical Committee expressed its overall concern that the revised timeframe for the terminal evaluation of the South China Sea Project might not provide adequate opportunities for national inputs and a collective response to the draft evaluation report. The committee noted that the complexity of the project, the status of project implementation, and the project's extensive range of outputs and outcomes would require time to evaluate in a proper manner and consequently they were of the view that it was unlikely that a draft report could be produced much before the end of the year.

10.4 Several members reported that the finalisation of the GEF funded activities at the demonstration sites in June 2008 would impact the ability of the evaluators to review the achievements and weaknesses of activities at the demonstration sites since those funded through the project were completed and responsibility had been handed over to local government units most of whose staff could not speak English. It was noted that in many instances the demonstration site managers had been transferred to new posts and were unlikely to be able to provide appropriate support including interpretation for the evaluators during site visits. Despite these difficulties the National Technical Focal Points indicated that they would, in collaboration with the individual component focal points facilitate such support to the visits of the evaluators but that this could only be done if sufficient lead time for planning was provided in advance of the visits.

10.5 The committee noted that the short period of time available for the conduct of the evaluation would restrict: the opportunities for national co-ordinators and individual project component focal points to interact with the evaluators; to provide responses to queries from the evaluators; and the time available to review and comment on the draft report. A particular concern of the RSTC was that neither the RSTC nor the Project Steering Committee would have the opportunity of providing a collective regional response to the draft evaluation and that consequently they would be forced to respond from an individual country perspective.

10.6 Members noted with regret the absence of a detailed programme for the evaluation and the National Technical Focal Points noted that a draft detailed work plan, including schedules for country

visits was required as soon as possible in order to provide an opportunity to resolve potential clashes with the existing commitments of the National Focal Points and National Technical Focal Points. In this respect Ms. Nirawan noted that neither the Focal Point nor the NTFP in Thailand would be available from 26th October to mid November since they would be attending the COP meeting of the RAMSAR Convention in Korea at that time. Dr. Pernetta assured the committee that as soon as the initial work plan and timetable had been drafted by the evaluators he would transmit this to all parties for inputs regarding the practicality of the timing of proposed visits.

10.7 The Committee agreed that each participating country would need at least 1 month to coordinate a proper national review and response to the draft terminal evaluation report. Ensuring a comprehensive review entailed translation of the draft into national languages in many countries and this would take time.

10.8 The Committee instructed the Project Director to communicate the concerns of the RSTC to the UNEP Division of Global Environment Facility (GEF) Coordination and UNEP's Evaluation and Oversight Unit and their regret that the original timetable had not been met.

11. FINAL REVIEW OF THE REVISED STRATEGIC ACTION PROGRAMME (SAP) AND RECOMMENDATIONS TO THE PROJECT STEERING COMMITTEE REGARDING ITS' APPROVAL

11.1 Report from the Project Director regarding Proposed Amendments to the Text of the SAP from the Participating Countries

11.1.1 The Chairperson invited the Project Director to introduce the discussion document UNEP/GEF/SCS/RSTC.9/12 "*Proposed amendments to the text of the SAP from the participating countries*". Dr. Pernetta reminded the Committee that during the seventh meeting of the Project Steering Committee in Trat Province, Thailand from 17th to 19th December 2007 it was agreed that all consultations at the national level regarding the content and adoption of the SAP should be completed and the outcomes transmitted to the PCU by the end of March 2008.

11.1.2 Dr. Pernetta informed the meeting that as of the end of July written responses had been received only from China and the Philippines together with a verbal communication from Cambodia indicating that no changes to the text were being proposed by that country. He noted that the comments and suggestions for amendment from China and the Philippines were included as Annex 1 of the document. He noted further that the majority of textual changes proposed by China had been incorporated into the text of the sixth draft of the SAP that was available to the meeting as document UNEP/GEF/SCS/RSTC.9/13 and noted that he had not incorporated the remainder since they were in many cases factually incorrect. He suggested, and the meeting agreed, that the Committee work through the sixth draft of the SAP and amend the document as required.

11.1.3 Professor Huang suggested that the word "agreement" in the chart on the cover page be replaced with "programme". Dr. Pernetta noted that the box in the chart "*Sub-Regional and Bi-Lateral Agreements*" had been developed by the RTF-L and referred to agreements such as the Memorandum of Agreement (MoA) which had been entered into between the People's Committee of Kien Giang Province (Viet Nam) and the Governor of Kampot Province (Cambodia) for enhanced cooperation in the management of coastal habitats and natural resources in the transboundary water areas between Kien Giang and Kampot. Dr. Pernetta noted that agreements such as this and others such as the trilateral agreement between Malaysia, Indonesia and the Philippines on turtles formed important instruments that supported regional co-operation and were considered an important part of the framework for SAP implementation developed by the RTF-L. It was factually incorrect to refer to such agreements as programmes.

11.1.4 Professor Huang suggested, that a footnote should be added to page 2 of the document regarding the non-participation of China in the fisheries and coral reef components. Dr. Pernetta noted that footnotes to that effect had been added to the relevant chapters on coral reefs and fisheries of the document. Mr. Lee suggested that similar footnotes be added in respect of Malaysia's non-participation in the early meetings of the fisheries and mangroves components.

11.1.5 Professor Huang suggested that the final paragraph on page 2 should be deleted. There followed an extensive discussion and the paragraph was revised and amended, the agreed text is contained in Annex 5 of this report.

11.1.6 Professor Huang suggested that in point 1 of the section "*Challenges for Mangrove Management*" of the mangrove sub-component of the SAP, reference to China should be removed since the situation had improved since 2006. It was agreed that China should be listed in the second phrase of this threat, along with Thailand and Viet Nam.

11.1.7 In the introduction to the Coral Reef section Professor Huang also suggested that the sentence "... *the most well-known being the Spratly Islands, the Tung-Sha Reefs and Paracel Islands*" be deleted. Members of the Regional Scientific and Technical Committee agreed with the Project Director that this was a statement of geographic fact and should not be removed from the document.

11.1.8 Regarding the land-based pollution component of the SAP, it was noted that China had requested that the quality of Figure 1 be improved. Dr. Pernetta informed the meeting that this was merely a photocopied draft document and that of course the final publication would use high quality images.

11.1.9 In the case of Land-based Pollution it was noted that China had requested that line 14 from the bottom of page 46 should be changed from

"... to set and maintain region-wide water quality standards and water quality objectives"

to

"... to enhance pollution control and management for achieving appropriate water quality objectives"

The Chairperson of the Regional Working Group on Land-based Pollution noted, and the meeting agreed that these two objectives were quite different and that it was not the intention of the RWG-LbP that the SAP become involved in issues involving the control or management of pollution since the entire work to date had focussed on the impacts of pollution rather than on the control of sources. It was noted however that the word "maintain" was inappropriate and should be changed to "periodically review" for the sake of clarity.

11.1.10 Professor Huang noted that the Chinese proposed to change line 10 at the bottom of page 46 from "... *agree and adopt regional criteria for contaminants in sediment and biota*" to "... *formulate regional guideline for making criteria for contaminants in sediment and biota*". The committee was opposed to this suggestion since it further delayed any concrete actions being taken which was not the purpose of the SAP. The final text of the changes is contained in Annex 5.

11.1.11 It was noted that China had also requested that the word "ASEAN" in line 6 from the bottom of page 46 should be changed to "agreed". It was noted that this change should not be made as it referred specifically to the "*ASEAN Marine Water Quality Criteria*". The Committee also noted China's request to delete COBSEA from bullet 3.2.4 of Table 22, but it was agreed that this would be inappropriate given COBSEA's desire to oversee the implementation of the SAP.

11.1.12 Ms. Huong noted some inconsistencies in information relating to seagrass areas contained in the seagrass component of the SAP. It was agreed that Dr. Pernetta would check and revise the data prior to finalising the next draft of the document. Minor textual changes were made to the document and all changes are provided in Annex 5 of this report.

11.1.13 Mr. Lee noted a need to adjust the figures for coral reefs and it was agreed that the Malaysia proposals would be incorporated, the amendments are listed in Annex 5 of this report.

11.1.14 The committee endorsed the amended text of the SAP for approval by the Project Steering Committee.

11.2 Reports from the National Technical Focal Points regarding the Acceptability or otherwise of the Draft Memorandum of Understanding among the Countries Bordering the South China Sea for the Coordination of Actions to Implement the Strategic Action Programme

11.2.1 The Chairperson directed the attention of the Committee to the discussion document UNEP/GEF/SCS/RSTC.9/14 which contained the final text of the proposed “*Memorandum of Understanding Among the Countries Bordering the South China Sea Concerning Co-ordination of Actions Undertaken to Implement the Strategic Action Programme for the South China Sea*”. The Chairperson requested the National Technical Focal Points to comment on the outcomes of national consultations on the final text and recommend any final changes.

11.2.2 Professor Huang informed the Committee that China had approved the concept of the MoU and did not request any changes to the text. The alternate for the National Technical Focal Points in Malaysia noted that there were no proposed changes to the text. Ms. Nirawan noted that in the case of Thailand all related organisations had approved the text, and that ONEP was awaiting a response from the Department of International Laws and Treaties. Mr. Savath noted that there was no objection to the substance of the text in Cambodia.

11.2.3 Dr. Mai noted that the MoU had been approved in Viet Nam. He requested that if possible “*marine environment*” should be added to the preamble. The RSTC expressed the view that this change should not be made as it added little to the intent of the preamble and would likely require further consultations within each country to approve such a change, leading to a delay in the formal signature of the MoU.

11.2.4 Dr. Pernetta drew the attention of members to two minor textual errors in the present text noting that “United General Assembly” should read “United Nations General Assembly” and that the phrase “The Ministries of Environment” at the bottom of the page should be changed to “the Ministries responsible for environmental affairs in each country” in conformity with section two of the document.

11.2.5 Mr. Savath requested and the committee agreed that the acronym SAP be spelled out throughout the text.

11.2.6 The Committee agreed to recommend to the Project Steering Committee the final text as contained in Annex 6 of this report for signature.

11.3 Recommendations to the Project Steering Committee regarding the Final Approval of the SAP and the signature of the Memorandum of Understanding

11.3.1 The Chairperson invited the Committee to consider recommendations to the PSC regarding final approval of the SAP and the signature of the MoU. There followed a discussion of possible modes of signature and it was recognised that trying to convene a meeting of Ministers just for this purpose was likely to be too difficult to achieve. One possibility was to have the MoU sent out and signed individually and another was to try and arrange for signature on the margins of a larger meeting to which the Ministers had already been invited.

11.3.2 Mr. An noted that three Ministerial Meetings on the Environment (11th Informal ASEAN Ministerial Meeting; the 7th ASEAN plus three Environment Ministers Meeting; and the 1st East Asian Summit Meeting of Environment Ministers) would be convened in Hanoi, Viet Nam during the first week of October and that VEPA was serving as the host of these meeting. It was suggested that this would provide an appropriate opportunity for the MoU to be signed.

11.3.3 The RSTC noted that this would indeed be a suitable opportunity and recommended to the Project Steering Committee that they request Deputy Minister Tran Hong Ha to facilitate this process. The Committee noted further that in the event that this possibility was accepted by the PSC and the Vietnamese hosts then the focal points in all countries where final clearance was outstanding should contact the agencies responsible informing them of the proposed date of signature and requesting their final clearance well in advance of this event.

12. OPERATIONAL ARRANGEMENTS FOR IMPLEMENTING THE STRATEGIC ACTION PROGRAMME

12.1 Outcome of the Deliberations of COBSEA regarding Co-ordination of the Implementation of the Strategic Action Programme

12.1.1 The Chairperson invited Dr. Pernetta to introduce this item and discussion document UNEP/GEF/SCS/RSTC.9/15 "*Outcome of the Deliberations of COBSEA Regarding the Implementation of the Strategic Action Programme for the South China Sea and Recommendations Regarding Operational Arrangements*".

12.1.2 Dr. Pernetta reminded the Committee that the seventh Project Steering Committee (PSC) had discussed future courses of action with respect to the implementation of the Strategic Action Programme, and that the majority of the PSC members were in favour of preparing a SAP Implementation project to be funded by the GEF. He noted that following the PSC meeting, the COBSEA during its' 19th session in Siem Reap in January 2008 agreed that COBSEA would be a suitable body to coordinate and facilitate the implementation of the SAP and carry out relevant activities.

12.1.3 Dr. Pernetta informed the meeting that following the finalisation of the report of the 19th session of COBSEA, a number of informal meetings and consultations had been convened between the Project Co-ordinating Unit and the COBSEA Secretariat regarding further actions in support of the implementation of the Strategic Action Programme. He noted that during these meetings it was agreed that the Project Steering Committee would need to recommend a course of action to the COBSEA Secretariat for subsequent consideration by COBSEA member countries.

12.1.4 It was noted further that during 2008 the Regional Task Force on Legal Matters was asked to consider possible mechanisms for the implementation of the Strategic Action Programme in the light of the discussions and recommendations of the 19th session of COBSEA. Dr. Pernetta noted further however, that the RTF-L had noted that the resolution of COBSEA did not provide any indication of the desired operational arrangements for oversight of SAP implementation and that COBSEA was a regional inter-governmental, policy level, body and that its Secretariat did not have the human and financial resources to execute the regional activities contained in the SAP. Similarly, the RTF-L had noted that COBSEA has a wider membership (10 countries) than the countries involved in implementation of the SAP (7 countries) and that some of the latter countries might take exception to non South China Sea countries becoming involved in environmental management of the South China Sea.

12.1.5 In response to these issues, Dr. Pernetta informed the meeting that the RTF-L had suggested that perhaps COBSEA could form a permanent standing committee for SAP implementation consisting of the seven SCS countries that could meet annually and report to the biennial meetings of COBSEA. He noted also that considerable discussion of the possibility of establishing a technical assistance unit within the COBSEA Secretariat took place during the RTF-L meeting and it was agreed that this would seem to meet the requirements as expressed by both the Project Steering Committee and the COBSEA. It was proposed that such a unit might be called "*The South China Sea Strategic Action Programme Implementation Unit*" (SAP-IU) and that it should report to COBSEA through a standing committee called "*The South China Sea Strategic Action Programme Implementation Committee*" (SAP-IC).

12.1.6 Dr. Pernetta informed the meeting that the above conclusions and recommendations of the Regional Task Force on Legal Matters were summarised and forwarded to the Directors of the UNEP Division of Global Environment Facility (GEF) Coordination; and Division of Environmental Policy Implementation (DEPI) on 23rd May 2008 for discussion and agreement upon a common position. He noted that in early August 2008 he and Dr. Srisuda had been advised via e-mail that these proposed arrangements were acceptable to both DGEF and DEPI. He suggested that the RSTC may wish to review and comment on these proposed arrangements.

12.1.7 Professor Huang suggested that it might not be appropriate for the RSTC to make recommendations regarding how the SAP coordination should be undertaken by COBSEA. Dr. Pernetta noted that the RSTC plays an important role in reviewing the outputs and advice of the

RTF-L, and that the body served as the primary source of scientific and technical, i.e. operational advice to the PSC he suggested that the Committee should look at the substance of the RTF-L recommendations and advise the PSC on whether or not they would work. Since it is the general view that the present mechanism for the project has been successful, Mr. Lee expressed his view that it may be appropriate to recommend the proposed arrangements to the Project Steering Committee as a possible mechanism for coordination of SAP implementation.

12.1.8 Dr. Jacinto raised a question regarding the conduct of the proposed Standing Committee meetings, specifically whether they would be convened back-to-back with meetings of COBSEA and possibly be attended by the same people. It was noted that COBSEA meetings are convened every two years and that it may be possible for Standing Committee meetings to take place in conjunction with COBSEA meetings during those years.

12.1.9 Dr. Tuan queried whether or not, once the MoU had been signed, the COBSEA Secretariat would be able to begin the process of developing a SAP implementation project. Dr. Pernetta responded by noting that the Resolution of the 19th Session of COBSEA requests the COBSEA Secretariat to liaise with UNEP or other GEF Implementing or Executing Agencies to approach the GEF Secretariat and liaise with other relevant organisations in order to identify funding for SAP implementation consequently the COBSEA Secretariat was mandated to prepare such proposals for the consideration of COBSEA. He noted that using the existing structures and expertise of the South China Sea Project to draft such a proposal would alleviate the staffing problems of the Secretariat.

12.1.10 Ms. Zulhasni queried why the land-based pollution and fisheries components were not featured on the diagram of the proposed management framework for implementation of the Strategic Action Programme. Dr. Pernetta noted that the exclusion of the land-based pollution component was an oversight and that this diagram would be updated. Dr. Pernetta noted that in the case of the fisheries component of the SAP it would be necessary for the proposed fisheries *refugia* project to be executed by an organisation such as the Southeast Asian Fisheries Development Center (SEAFDEC) since neither UNEP nor COBSEA has competence in fisheries issues and a number of COBSEA member countries had previously stated that COBSEA should not become involved in fisheries issues. He noted further that the current proposal for the GEF fisheries *refugia* project has SEAFDEC as the regional executing agency, and that SEAFDEC would need to feed information regarding this project to the RSTC and the COBSEA SSC-SAP Implementation Committee.

12.1.11 Dr. Aliño asked if COBSEA has a scientific and technical body such as the RSTC. Dr. Pernetta informed the Committee that they do not and expressed the view that if the proposed management framework was acceptable and a SAP Implementation Project was funded by the GEF then funding would be available to support such a body. It was suggested that such a body may provide additional benefit to COBSEA in that it could possibly be used by COBSEA for purposes outside SAP implementation.

12.1.12 In conclusion the RSTC agreed with the view of the RTF-L that the proposed management framework would act as a useful mechanism for SAP implementation and that it would strengthen the COBSEA Secretariat. It was agreed that the RSTC should recommend this framework to the Project Steering Committee with the view to it being subsequently recommended to COBSEA for their consideration.

12.2 Status of the Agreement between UNEP and the GEF Small Grants Programme

12.2.1 The Chairperson invited Dr. Pernetta to introduce this item and Dr. Pernetta noted that members were aware of the agreement in principle reached between the South China Sea Project and the Small Grants Programme of the GEF (SGP) to fund actions by community based organisations and other NGOs to support the implementation of the Strategic Action Programme. This proposal had been considered and accepted by the Project Steering Committee and has been endorsed by the SGP who have agreed to fund an equal number of activities to those funded by the SCS Project.

12.2.2 Dr. Pernetta informed the meeting that Dr. Sulan Chen of the SGP had drafted text for an agreement between UNEP, UNDP, and UNOPs covering the transfer of funds to the SGP. Dr. Pernetta noted with regret that although the text had been accepted in UNEP headquarters further

delays had arisen. He noted also that immediately prior to the meeting he had been advised by the Acting Deputy Director of DGEF that it would be necessary to seek specific approval from the GEF CEO or the Operations Manager for the transfer. Dr. Pernetta apologised on behalf of UNEP for these delays.

12.2.3 The RSTC expressed its regret that the agreement was not already operational as had been anticipated in December.

12.3 Status of the GEF Project Proposal on Development and Operation of the Regional Fisheries *Refugia* System

12.3.1 The Chairperson invited Mr. Paterson to introduce discussion document UNEP/GEF/SCS/RSTC.9/17 "Status of the Proposed GEF Project Entitled: *Establishment and Operation of a Regional System of Fisheries Refugia in the South China Sea and Gulf of Thailand*".

12.3.2 Mr. Paterson reminded the meeting that the eighth meeting of the Regional Scientific and Technical Committee (RSTC) and seventh meeting of the Project Steering Committee (PSC) considered a draft Project Identification Form (PIF) developed by the RWG-F for a proposed GEF project entitled: *Establishment and Operation of a Regional System of Fisheries Refugia in the South China Sea and Gulf of Thailand*. He noted that it was explained during these meetings that the proposed project aims to implement the fisheries component of the revised Strategic Action Programme.

12.3.3 Mr. Paterson informed the meeting that the two meetings of the RWG-F convened in 2008 had resulted in the following outputs: a revised GEF Project Identification Form (PIF); costed programmes of national activities for the project; identification of possible sources of project co-financing; and agreements regarding the actions required to secure GEF Operational Focal Point (OFP) endorsement of the project and letters of commitment with respect to the co-financing of the project by the Departments of Fisheries in the participating countries and SEAFDEC. He noted that GEF OFP endorsement had been received for Indonesia and the Philippines, and that letters of commitment to co-finance the project had been received from Indonesia, Philippines, and Thailand. He noted also that SEAFDEC had identified approximately \$2 million dollars in co-financing for the project.

12.3.4 Following a review of the status of project development contained in Annex 4 of the document the RSTC decided to recommend to the Project Steering Committee that the PCU should continue the task of developing this project and that it should be submitted to the GEF Secretariat through DGEF in UNEP headquarters, as soon as possible. It was agreed that the outstanding letters of endorsement should be secured as soon as possible and preferably before September 30th 2008, and that the National Technical Focal Points would provide assistance in this regard.

12.4 Elements for Inclusion in a Follow-up GEF Supported International Waters Project for SAP Implementation

12.4.1 The Chairperson invited the Project Director to introduce discussion document UNEP/GEF/SCS/RSTC.9/18 *Elements for Inclusion in a GEF Supported International Waters Project for Implementation of the Strategic Action Programme for the South China Sea*".

12.4.2 Dr. Pernetta noted that following deliberations of the COBSEA, the Regional Scientific and Technical Committee, and the Project Steering Committee it appeared that there is a general consensus that: COBSEA should be involved in the oversight of SAP implementation; an implementation unit of qualified professional officers is needed to guide the day to day execution of the regional activities, and to provide technical backstopping to the countries; and that such a SAP-Implementation Unit would require new and additional financial resources and consequently a second approach to the GEF is warranted.

12.4.3 Dr. Pernetta informed the Committee that the GEF representative in both the Regional Scientific Conference in November 2007 and the 19th session of COBSEA had noted that in order to secure additional financial resources from the GEF International Waters Portfolio it would be necessary for any proposal for a SAP implementation project to contain a commitment to moving

towards a legally binding agreement. Following an exchange of correspondence between Dr. Pernetta and the GEF Secretariat in which Dr. Pernetta had outlined the problems associated with using the term “legally binding agreement”, he had secured agreement that the term “more formal arrangements for regional co-operation in the management of the marine environment” was acceptable. Dr. Pernetta informed the meeting further that the GEF Secretariat had indicated that a proposal could be submitted:

“if the project has a negotiating component that looks at alternative formal arrangements and has an outcome indicator that the arrangements are to be adopted and are to be sustained by the countries”

12.4.4 Dr. Pernetta noted that Annex 1 contains a proposal for initial consideration by the Regional Scientific and Technical Committee and subsequent decision by the Project Steering Committee concerning such activities for possible inclusion in a GEF submission. He noted further that Annex 2 contains a draft set of terms of reference for the Regional Task Force on Legal Matters derived from those approved by the Project Steering Committee during the second meeting in Hanoi, Viet Nam (UNEP/GEF/SCS/PSC.2/3), together with a proposed set of rules of procedure for the conduct of meetings derived ultimately from the rules of procedure governing meetings of the Governing Council of UNEP. Annex 3 of the document contained a draft set of Terms of Reference for the National Working Groups on Legal Matters which it is proposed, be established under any future GEF project.

12.4.5 Dr. Pernetta indicated that he had not prepared a full project proposal since this would require a substantial amount of work which might be wasted if an agreement in principle to the idea of developing more formal arrangements could not be reached. He suggested that rather than examining the details of the proposal the committee should decide whether such an approach was acceptable in principle.

12.4.6 The Chairperson invited the Committee to consider the proposed elements and discuss, amend if considered appropriate, and agree the arrangements proposed herein to the Project Steering Committee. Professor Huang asked if “*more formal*” meant “*legally binding*”. Dr. Pernetta responded by saying that it didn’t and that “*more formal*” referred to arrangements which represented a higher level of commitment to long-term regional coordination from participating governments than currently exists. Such a commitment might be displayed for example by countries agreeing to adequate long-term financial support to SAP implementation.

12.4.7 Mr. Lee suggested that members may need time to consider the implications of the proposed elements at the national level, particularly if they had financial implications and Dr. Pernetta responded by noting that he had fully anticipated that need. He informed the Committee that from the perspective of the GEF, the performance of any follow up project in moving to more formal arrangements would likely be measured at least in part by reaching an agreement at the end of the five period to longer term financial support, but that this would not be a pre-requisite for engaging in the negotiation process.

12.4.8 Ms. Nirawan suggested that if the conditionality of the GEF can be met through these elements it would be very useful in terms of strengthening the overall capacity of the COBSEA Secretariat. Dr. Srisuda noted the importance of the RSTC in endorsing the elements in order that proposal development can proceed with the assistance of Dr. Pernetta prior to the closure of the South China Sea project and his retirement.

12.4.9 Dr. Jacinto expressed his support for the proposed elements and highlighted the need for projects which focus on establishment of longer term coordination mechanisms. He noted that often projects finish and governments and countries are left waiting for the next project with little or linkage between past and new interventions. He noted that the arrangements contained in the proposed elements aim to work towards this. He suggested that the arrangements will have long term regional benefit if established. He noted that the proposed elements will also likely strengthen COBSEA and lead to more significant national contributions to regional coordination.

12.4.10 Dr. Aliño noted that the proposed mechanisms provide for the continuity of efforts and interventions of the Regional Working Groups and associated national level committees on habitats and land-based pollution. Dr. Gullaya queried why the iterative stages in moving towards more formal

arrangements for strengthening regional cooperation take place over five years. Dr. Pernetta noted that such work involves extensive consultations at both regional and national levels. Dr. Gullaya also queried why the framework budget contained activities relating to regional coordination only. Dr. Pernetta pointed out that this was not the full project document and only covered the more contentious elements of regional co-ordination.

12.4.11 The National Technical Focal Points, or their alternates, from Cambodia, Indonesia, Thailand, and Viet Nam expressed their support for the proposed elements. It was noted that there appeared to be a consensus view amongst the group that the proposed elements addressed the GEF conditionality and were acceptable in principle. It was noted that the elements would require considerable discussion at the national level, although it was agreed that they would act as a suitable starting point for elaboration of a full project document for a SAP implementation project.

12.4.12 Dr. Pernetta suggested that at this stage the members of the committee might wish to highlight any areas that they felt would be particularly difficult or contentious at the national level in order that they could be amended at this early stage. Mr. Lee noted issues regarding the wording used in describing the memberships of the national working group on legal matters and felt that perhaps some countries might wish to provide their inputs to the process in a different manner.

12.4.13 Mr. Savath sought clarification about the Terms of Reference for the National Working Group on Legal Matters contained in Annex 3 and Dr. Pernetta noted that this had been spelled out in general terms since different countries might wish to constitute the committees in different ways.

12.4.14 The RSTC concluded that the proposed elements would seem to outline an adequate process that would enable participating countries to meet the requirements of the GEF and recommended that the PSC give consideration to these proposals.

12.4.15 Dr. Pernetta concluded that if the views of the RSTC were mirrored in the PSC meeting next week then he would undertake to finalise a detailed project document by the end of September for circulation and discussion amongst the members of the regional working groups, task forces and national focal points.

12.5 National Priority Projects and the Regional Donors' Forum

12.5.1 The Chairperson invited Dr. Tuan, former Senior Expert to introduce document UNEP/GEF/SCS/RSTC.9/19 "*Priority National Projects to implement the SAP and Preparations for the Regional Partnership Workshop*". Dr. Tuan reviewed the agreements made during the previous meetings of the RSTC regarding targets of the SAP and actions required to meet the targets. It was noted that the regional actions of the SAP largely aim to provide service functions to management actions at the national and local levels; and the targets of the SAP would not be met through implementing just the SAP alone. To achieve the targets stated in the SAP, actions at the national level were required.

12.5.2 Members were reminded that the PSC had made funds available at the national level to convene national workshops to determine priority actions for implementation under the SAP and that it was agreed that such concepts would be developed and presented to a regional Partnership Workshop in the third or final quarters of 2008. Following the seventh meeting of the PSC the Project Coordinating Unit (PCU) announced the PSC decision to members of the project network. A template for the development of concept papers was prepared by the PCU and was distributed to national level partners. A number of regional working group meetings convened during the first half of 2008 also considered regional and national priorities for SAP implementation and developed some concept papers.

12.5.3 Only three countries (Cambodia, Indonesia, and Philippines) requested funds from the GEF project grant to convene consultations to identify priority actions and projects. Five concept papers were received by the PCU from Cambodia, 2 from China, 4 from Indonesia, 4 from Philippines, and 7 from Viet Nam. No concept papers were submitted by Malaysia and Thailand. The ninth meeting of the Regional Working Group on Coral Reefs proposed 6 potential projects, including regional and bilateral activities and coral reef management in Thailand and Viet Nam. The ninth meeting of the

Regional Working Group on Seagrass discussed and raised 3 priorities at the regional and national levels but no concept papers were developed during the meeting.

12.5.4 A total of 28 concept papers were received by the PCU, and 26 had been reviewed and edited. The PCU rejected one concept paper submitted from Indonesia as it did not follow the required template and provided insufficient information for it to be edited by PCU staff. Another from Viet Nam regarding the assessment of land-based pollution laws was also rejected as this activity had been conducted by the Regional Task Force on Legal Matters in the framework of the South China Sea Project.

12.5.5 Dr. Tuan called members to consider table 1 of the document. It appears that only 6 of the total 26 concept papers appeared to align closely with the SAP targets, and be suitable for delivery to the donors forum following minor revision. Five proposals were partly or indirectly related to the SAP targets and could be re-written to improve their fit with the SAP. Four of the proposed projects should be executed as national activities in the context of any SAP implementation project. Similarly, 3 of the proposals should be included as regional actions in the SAP implementation project. Two proposals regarding fisheries could be included as part of the proposed GEF fisheries *refugia* project. Six concept papers were possibly not suitable for submission to the Donors' Forum.

12.5.6 He further noted that 20 revised concept papers had been received by the PCU by 17th August. Four among them have still not met the requirements for submission to the forum. No expected donors were indicated in a number of proposals from Indonesia and Philippines.

12.5.7 Dr. Tuan informed the meeting that the Technical Workshop and Donors' Forum would be convened from 13th – 14th and 16th – 17th October 2008, respectively as agreed with the host organisation, the Ministry of Environment of the Kingdom of Cambodia. The proposed venue for both events would be the City Angkor Hotel, Airport Road, Siem Reap, Cambodia.

12.5.8 It was also proposed that participants in the Technical Workshop should include: National Technical Focal Points; Chairpersons of the Regional Working Groups and Task Forces; selected national and regional experts; and PCU staff and consultants. The total number of participants would be approximately 35 persons.

12.5.9 All National Focal Points, National Technical Focal Points, and selected regional experts would be invited to attend the Donors' Forum. Representatives from donors such as ADB, DANIDA, SIDA, JICA, WB, NOAA, NUFU, JBIC, and AIDAB would be contacted by the host country. Given the fact that a number of proposed projects were seeking financial support from GEF, GEF Operational Focal Points from the 7 participating countries would be invited to participate in the Donors' Forum. It was suggested that representatives from the Embassies of the 6 participating countries in Phnom Penh would be invited to participate in the event. Other recommended participants would include: delegates from the Ministry of Environment or Embassy in Cambodia of Japan and Australia; and representatives of relevant UN agencies and programmes and NGOs (UNEP, COBSEA, IUCN, WWF, Japanese Coral Reef Society). It was estimated that the Donors' Forum could include more than 50 participants.

12.5.10 The RSTC was invited to review the concept papers of proposed projects in the light of the SAP targets and identified geographic priorities; and advise the PCU regarding those which were considered appropriate to submit to the Donors' Forum.

12.5.11 Mr. Savath recommended to replace the Fisheries Administration by the Koh Kong provincial authority as a Specialised Executing Agency in the concept paper numbered 6 and suggested that the proposals not meeting the SAP targets could be revised. Dr. Tuan informed the meeting that 3 revised concept papers of Cambodia have not addressed comments from the PCU and 3 others were not revised. In response to Prof. Huang's query regarding development of additional proposals for inclusion in the donors' forum, it was requested that National Technical Focal Points (NTFP) should act as a filter to ensure quality of concept papers and to enable editing by the PCU in the limited time remaining.

12.5.12 Following a lengthy discussion, it was agreed that a number of submissions should not be submitted as stand alone projects as they fit with the SAP implementation project or fisheries *refugia*

proposal. In addition to removing proposals not related to the SAP targets or these of low quality, this resulted in few concept papers requesting funding mainly from GEF and others such as ADB, World Bank, JICA and NOAA could be submitted to the Donors' Forum. Therefore, concerns about the necessity of organising the Donors' Forum were raised. It was noted that the SAP itself and the proposal for the GEF SAP Implementation project could be presented at the Forum which would thus provide potential co-financing partners with the opportunity of considering participation.

12.5.13 The NTFPs of all participating countries supported the convening of the Technical Workshop and Donors' Forum as planned, taking account that concept papers should be revised comprehensively to ensure quality of proposed projects. Mr. Lee noted the need to consider cost and the quality of projects which would influence whether the donors would come to the forum. As requested by the Chairperson, members agreed to a deadline for receipt of final concept papers of 10th September.

13. ANY OTHER BUSINESS

13.1 The Chairperson invited members to raise any additional items of business under this agenda item.

13.2 Dr. Jacinto raised the question as to whether or not this was the final meeting of the RSTC. Dr. Pernetta confirmed that this was the last formal meeting of the committee planned during the current project.

13.3 Dr. Pernetta sought the views of the committee regarding the possibility of convening an *ad hoc* meeting of the RSTC later in the year to consider the draft SAP Implementation project for submission to the GEF and the possibility of arranging this at a time that would provide the opportunity for a regional response to the draft terminal evaluation.

13.4 Dr. Tuan and Mr. Lee agreed that if it were possible to receive the evaluation report in time then there were good reasons why such a meeting should be convened. Professor Huang, Ms. Nirawan and Mr. Savath agreed with this suggestion as did Dr. Jacinto, Mr. An, and Ms. Zulhasni. The RSTC agreed to recommend this possibility to the Project Steering Committee.

14. ADOPTION OF THE REPORT OF THE MEETING

14.1 The Chairperson invited Dr. Jacinto, the Rapporteur to present the draft report of the meeting for consideration, amendment and adoption by the meeting.

14.2 Dr. Jacinto presented the report which was projected, amended and adopted as contained in this document.

15. CLOSURE OF THE MEETING

15.1 The Chairperson, Ms. Nirawan expressed her very sincere thanks to Dr. Pernetta, Mr. Paterson and Ms. Unchalee for their continued support to the project and the meetings of the committee over the past seven years. The Vice Chair Professor Huang endorsed these expressions of appreciation and noted that this support had led to very collegial and productive meetings.

15.2 Mr. Lee concurred with the views expressed by the Chair and Vice Chair and apologised for any short-comings there might have been on the part of Malaysia in contributing to the project. Ms. Zulhasni thanked the PCU staff on behalf of all the components and demonstration sites in Indonesia whom she felt had benefited greatly from participating in the project.

15.3 Dr. Jacinto noted that initial the atmosphere in some of the meetings had been a little tense but as colleagues became better acquainted a much more friendly and collegial atmosphere characterised the later meetings, and expressed his pleasure at being able to participate in the meetings of the RSTC. Dr. Gullaya, noted that the South China Sea was a difficult and complex project and that the PCU had done a great job over the course of the project.

15.4 Mr. Savath, express thanks on behalf of Cambodia to Viet Nam for hosting the meeting in the beautiful City of Hue. He expressed sincere thanks to the Project Director, Mr. Paterson and Ms. Unchalee who had worked so hard and ensured that the project was successful. He also expressed thanks to meeting members for their hard work and good co-operation.

15.5 Dr. Fan expressed his thanks to Dr. John and Ms. Unchalee and noted that he had learnt much and benefited a great deal from participating in the project. He felt that the experience would be of great benefit for the future and that although the project was ending he hoped that there would be opportunities to work together in the future.

15.6 Mr. Zainnudin expressed his appreciation to the staff of the PCU and particularly to Mr. Paterson for his help in preparing for his participation in the meeting and to colleagues for their support during the meeting. Dr. Aliño joined in thanking the PCU both on his own behalf and behalf of all members of the regional working group on coral reefs.

15.7 Ms. Huong, noted that she had become the focal point for seagrass in Viet Nam following the retirement of Dr. Nguyen Van Tien and that she had been elected to the Chair of the seagrass working group only during the last meeting. She noted that personally she had felt benefit from the opportunity of participating in and learning from the meeting.

15.8 Mr. An thanked the RSTC on behalf of the RTF-L members for their consideration and support to the recommendations of the task force. On behalf of all Vietnamese participants he thanked the participants for joining the meeting in Hue Viet Nam, open and frank exchange of views during the meeting. Dr. Chinh expressed thanks to all, especially the PCU for their support and expressed the hope that there would be continued co-operation in the future.

15.9 The Chairperson invited Dr. Pernetta to address the meeting and he opened by wishing Dr. Gullaya Happy Birthday on behalf of the committee and the PCU. He noted that Dr. Jacinto was correct that some of the early meetings had been difficult but that overall he could recall only four out of 94 regional meetings where the atmosphere had been less than cordial, which overall was quite a good record. He noted that he had been associated with this project since its inception in 1996 but had worked full-time on it only from January 2002. He noted that this was a long period but that he considered it to have been both a pleasure and a privilege to serve the countries in such a worthy endeavour. He thanked all members past and present for their strong support and commitment to excellence in achieving the project outputs.

15.10 In closing the meeting the Chairperson Ms. Nirawan noted that when she attended the first meeting she had been somewhat nervous since she knew the project had been running for some time but she did not know what to expect. She had overcome her nervousness quite quickly as a consequence of the warm atmosphere and feeling of belonging to a family. She expressed thanks to all participants and formally closed the meeting at 1730hrs on Friday 22nd August 2008.

ANNEX 1**List of Participants****National Technical Focal Points****Cambodia**

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ANNEX 2

List of Documents

Discussion documents

UNEP/GEF/SCS/RSTC.9/1	Agenda.
UNEP/GEF/SCS/RSTC.9/2	Annotated Agenda.
UNEP/GEF/SCS/RSTC.9/3	Report of the Meeting.
UNEP/GEF/SCS/RSTC.9/4	Status of the Six Month Progress and Expenditure Reports and Audit Reports from the Focal Points.
UNEP/GEF/SCS/RSTC.9/5	Co-financing of the Project to date and Comparison with Original Agreed Estimates.
UNEP/GEF/SCS/RSTC.9/6	Timetable and Status of Project Closure.
UNEP/GEF/SCS/RSTC.9/7-Vn	Report of the National Technical Focal Point of Viet Nam.
UNEP/GEF/SCS/RSTC.9/7-Thai	Report of the National Technical Focal Point of Thailand.
UNEP/GEF/SCS/RSTC.9/7-Phi	Report of the National Technical Focal Point of Philippines.
UNEP/GEF/SCS/RSTC.9/7-Mal	Report of the National Technical Focal Point of Malaysia.
UNEP/GEF/SCS/RSTC.9/7-Ind	Report of the National Technical Focal Point of Indonesia.
UNEP/GEF/SCS/RSTC.9/7-Chi	Report of the National Technical Focal Point of China.
UNEP/GEF/SCS/RSTC.9/7-Cam	Report of the National Technical Focal Point of Cambodia.
UNEP/GEF/SCS/RSTC.9/8-M	Report of the Chairperson for the Regional Working Group on Mangroves.
UNEP/GEF/SCS/RSTC.9/8-CR	Report of the Chairperson for the Regional Working Group on Coral Reefs.
UNEP/GEF/SCS/RSTC.9/8-SG	Report of the Chairperson for the Regional Working Group on Seagrass.
UNEP/GEF/SCS/RSTC.9/8-W	Report of the Chairperson for the Regional Working Group on Wetlands.
UNEP/GEF/SCS/RSTC.9/8-F	Report of the Chairperson for the Regional Working Group on Fisheries.
UNEP/GEF/SCS/RSTC.9/8-LbP	Report of the Chairperson for the Regional Working Group on Land-based Pollution.
UNEP/GEF/SCS/RSTC.9/8-RTF-E	Report of the Chairperson of the Regional Task Force on Economic Valuation.
UNEP/GEF/SCS/RSTC.9/8-RTF-L	Report of the Chairperson of the Regional Task Force on Legal Matters.
UNEP/GEF/SCS/RSTC.9/9	Achievements and Lessons Learned from the Demonstration Sites and Pilot Activities.
UNEP/GEF/SCS/RSTC.9/10	Final Report of the Regional Training Programme.
UNEP/GEF/SCS/RSTC.9/11	Analysis of the Usage and Effectiveness of the South China Sea online Collaborative Information Base and Recommendations Regarding Operation and Management Following Project Closure.
UNEP/GEF/SCS/RSTC.9/12	Proposed amendments to the text of the SAP from the participating countries.
UNEP/GEF/SCS/RSTC.9/13	Revised Strategic Action Programme. (Draft 6)
UNEP/GEF/SCS/RSTC.9/14	Final text of the Memorandum of Understanding.
UNEP/GEF/SCS/RSTC.9/15	Outcome of the Deliberations of COBSEA regarding Co-ordination of the Implementation of the Strategic Action Programme and recommendations to the Project Steering Committee.

UNEP/GEF/SCS/RSTC.9/16	Status of the agreement between UNEP and the GEF Small Grants programme.
UNEP/GEF/SCS/RSTC.9/17	Status of the GEF Project entitled: “ <i>Establishment and operation of a Regional System of Fisheries Refugia in the South China Sea and Gulf of Thailand</i> ”.
UNEP/GEF/SCS/RSTC.9/18	Elements for inclusion in a GEF Supported International waters Project for Implementation of the Strategic Action programme for the South China Sea.
UNEP/GEF/SCS/RSTC.9/19	Priority National Projects to implement the SAP and Preparations for the Regional Partnership Workshop.

Information documents

UNEP/GEF/SCS/RSTC.9/Inf.1	List of Participants.
UNEP/GEF/SCS/RSTC.9/Inf.2	List of Documents.
UNEP/GEF/SCS/RSTC.9/Inf.3	Programme.

The following documents are supplied in published form

Meeting Reports

UNEP, 2008	Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand. <i>Report of the Tenth Meeting of the Regional Working Group on Fisheries.</i> UNEP/GEF/SCS/RWG-F.10/3.
UNEP, 2008	Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand. <i>Report of the Seventh Meeting of the Regional Task Force on Legal Matters.</i> UNEP/GEF/SCS/RTF-L.7/3.
UNEP, 2008	Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand. <i>Report of the Ninth Meeting of the Regional Working Group on Wetlands.</i> UNEP/GEF/SCS/RWG-W.9/3.
UNEP, 2008	Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand. <i>Report of the Ninth Meeting of the Regional Working Group on Coral Reefs.</i> UNEP/GEF/SCS/RWG-CR.9/3.
UNEP, 2008	Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand. <i>Report of the Ninth Meeting of the Regional Working Group on Mangroves.</i> UNEP/GEF/SCS/RWG-M.9/3.
UNEP, 2008	Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand. <i>Report of the Eighth Meeting of the Regional Task Force on Economic Valuation.</i> UNEP/GEF/SCS/RTF-E.8/3.
UNEP, 2008	Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand. <i>Report of the Ninth Meeting of the Regional Working Group on Seagrass</i> UNEP/GEF/SCS/RWG-SG.9/3.
UNEP, 2008	Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand. <i>Report of the Seventh Meeting of the Project Steering Committee.</i> UNEP/GEF/SCS/PSC.7/3.
UNEP, 2008	Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand. <i>Report of the Eighth Meeting of the Regional Scientific and Technical Committee.</i> UNEP/GEF/SCS/RSTC.8/3.

Technical Reports

UNEP. 2008	National Reports on Seagrass in the South China Sea. UNEP/GEF/SCS Technical Publication No. 12.
UNEP. 2008	National Reports on Wetland in the South China Sea. UNEP/GEF/SCS Technical Publication No. 13.
UNEP. 2008	National Reports on Mangrove in the South China Sea. UNEP/GEF/SCS Technical Publication No. 14.

Documents received during RSTC-9 Meeting.**China:**IMC

- Six Monthly Project Expenditure from **January – June 2008**.
- Six monthly progress report **January – June 2008**.

Fangchenggang Demo Site Mangrove

- Six Monthly Project Expenditure from **January – June 2008**.
- Six monthly progress report **January – June 2008**.

Indonesia:Land-based Pollution

- Six Monthly Project Expenditure from **July - December 2007**.
- Cash Advance request period **January – June 30, 2008**.
- Six monthly progress report, **July – December 2007**.
- Six Monthly Project Expenditure from **January - June 2008**.
- Cash Advance request period **ending June 2008**.
- Six monthly progress report, **January – June 2008**.

IMC

- Six Monthly Project Expenditure from **July - December 2007**.
- Cash Advance request period **January – June 30, 2008**.
- Six monthly progress report, **July – December 2007**.
- Six Monthly Project Expenditure from **January - June 2008**.
- Cash Advance request period **ending June 2008**.
- Six monthly progress report, **January – June 2008**.

Batam Pilot Site Activities

- Report of the Batam Pilot Site Activities on Land-based Pollution period **July – December 2007** included Six monthly project expenditure, cash advance, six monthly progress report, and meeting summary workshop on the activities achievements of Batam, Land-based Pollution Pilot Site.
- Report of the Batam Pilot Site Activities on Land-based Pollution period **January – June 2008** included Six monthly project expenditure, cash advance, six monthly progress report, and meeting summary workshop on the activities achievements of Batam, Land-based Pollution Pilot Site.

Publications

Leaflet: **Landbased Pollution – Tanjung Riau Pilot Site**, Indonesian Language 20 copies.

Book: **National Action Plan on Land-based Pollution**, Indonesian Language 5 copies.

A4 poster: **Lestarikan Lingkungan Hentikan Pembuangan Limbah Ke Perairan Perairan Pesisir “Jangan Sampai Hutan Rusak, Laut Pun Binasa”** 3 copies.

Malaysia:

- A National Action Plan of Wetland Sub-component in Malaysia 2008 – 2013, Kuala Lumpur, November 2007. total 25 copies. (20 distributed to participants, remain 5 copies in PCU)

Philippines:Coral Reefs

- Six monthly progress report **January – June 2008**.
- Six Monthly Project Expenditure, **January – June 2008**.
- Report of Independent Public Accountant.
- Six monthly project expenditure, **January 2002 – December 2007**.
- Six monthly project expenditure, **January 2002 – 30 June 2008**.
- Annex 7 Inventory of non-expendable equipment purchased against UNEP projects.

ANNEX 3

Agenda

- 1. OPENING OF THE MEETING**
 - 1.1 Welcome on behalf of UNEP
 - 1.2 Welcome Address on behalf of the Government of Viet Nam
 - 1.3 Introduction of Members
- 2. ORGANISATION OF THE MEETING**
 - 2.1 Election of Officers
 - 2.2 Documentation Available to the Meeting
 - 2.3 Programme of Work and Administrative Arrangements for the Conduct of the Meeting
- 3. ADOPTION OF THE MEETING AGENDA**
- 4. ADMINISTRATIVE AND FINANCIAL MATTERS**
 - 4.1 Status of Administrative Reports for the Year 2007 and First half of 2008
 - 4.2 Calculation of Actual Co-financing
 - 4.3 Timetable and Status of Project Closure
- 5. REPORTS FROM THE NATIONAL TECHNICAL FOCAL POINTS REGARDING NATIONAL CO-ORDINATION AND ACTIVITIES AT THE NATIONAL LEVEL JANUARY TO JULY 2008**
 - 5.1 Viet Nam - Dr. Mai Trong Nhuan, NTFP Viet Nam
 - 5.2 Thailand - Mrs. Nirawan, Pipitsombat, alternate NTFP Thailand
 - 5.3 Philippines - Dr. Gil Jacinto, NTFP, Philippines
 - 5.4 Malaysia - Mr. Lee Heng Keng, alternate NTFP Malaysia
 - 5.5 Indonesia - Mr. Dasminto, alternate NTFP Indonesia
 - 5.6 China - Prof. Huang Zhengguang, NTFP China
 - 5.7 Cambodia - Mr. Koch Savath, NTFP Cambodia
- 6. REPORTS FROM THE REGIONAL WORKING GROUPS AND REGIONAL TASK FORCES ON PROGRESS AND ACHIEVEMENTS TO DATE**
 - 6.1 Regional Working Group on Mangroves; Dr. Hangqing Fan, Chairperson
 - 6.2 Regional Working Group on Coral Reefs; Dr. Porfirio Aliño, Chairperson
 - 6.3 Regional Working Group on Seagrass; Mrs. Tu Thi Lan Huong, Chairperson
 - 6.4 Regional Working Group on Wetlands; Mr. Zainuddin Ab. Shukur, Vice-Chairperson
 - 6.5 Regional Working Group on Fisheries; Dr. Dao Manh Son, Vice-Chairperson
 - 6.6 Regional Working Group on Land-based Pollution; Dr. Gullaya Wattayakorn, Chairperson
 - 6.7 Regional Task Force on Economic Valuation; Dr. Nguyen The Chin, Vice-Chairperson
 - 6.8 Regional Task Force on Legal Matters; Mr. Duong Thanh An, Chairperson
- 7. CONSIDERATION OF ACTIVITIES AND ACHIEVEMENTS OF THE DEMONSTRATION SITES AND PILOT ACTIVITIES**
 - 7.1 Outcomes and Findings from the Terminal Evaluations
 - 7.2 Achievements and Lessons Learnt from the Demonstration Sites and Pilot Projects
- 8. STATUS OF THE REGIONAL TRAINING PROGRAMME**
- 9. OPERATION AND MAINTENANCE OF THE PROJECT WEBSITE, AND REGIONAL GIS AND META DATABASES**
- 10. ARRANGEMENTS FOR THE TERMINAL EVALUATION OF THE SOUTH CHINA SEA PROJECT**

11. FINAL REVIEW OF THE REVISED STRATEGIC ACTION PROGRAMME (SAP) AND RECOMMENDATIONS TO THE PROJECT STEERING COMMITTEE REGARDING ITS' APPROVAL

- 11.1 Report from the Project Director regarding Proposed Amendments to the Text of the SAP from the Participating Countries
- 11.2 Reports from National Technical Focal Points regarding the Acceptability or otherwise of the Draft Memorandum of Understanding among the Countries Bordering the South China Sea for the Coordination of Actions to Implement the Strategic Action Programme
- 11.3 Recommendations to the Project Steering Committee regarding the Final Approval of the SAP and the signature of the Memorandum of Understanding

12. OPERATIONAL ARRANGEMENTS FOR IMPLEMENTING THE STRATEGIC ACTION PROGRAMME

- 12.1 Outcome of the Deliberations of COBSEA regarding Co-ordination of the Implementation of the Strategic Action Programme
- 12.2 Status of the Agreement between UNEP and the GEF Small Grants Programme
- 12.3 Status of the GEF Project Proposal on Development and Operation of the Regional Fisheries *Refugia* System
- 12.4 Elements for Inclusion in a Follow-up GEF Supported International Waters Project for SAP Implementation
- 12.5 National Priority Projects and the Regional Donor's Forum

13. ANY OTHER BUSINESS

14. ADOPTION OF THE REPORT OF THE MEETING

15. CLOSURE OF THE MEETING

ANNEX 4

Status of Project Closure

BACKGROUND

During the eighth meeting of the Regional Scientific and Technical Committee the procedures for closure of the project had been outlined in document UNEP/GEF/SCS/RSTC.8/6.

It was noted that all national activities, and hence expenditures were planned to be completed by June 30th 2008. Under the terms of the MoU's a final expenditure report would then be due no later than the 31st July. What was required by 31st July, were the following: a six month progress report on activities between January and June 30th or where the prior six month report has not been submitted a combined report for both periods will be accepted; an expenditure report encompassing all expenditures between the time of the last accepted expenditure report and June 30th 2008; and, an inventory report of all non-expendable equipment purchased under the agreement.

It was noted further that a terminal audit report covering all expenditures not covered by previously submitted audit reports should be submitted within three months of completion of the activities. If the last audit report was for expenditures in 2005 then the final report should cover the period from January 1st 2006 to June 30th 2008. Once these documents have been received and accepted by the Project Co-ordinating Unit a letter will be issued by UNEP formally closing the agreement and stating that the equipment purchased now remains the property of the Institution concerned.

CURRENT SITUATION

Activities and consequently expenditures are planned by the IMC of Cambodia up to 31st August; and by the Fisheries component in Indonesia, the wetlands and land-based pollution components in the Philippines, to July 31st. Final progress and expenditure reports cannot therefore be expected for these components before September 30th and August 31st respectively.

All activities have been completed in respect of 17 components or sub-components and the final progress reports have been submitted (Table 1). Table 1 also indicates that all reporting requirements in respect of 9 of these components and including the final audit report have now been met. In the case of the Task Forces all activities have been completed, final reports have been received in respect of five of the fourteen MoUs but to date no audit reports have been received.

In the case of the 11 demonstration sites and two pilot activities final progress reports have been received in respect of seven. The lower rate of reporting and progress towards closure of these activities is not surprising given that substantial activities remained to be completed in the first half of this year compared to the national level activities of the components and sub-components which basically concluded activities during the last quarter of 2007 and first quarter of 2008.

CONCLUSION

The Regional Scientific and Technical Committee noted that it would appear that progress towards closure of the activities at the national level is well in hand, nevertheless National Focal Points and National Technical Focal Points were requested and agreed to encourage the focal points and individuals responsible to ensure that all reports are submitted to the Project Co-ordinating Unit as soon as possible preferably before 20th September 2008.

Table 1 Status of final reports as of 15 August 2008 from IMCs and SEAs. [NR = Not received none = no equipment purchased].

		Final 6-M Rpt incl Expenditure Rpt.	Audit Rpt	Non-expendable Equipment	Remark
Cambodia					
IMC	IMC	6-Jul-08 Draft	NR	NR	
Department of Nature Conservation & Protection	M&W	26-Mar-08	NR	NR	
Department of Fisheries	CR&SG	30-Jul-08 Draft	NR	NR	
Department of Fisheries	F	30-Jul-08 Draft	NR	NR	
Department of Pollution Control	LbP	26-Jul-08	NR	17-Jul-08	
People's Republic of China					
IMC	IMC	01-Aug-08	13-Aug-08	none	Completed
Guangxi Mangrove research centre	M	28-Nov-07	4-Dec-07	none	Completed
South China Sea Institute of Oceanology	SG	5-Feb-08	24-Jan-08	none	Completed
Institute of Environmental Sciences, Zhongshan University	W	18-Jul-08 Draft	NR	NR	
South China Institute of Environmental Sciences	LbP	29-Nov-07	19-Dec-07	none	Completed
Indonesia					
IMC	IMC	20-Aug-08	20-Aug-08	none	Completed
Institute of mangrove Research & Development	M	NR	NR	none	
Puslitbang Oseanografe Lipi	CR	1-Aug-08	NR	none	
Puslitbang Oseanografe Lipi	SG	7-Jul-08	7-Jul-08	none	Completed
Wetland International Asia Pacific - Indonesia Programme	W	NR	NR	NR	
Secretariat of Directorate general of Capture Fisheries	F	NR	NR	none	
Environmental protection Agency	LbP	20-Aug-08	20-Aug-08	none	Completed
Malaysia					
IMC	IMC	NR	NR	none	
Department of Fisheries	CR	NR	NR	NR	
Department of Fisheries	SG	NR	NR	none	
Conservation & Environment Management Division, MOSTE	W	NR	NR	none	
Department of Environment	LbP	21-Nov-07	NR	none	
Philippines					
IMC	IMC	NR	NR	NR	
Coastal Environment Programme, DENR	M	12-Aug-08 Draft	NR	none	
Marine Science Institute, University of the Philippines	CR	14-Aug-08	15-Aug-08	14-Aug-08 Draft	
Marine Science Institute, University of the Philippines	SG	8-Apr-08	22-May-08	NR	
Protected Areas and Wildlife Bureau, DENR	W	22-Aug-2008	NR	22-Aug-2008	
Bureau of Fisheries & Aquatic Resources	F	31-Jul-08 Draft	NR	13-Aug-08 Draft	
Environmental Management Bureau DENR	LbP	NR	NR	none	
Thailand					
IMC	IMC	NR	NR	none	
Department of Marine and Coastal Resources [1]	M	04-Aug-08 Draft	NR	NR	
Faculty of Science of Ramkhamhaeng University	CR	18-Apr-08	18-Apr-08	NR	
Faculty of Environment & Resource Studies, Mahidol Univ.	SG	22-Feb-08	22-Feb-08	23-Jul-08	Completed
Kasetsart University	W	13-Aug-08	NR	NR	
Department of Fisheries	F	NR	NR	none	
Pollution Control Department	LbP	14-Aug-07	6-Sep-07	NR	
Viet Nam					
IMC	IMC	NR	NR	none	
Forest Science Institute of Viet Nam	M	10-Mar-08	1-Apr-08	Draft 28/04/2008	
Institute of Oceanography	CR	NR	NR	none	
Hai Phong Institute of Oceanology	SG	4-Feb-08	16-Apr-08	Draft 22/01/2008	
Vietnam National University	W	17-Apr-08	31-Jul-08	none	Completed
Research Institute of marine Fisheries	F	04-Aug-08	24-Jul-08	none	Completed
Centre for Marine Environment Research, Survey & Consultation	LbP	19-Dec-07	14-Aug-07	none	Completed

Table 2 Final report status as of 15 August 2008 – Regional Task Forces.
[NR = Not received none = no equipment purchased].

Institution		6-M Rpt	Audit Rpt	Non-expendable Equip.	Remark
Cambodia					
Department of Planning and Legal Affair (MoE)	RTF-L	6-May-08	NR	none	
Dept of Nature Conservation and Protection (MoE)	RTF-E	NR	NR	none	
People's Republic of China					
Dept of Policy and Law, State Environment Protection Administration	RTF-L	NR	NR	none	
The South China Institute of Environmental Science	RTF-E	7-Jul-08	NR	none	
Indonesia					
The Lawencon Foundation	RTF-L	21-Jul-08	NR	none	
Budi Luhur University, Jakarta	RTF-E	NR	NR	none	
Malaysia					
Maritime institute	RTF-L	NR	NR	none	
University Putra Malaysia, Selangor	RTF-E	30-Jul-08	NR	none	
Philippines					
Department of Environment and Natural Resources	RTF-L	NR	NR	none	
Department of Environment and Natural Resources	RTF-E	15-Aug-08 Draft	NR	none	
Thailand					
Office of Natural Resources and Environmental Policy and Planning	RTF-L	8/22/2007	NR	none	Activity Discontinued
Kasetsart University, Bangkok	RTF-E	NR	NR	none	
Viet Nam					
Vietnam Environmental Protection Agency	RTF-L	3-Jul-08 Draft	NR	none	
Center of Environment Research education and Development	RTF-E	NR	NR	none	

Table 3 Final report status as of 15 August 2008 - Demonstration Sites.
[NR = Not received none = no equipment purchased].

Item	Name of site	6-M Rpt	Audit Rpt	Non-expendable Equip.	Remark
Mangrove demonstration sites					
2247a	Thailand - Trat Province	6-Aug-08 Draft	NR	30-Jul-08	
2247b	Indonesia - Batu Ampur West Kalimantan	NR	NR	NR	
2247c	China - Fanchenggang City	7-Aug-08 Draft	NR	none	
2247e	Cambodia - Mangrove and wetland Koh Kapit	13-Jul-08	NR	NR	
Coral reef demonstration sites					
2248a	Thailand - Mu Koh Chang	7-Aug-08	NR	NR	
2248b	Indonesia - Belitung	1-Aug-08	NR	NR	
2248c	Philippines - Masinloc	2-Jul-08 Draft	15-Aug-08	NR	
2248e	Cambodia - Kampot	29-Jul-08 Draft	NR	NR	
Seagrass demonstration sites					
2249a	China - Hepu	6-Aug-08	NR	NR	
2249b	Philippines - Cape Bolinao	5-Aug-08	NR	NR	
2249c	Vietnam - Bai Bon Phu Quoc Island	4-Aug-08 Draft	NR	NR	
Pilot Activities - Land-based Pollution					
2253a	China Case Study (Lingdingyang)	7-Feb-08	7-Feb-08	none	Activity Discontinued
2253b	Indonesia Case Study	20-Aug-08	20-Aug-08	none	

ANNEX 5

Agreed Final Amendments to the Text of the Sixth Draft of the SAP

Page 2 Para 4

The final section examines the need for regional co-operation and suggests that the SAP serve as the primary instrument for regional co-operation in the management of the marine and coastal environment, amongst the countries bordering the South China Sea and that this co-operation be formally established via a Memorandum of Understanding signed by the Ministers responsible for the Marine Environment.

Page 6

CHALLENGES FOR MANGROVE MANAGEMENT

The National Action Plans provide information regarding the challenges for mangrove management at the national level which centre on:

1. Lack of sustainable financing, Cambodia, Philippines, and Indonesia less so in China, Thailand and Viet Nam;

Page 9 para 1

Southeast Asia is recognised as the global centre of coral reefs, both in terms of extent and species diversity. An estimated 1/3 of the earth's coral reefs (91,700 per 284,300sq. km) are located in the seas of Southeast Asia (Burke *et al.*, in UNEP, 2004). Fringing reefs are well developed away from the major river estuaries, particularly in the Philippines and the central - southern areas of the South China Sea. All major reef types fringing, patch or platform reefs, and atolls occur in the South China Sea, with a total estimated reef area of the order of 10,000km² (based on aggregation of national statistics - Spalding *et al.* 2001). Offshore, a series of large platform reefs and atolls are found; the most well-known being the Spratly Islands, the Tung-Sha Reefs and the Paracel Islands. These oceanic reefs are highly diverse and are thought to play a key role in the maintenance and replenishment of regional biodiversity, and may be particularly important in the replenishment of populations of some harvested species, such as the giant groupers.

Page 9 para 4

THREATS TO CORAL REEFS BORDERING THE SOUTH CHINA SEA

Not only are the coral reefs in South East Asia the most biologically diverse and productive reef ecosystems in the world but, they are also the most threatened and damaged reefs, with unprecedented rates of coral reef destruction from anthropogenic pressures that have accelerated over recent decades (Tun *et al.*, 2004). The Regional Working Group on Coral Reefs, identified regionally significant threats to coral reefs in the South China Sea, as being over-fishing, use of destructive fishing techniques, pollution (mainly eutrophication) and sedimentation (Table 6). Indirect causes of these threats are unsustainable practices in the fisheries sector, coastal development, deforestation and unsustainable tourism. Coral bleaching is considered as a serious threat to coral reefs in the region.

Page 10 para 2

Based on the provision of data by the Focal Points of the participating countries a total area of 749,505ha of coral reefs were identified in six countries as follows: Cambodia, 2,807ha; Indonesia, 39,287ha; Malaysia, 43,394ha; Philippines, 464,000ha; Thailand, 90,000ha; and Viet Nam, 110,000ha.

Table 7 provides details of the management status of coral reef target sites bordering the South China Sea, including *inter alia* their legal status and effectiveness of management. In the case of Cambodia, Indonesia, Malaysia and Thailand, the total coral reef area is estimated as being the same as these areas of targeted sites. The area of coral reefs in the 82 target coral reef sites is 217,390ha (29% of

the total area in the South China Sea, excluding China), of which 99,673ha (13% of the total area) at 61 sites, is under management at the present time. In terms of management effectiveness only around 16% of this area at thirteen sites is considered as being under successful management. Thirty seven percent of sites are considered to be moderately well managed (medium effectiveness) while for 24% of the sites management effectiveness is considered low, and 23% have plans but no effective management.

Table 7 Management Status of Coral Reef Sites in the South China Sea.

Country & Site Name	Area (ha)	Live Coral Cover (%)	Management legal status	Area under Management (ha)	Management Effectiveness ¹
Cambodia	2,808			293	
Koh Kong	73	47	Fisheries Management Area (FMA)		
Koh Sdach	529	29	Proposed MPA		
Koh Rong	468	23	Proposed MPA		
Koh Takiev	293	58	National Park	293	Medium
Koh Tang	439	38	FMA		
Prek Ampil	953	53	FMA		
Koh Pouh	53	41	FMA		
Indonesia	39,286			12,511	
Anambas	6,255	52	Marine Management Area (MMA)	6,255	Low
Bangka	2,934	37	MMA	2,934	Medium
Belitung	2,271	52	MMA	2,271	Low
Karimata	1,041	53	Marine Reserve	1,041	Medium
Senayang Lingga	4,735	37			
Barelang dan Bintan	6,145	44			
Natuna	15,905	31			
Malaysia	43,394			28,209	
Pulau Redang	2,550		Marine Park	1,658	High
Pulau Lima	878		Marine Park	571	High
Pulau Ekor Tebu	812		Marine Park	528	High
Pulau Pinang	978		Marine Park	636	High
Pulau Perhentian Kecil	1,621		Marine Park	1,054	High
Pulau Perhentian Besar	1,824		Marine Park	1,186	High
Pulau Lang Tengah	1,230		Marine Park	800	Medium
Pulau Susu Dara	286		Marine Park	186	Medium
Palau Tenggol	480		Marine Park	312	Low
Palau Nyireh	288		Marine Park	187	Low
Pulau Kapas	427		Marine Park	277	Low
Pulau Tioman	5,023		Marine Park	3,265	High
Pulau Labas	896		Marine Park	582	Medium
Pulau Sepoi	891		Marine Park	579	Medium
Pulau Gut	904		Marine Park	588	Medium
Pulau Tokong Bahara	903		Marine Park	587	Low

¹ **Categories of Management Effectiveness: Low:** Area declared or proposed to be declared for management; Management Plan developed and approved. **Medium:** Existing Management Framework is implemented with inadequacy of manpower, finance and/or equipment. **High:** Existing Management Framework is implemented with enough trained manpower, equipment, facilities and sustainable finance.

Table 7 cont. Management Status of Coral Reef Sites in the South China Sea.

Country & Site Name	Area (ha)	Live Coral Cover (%)	Management type	Area under Management (ha)	Management Effectiveness
Malaysia continued					
Pulau Chebeh	898		Marine Park	584	High
Pulau Tulai	1,272		Marine Park	827	High
Pulau Sembilang	1,212		Marine Park	788	Low
Pulau Seri Buat	1,544		Marine Park	1,004	Low
Pulau Rawa	1,016		Marine Park	660	Medium
Pulau Hujung	1,047		Marine Park	681	Medium
Pulau Tengah	1,030		Marine Park	669	Medium
Pulau Besar	1,683		Marine Park	1,094	Medium
Pulau Tinggi	2,036		Marine Park	1,323	High
Pulau Aur	1,949		Marine Park	1,267	Low
Pulau Pemanggil	1,758		Marine Park	1,143	Low
Pulau Harimau	980		Marine Park	637	Medium
Pulau Gual	914		Marine Park	594	Medium
Pulau Mensirip	932		Marine Park	606	Medium
Pulau Sibul	852		Marine Park	554	High
Pulau Sibul Hujung	237		Marine Park	154	High
Pulau Mentinggi	880		Marine Park	572	High
Pulau Kuraman	1,339		Marine Park	870	Low
Pulau Rusukan Besar	894		Marine Park	581	Low
Pulau Rusukan Kecil	930		Marine Park	605	Low
PHILIPPINES	464,000			2,390	
Batanes	2,050	55	Protected Land/Seascape	40	Medium
Bolinao/Lingayen Gulf	9,560	40	Municipal Coastal Development Plans & National Park	750	Medium
Masinloc, Zambales	2,000	31	Protected Land/Seascape & Fish Sanctuary	120	Medium
Batangas Bay, Maricaban Strait	100	52	Marine Tourism Reserve	80	Medium
Puerto Galera, Mindoro	48	22	Man & Biosphere Reserve	20	Medium
Calamianes Group of Islands	18,200	29		300	Low
El Nido, Palawan	4,250	21	Marine Park	1,000	Medium
Port Barton	454	38.2		80	Low
Balabac	2500		Environmental Critical Protection Zone		
Thailand	90,000			54,000	
Mu Koh Chumporn	7,790	55	National Park	7,360	Medium
Mu Koh Chang	18,670	40	Marine National Park	11,780	Medium
Mu Koh Ang Thong	5,110	55	Marine National Park	5,110	Medium
Mu Koh Samui	38,990	40	Marine National Park	22,770	Low
Mu Koh Samet	4,200	35	Marine National Park	3,240	Medium
Sichang Group	760	20	None	0	
Sattaheep Group	1,670	33	Navy Control Area	1,320	Low
Lan and Phai Group	3,910	18	Navy Control Area	1,200	Low
Chao Lao	860	30	None	0	
Prachuab	2,450	40	Marine National Park	270	Low
Koh Tao Group	2,300	45	None	0	
Song Khla	1,200	20	None	0	
Koh Kra	670	40	None	0	
Losin	950	40	Navy Control Area	950	Low
Viet Nam	110,000			2,270	
Cu Lao Cham	200	34	MPA	100	Medium
Nha Trang bay	570	26	MPA	100	Medium
Con Dao	1,000	23	National Park	1,000	Medium
Phu Quoc	600	42	Proposed MPA	0	
Ninh Hai	1,070	37	Proposed MPA & Community - based Management	1,070	Medium
Ca Na bay	2,270	41	Proposed MPA	0	
Ha Long - Cat Ba	N/A	43	World Heritage & National Park	No Available	Medium
Hai Van - Son Tra	N/A	51	Proposed MPA	0	
Bach Long Vi	N/A	22	Proposed MPA	0	

Page 12

TARGETS

Table 8 presents general status of coral reef management in the South China Sea geographic region of the six countries based on information assembled for 82 individual coral reef areas. The area to be added to the total area managed sustainably by the year 2015 is 54,130ha, thereby increasing the total area under sustainable management to 153,803ha which represents 20% of the total reef area of the South China Sea or 71% of the area of the target sites.

Table 8 Status of Coral Reef Management in the South China Sea Biographic Region of the Participating Countries.

	Cambodia	Indonesia	Malaysia	Philippines	Thailand	Viet Nam	Total
Total coral reef area in the South China Sea (ha)	2,808	39,286	43,394	464,000	90,000	110,000	749,488
Total coral reef area of the 82 target sites	2,808	39,286	43,394	36,662	89,530	5,710	217,390
Coral reef area under existing management at the 83 sites	293	12,511	28,209	2,390	54,000	2,270	99,673
Number of target sites with management information	7	7	36	9	14	9	82
No effective management, plans only	6	3	0	1	5	4	19
No. of sites with low management effectiveness	0	2	11	2	5	0	20
No. of sites with medium management effectiveness	1	2	12	6	4	5	30
No. of sites with high management effectiveness	0	0	13	0	0	0	13
Existing management types ² [1]	FMA, MPA, NP	MMA, MR	MP	PLS, MCDP, MTS, MBR, ECPZ	NP, MNP, NCA,	MPA, NP, CBM, WH	
Target area to be added for management by 2015 (ha)	1,965	5,580	15,185	10,100	18,000	3,300	53,130
Total area to be under management by 2015 (ha)	2,258	18,091	43,394	12,490	72,000	5,570	153,803

Page 12

The specific targets for Coral Reef management are:

- **By 2015, at least 70% of the existing area of coral reefs in the 82 target coral reef sites (153,000ha) to be put under an appropriate form of sustainable management;**

² Cambodia - FMA: Fisheries Management Area, MPA: Marine Protected Area, NP: National Park; Indonesia - MMA: Marine Management Area, MR: Marine Reserve; Malaysia - MP: Marine Park; Philippines - PLS: Protected Land/Seascape, MCDP: Municipal Coastal Development Plan, MTS: Marine Tourism Reserve, MBR: Man & Biosphere Reserve, ECPZ: Environmental Critical Protection Zone; Thailand - NP: National Park, MNP: Marine National Park, NCA: Navy Control Area; Viet Nam - MPA: Marine Protected Area, NP: National Park, CBM: Community-based Management, WH: World Heritage).

Page 13 paragraph 1

Many of the coral reefs in the region are under existing management with low effectiveness and criteria for effective management have not been identified or applied. The working group developed a sustainable management indicator matrix on the assumption that sustainable management of coral reefs means management of the ecosystem in such a way that the resource(s) can be used continuously in a cost effective and ecologically friendly manner.

Page 13 paragraph 3

The purpose of the defining these indicators is to provide a means of assessing whether an area is or, is not, under sustainable management in the context of the targets of the SAP, which states that by the year 2015, 70% of the coral reef area in 82 target sites of the South China Sea shall be under sustainable management. Depending on the objective(s), management input(s) (column 1) are expected to produce measurable output(s) which should be reflected through ecological indicator(s) (column 2) and/or socio-economic indicator(s) (column 3).

Table 9 Sustainable Management Indicator Matrix. [A baseline, mid-term and end of first phase of SAP implementation assessment of these indicators is required to indicate whether or not the targets have been met.]

Management Indicators	Ecological/Environmental Indicators	Socio-Economic Indicators
MANAGEMENT CAPACITY <ul style="list-style-type: none"> • Formal Management framework • Trained Man-power (numbers/levels) • Facilities and equipment • Sustainable Financing 	<ul style="list-style-type: none"> • Live Coral Cover • Butterflyfish (density) • Grouper (number of fish larger than 30cm) • Sea Urchin <i>Diadema</i> • Giant clam <i>Tridacna squamosa</i> 	FISHERIES <ul style="list-style-type: none"> • Catch per unit effort • Total landing • Income • Number of people involved
MANAGEMENT APPROACH <ul style="list-style-type: none"> • Sectorial • Integrated • Community-based • Multiple-use 		TOURISM <ul style="list-style-type: none"> • Number of visitors • Number of tourism operators • Income • Number of people involved
MANAGEMENT TOOLS <ul style="list-style-type: none"> • Licensing and permits • Seasonal closure • Zoning 		

Page 19 last paragraph

On the basis of data provided by the participating countries in the eighth meeting of the RWG-SG, the total of 43 target seagrass sites are recorded in the coastal areas bordering the South China Sea with the details as follows: Cambodia 33,814ha in 4 sites; China 1,960ha from 4 sites; Indonesia 3,035ha from 7 sites; Malaysia 222ha from 13 sites; Philippines 23,245ha from 5 sites; Thailand 2,553ha from 4 sites; and Viet Nam 13,503ha from 6 sites. Table 11 provides information regarding current management status indicating that 12,928ha (16.5%) of the total area is currently under some form of management. The total estimated area of seagrass amounts to 78,332ha of which 25,876ha (33%) is targeted to be under sustainable management by 2012.

Table 11 Status of Some Seagrass Sites in the South China Sea and Gulf of Thailand. Numbers summed for each country only reflect the sites shown in this table and do not represent the country totals.

Country and Site Name	Area (ha)	Legal Status	Area under Management	Management Effectiveness ³	Target for Management by 2012
Cambodia	33,814		2,000		11,446
Kampong Sam Bay	164	None	No	N/A	0
Chroy Pros	3,910	Provincial designated MPA	2,000	Medium	0
Kampot	25,240	Proposed fish Sanctuary	No	N/A	10,096
Kep Beach & Koh Tonsay	4,500	None	No	N/A	1,350
China	1,960		150		700
Hepu seagrass bed	540	National Dugong Reserve	150	Medium	150
Liusha seagrass bed	900	None ⁴	No	N/A	200
LiAn seagrass bed	320	Proposed Marine Park	No	N/A	200
Xincun seagrass bed	200	Proposed Marine Park	No	N/A	150
Indonesia	3,035		0		2,420
Medang-Mesanak	5	None	No	N/A	5
Temiang	5	None	No	N/A	5
East Bintan	2,000	Proposed Marine Management Area	No	N/A	1,500
Mapor	275	Proposed Marine Management Area	No	N/A	275
Anambas	150	Proposed Marine Management Area	No	N/A	35
Bangka-Belitung	350	Proposed Marine Management Area	No	N/A	350
Senayang	250	Proposed MPA	No	N/A	250
Malaysia	222		17		40
Tanjung Adang Laut Shoal	40	None	No	N/A	40
Tanjung Adang Darat Shoal	42	None	No	N/A	0
Merambong Shoal	30	None	No	N/A	0
Sungai Kemaman	17	None	No	N/A	0
Telaga Simpul	28	None	No	N/A	0
Sungai Paka Shoal	43	None	No	N/A	0
Pulau Tinggi Mersing	3	Marine Park	3	Medium	0
Pulau Perhentiar	3	Marine Park	3	Medium	0
Pulau Redang	2	Marine Park	2	Medium	0
Setiu Terengannu	3	None	No	N/A	0
Pulau Besar Mersing	3	Marine Park	3	Medium	0
Merchang	2	None	No	N/A	0
Tunku Abdul Rahman Park	6	State Park	6	Medium	0
Philippines	23,245		6,641		6,920
Cape Bolinao	22,400	Environmentally Critical Area - MPA	6,000	Medium	6,720
Puerto Galera	114	Fish sanctuary part of the Man and Biosphere reserve/	60	Low/Medium	50
Ulugan Bay	11	Fish sanctuary part of the Man and Biosphere reserve/	11	Medium	0
Honda Bay	470	Fish Sanctuary part of the Man and Biosphere reserve/	320	Medium	150
Puerto Princesa	250	Protected Area part of the Man and Biosphere reserve/	250	Medium	0
Thailand	2,553		1,780		0
Kung Krabane Bay	700	None ⁵	700	High	0
Tungka Bay	1,080	National Park	1,080	Low	0
Sarat Thani	500	None	No	N/A	0
Pattani Bay	273	None	No	N/A	0
Viet Nam	13,503		2,340		5,050
Phu Quoc archipelago	4,600	Phu Quoc Marine Protected ⁶ Area	2,050	Low	3,000
Con Dao Islands	200	National Park	200	Medium	200
Phu Qui Island	400	Proposed MPA	No	N/A	0
Thuy Trieu	800	Proposed MPA	50	N/A	350
Tam Giang	2,000	Proposed Ramsar	No	N/A	1,000
Cu Lao Cham	40	MPA	40	Medium	0

3 **Categories of Management Effectiveness: Low:** Area declared or proposed to be declared for management; Management Plan developed and approved. **Medium:** Existing Management Framework is implemented with inadequacy of manpower, finance and/or equipment. **High:** Existing Management Framework is implemented with enough trained manpower, equipment, facilities and sustainable finance.

4 Local Reserve.

5 Under King's project.

6 Phu Quoc National Park is an area of designated terrestrial Forest whilst the Marine Protected Area has recently been declared by the Provincial Government adjacent to the National Park.

Table 12 Regional ranking of threats to seagrass, by the members of RWG-SG, 1=most serious and 6=least serious. (scoring regionally the threats based on country score provided by the focal points and rate between seagrass areas of each country and region)

Country	Cambodia		China		Indonesia		Malaysia		Philippines		Thailand		Viet Nam		Total	
Area (ha)	33,814		1,960		3,035		222		23,245		2,553		13,503		78,332	
Proportion of regional total	0.458		0.027		0.041		0.003		0.315		0.035		0.121		1.00	
	Rank	weight score	Rank	weight score	Rank	weight score	Rank	weight score	Rank	weight score	Rank	weight score	Rank	weight score	Total Weight score	Regional ranking
Destructive fishing such as push net, trawler	1	0.432	1	0.025	1	0.039	3	0.009	2	0.593	1	0.033	1	0.172	1.303	1
Sedimentation from coastal development	4	1.727	3	0.075	3	0.116	4	0.012	3	0.890	2	0.065	2	0.345	3.230	2
Waste water effluent	3	1.295	4	0.100	5	0.194	5	0.015	4	1.187	4	0.130	5	0.862	3.783	3
Nutrients	6	2.590	5	0.125	4	0.155	6	0.018	1	0.297	3	0.098	6	1.034	4.317	5
Coastal construction	5	2.158	2	0.050	2	0.077	2	0.006	5	1.484	6	0.196	3	0.517	4.488	6
Over-fishing	2	0.863	6	0.150	6	0.232	1	0.003	6	1.780	5	0.163	4	0.690	3.882	4

Page 22

The specific targets for management and conservation of seagrass ecosystems in the SCS are as follows:

- *Twenty-one managed areas totalling 26,576 hectares (approximately 33% of the 78,332 hectares identified as seagrass sites) in the South China Sea, to be brought under sustainable management by the year 2012.*

Page 46

GOAL AND TARGETS

The main goal of the land-based pollution component is to foster regional co-operation in the identification of sensitive ecosystems, land-based contamination problems, evaluation of their significance and development of standards for national level adoption within a regional context in order to develop an appropriate precautionary approach to discharges to the South China Sea marine basin. The targets for the land-based pollution component are to set and periodically review region-wide water quality standards and water quality objectives which will assist in maintaining health of the coastal ecosystems. The specific targets for Land-based Pollution management are:

1. By the year 2012, estimate total contaminant loading to the South China Sea.
2. By the year 2012, agree and adopt regional criteria for contaminants in sediment and biota.
3. By the year 2012, characterise and prioritise all hot spots surrounding the South China Sea.
4. By the year 2012, review and prepare recommendations for application in amending national/provincial, legislation/regulations in support of all Land-based Pollution targets of the SAP.
5. By the year 2017, to meet ASEAN seawater quality (14 parameters) criteria (except pollutants from scientifically identified natural sources, if any) for:
 - 90% of monitoring stations in the 17 hot spots characterised by the RWG-LbP between 2002 – 2004;

ANNEX 6

Final Text of Memorandum of Understanding among the Countries Bordering the South China Sea Concerning Co-ordination of Actions Undertaken to Implement the Strategic Action Programme for the South China Sea

1 PREAMBLE The South China Sea, which includes the Gulf of Thailand, is a semi-enclosed sea that supports a number of unique habitats and ecosystems, which are amongst the most biologically diverse shallow water marine ecosystems globally. The countries surrounding the South China Sea have undergone very rapid economic development and rapid population increase in coastal areas over the past two decades resulting in degradation and loss of coastal habitats and resources.

The degradation of the environment of the South China Sea provided the ecological impetus for co-operation amongst the seven countries that participated in the UNEP/GEF project entitled "*Reversing environmental degradation in the South China Sea and Gulf of Thailand*". The benefits derived from that co-operation have demonstrated the need for implementation of the Strategic Action Programme for the South China Sea.

2. PARTIES. This Memorandum of Understanding is entered into by the Ministries responsible for environmental affairs in each country bordering the South China Sea;

3. BACKGROUND. Recognising that all states aspire to achieve sustainable development as expressed in the 1992 Rio Declaration; the Millennium Development Goals adopted by the United Nations General Assembly in September 2000; and the Plan of Implementation to achieve those goals adopted during the World Summit on Sustainable Development held in Johannesburg in 2002;

Recognising further that the states bordering the South China Sea have entered into various bilateral and sub-regional agreements concerning diverse aspects of the sound management of the marine environment and its resources;

Recognising further that the provisions of the United Nations Convention on the Law of the Sea (UNCLOS) 1995, relating to the protection and preservation of the marine environment, and regional co-operation are widely accepted

Reaffirming, as recognised in the United Nations Convention on Biological Diversity (CBD) that biological diversity is a common concern of humankind;

Reaffirming also the global consensus on the importance of marine and coastal biological diversity as expressed through the "Jakarta Mandate on Marine and Coastal Biological Diversity" and the Jakarta Ministerial Statement (1995) regarding the critical need to address the conservation and sustainable use of marine and coastal biological diversity, and the commitment of the Government of the Republic of Indonesia to play a major role in facilitating such implementation at the global and regional level;

Reaffirming also that states have obligations under a variety of Multi-lateral Environmental Agreements to:

- Conserve the environment and sustainably use natural resources;
- Co-operate with neighbouring states and other actors to conserve the regional environment and manage activities impacting the environment.

The Ministries responsible for environmental affairs have agreed to enter into this Memorandum of Understanding.

4. PURPOSE. The purpose of this Memorandum of Understanding is to facilitate co-operation among the parties to implement the Strategic Action Programme for the South China Sea.

5. TASKS BY THE PARTIES.

The Parties undertake to:

- i. Act as the National Focal Point within each country for the implementation of the Strategic Action Programme
- ii. Encourage the implementation of National Action Plans in support of the Strategic Action Programme.
- iii. Facilitate inter ministry dialogue concerning the implementation of the Strategic Action Programme.
- iv. Co-operate with each other in implementing the Strategic Action Programme at the regional level.