



Darwin Initiative Main/Post/D+ Project Half Year Report (due 31st October 2018)

Project reference	24-027
Project title	Applying business models to sustain socio-ecological resilience in coastal Philippines
Country(ies)/territory(ies)	Philippines
Lead organisation	Zoological Society of London
Partner(s)	Local Government Units of the Municipality of Ajuy & Concepcion in Iloilo Province; Local Government Units of the Municipality of Ivisan, Province of Capiz; Local Government Units of the Municipality of Ibayay and Tangalan, Province of Aklan. Nigel Stansfield, President, EMEA, Interface Inc., UK
Project leader	Heather Koldewey
Report date and number (e.g., HYR3)	[HYR2]
Project website/blog/social media etc.	www.zsl.org ; www.net-works.com ; @heatherkoldewey @morefishlessplastic

1. Outline progress over the last 6 months (April – Sept) against the agreed baseline timetable for the project (if your project has started less than 6 months ago, please report on the period since start up to end September).

Below is a summary of progress we made during first half of Yr2. Please see **Annex 1** for detailed account of progress and achievements against the approved Logical Framework.

Output 1 – Effective iMPAs

We now have memoranda of agreement (MOA) with 4 of our 5 partner municipalities, with the signing of the MOA with Municipality of Concepcion, Iloilo completed in May. We anticipate the MOA with the 5th municipal government (Ivisan) to be signed before the year end. We are establishing Tambaliza iMPA as the learning site for the other iMPAs in the pipeline. Tambaliza iMPA management council was organized with the mayoral issuance of Executive Order No. 43 (**Annex 2**) appointing its membership.

The Punta Buri, Ajuy iMPA municipal ordinance is almost approved. We are firming up the spatial plan to ensure essential iMPA components e.g. at least 10 ha. of eco-seaweed farming zones, mangrove conservation zones, territorial use rights for fishers (TURFs), etc. are incorporated. We are enhancing the ordinance by recommending a provision that a) guarantees 30% women representation in the management council, and b) treats eco-seaweed farming zone as distinct management zone and not just a component of the multiple-use zone. We convened community consultations in the villages of Salvacion and Malangabang, Concepcion to build consensus on the location and size of no-take and other management zones of the proposed iMPA.

We laid legal foundations for the other proposed iMPAs (i.e. Salvacion-Malangabang, Igbon, Talotoan, Polopina in Concepcion and Luca-Pedada-Bay ang, Silagon, Pantalan Nabaye, Nasidman, and Pili-Malayuan in Ajuy) by including selected iMPA sites in MPA establishment targets of the Coastal Resource Management Plans and Municipal Fisheries Ordinances of

Concepcion and Ajuy towns, which we are also assisting technically. With support from the US Peace Corps, we conducted biological surveys in Tuad Reef, which is proposed as additional no-take zone (NTZ) of the Ivisan Fish Sanctuary and Reserve. We convened community consultations in Silagon, Ajuy to initially facilitate consensus building on location, size, then zonation of its proposed iMPA. In addition to the 7 village savings and loan associations (VSLAs) formed in Y1, 6 new VSLAs were organized in first half of Y2. Total VSLAs organized under the project is now 13 and all have adopted ZSL's Environment Fund innovation.

Output 2 – TURFs (all indicators due in Y2)

The first iMPA (Tambaliza) we set up in Y1 has buffer zone-TURFs of 83 ha. We have fabricated marker buoys to delineate the different management zones, including the TURFs. Installation of marker buoys was completed in October. We have just initiated the process of formulating the 5-year management plan of the Tambaliza iMPA, which will also include processes leading to the formulation and adoption of implementing rules and regulations for the different management zones. The proposed Punta Buri iMPA has a buffer zone-TURFs of 517 ha. (**Annex 3**). While still subject to community endorsement, proposed Salvacion-Malangbang iMPA TURFs zone has been initially mapped (**Annex 4**).

Our community organizer in Tambaliza is drafting the MPA guardhouse design that includes the seaweed drying platform. We will use small match funding grants from the Waterloo Foundation and National Geographic Society to leverage equity from local government units and VSLA Environment Funds. Actual establishment of MPA infrastructure will commence in Q3 of Y2.

ZSL was appointed implementing partner of the complementary USAID FISH RIGHT project, which includes Concepcion and Ajuy municipalities. We are now working with the FISH RIGHT project management and co-implementers in building agreement on the approach to fish catch baseline data collection. The agreement is to use recent baseline data collected by the Philippines Bureau of Fisheries National Stock Assessment Program (NSAP). ZSL staff will soon train with FISH Right on the NSAP and fisheries inventory methodologies for implementation in the Darwin-assisted iMPA sites.

Output 3 – Diversified Net-Works model

As mentioned in Output 1, the total number of VSLAs has increased to 13. Including those that existed before start of this project's implementation, we now have a total of 43 adult VSLAs plus 4 youth/kid VSLAs across the project sites. Of these, 46 VSLAs have adopted the Environment Fund innovation of ZSL. We have 12 active VSLA agents (10 females and 2 males): 10 are based in Iloilo, one in Capiz, and one in Aklan. Excluding the 4 youth/kid VSLAs, 29 VSLAs have links to the Net-Works nets supply chain.

The seaweed farming has progressed well since the last report, with a total of 23 people trained (17 fishers, 5 VSLA members). In Q1-2 of Year 2, 8 seaweed farms are underway, implemented by 4 VSLA members in Igbon, 2 in Talotoan, and 2 in Tambaliza. Their estimated total farm size is 0.3 ha. and with a small grant from the National Geographic Society, we are preparing production assistance for 4 more farmers. Repayments will be used to support next batch of farmers.

Net-Works generated £870 in income from the trading of 910 kg of dried seaweeds produced. A total of 5,300 kg of used fishing nets collected from sites in Northern Iloilo were exported for recycling to Aquafil in Slovenia in September, providing income of £5,156.

Output 4 – Plan Vivo for blue carbon [We will be submitting a change request for this output].

Output 5 – Breaking donor dependence.

ZSL is developing 1/8 ha. seaweed farms which is the area defined as the economically viable size for a family. This means in an iMPA site with 10 ha. of seaweed farms, 80 individual seaweed farm lots or 80 VSLA members can be initially assisted. We have prepared Profit and Loss projections for the 1/8-ha. economic family-size seaweed farms (**Annex 5**), which provides the basis for hub level P&L preparation, following the hub approach used for nets.

2a. Give details of any notable problems or unexpected developments/lessons learnt that the project has encountered over the last 6 months. Explain what impact these could have on the project and whether the changes will affect the budget and timetable of project activities.

1. Shortage of seaweed seedlings, which is currently often the case at the onset of a good season and is even more acute in areas where farming is just starting to scale. To address this, we are a) partnering with SEAFDEC for test planting of tissue-cultured seaweed cultivars; b) linking with seaweed producing communities in nearby towns and c) considering the development of certain VSLA partners as seed stock producers.
2. The recent typhoons and inclement weather have impacted seaweed trial farming in most sites. The success of seaweed farming in the model sites also informs implementation of this deliverable to the next project sites and losses are factored into the P&L.
3. The May 2018 local elections disrupted fieldwork, as we had to minimize community activities during the campaign period. The elections also resulted to realignment of local political leadership in many sites, requiring our team rebuild rapport with communities.
4. We altered our Plan Vivo objectives after consultation and workshops with experts defined blue carbon at an earlier stage of research than originally anticipated. We are submitting a formal change request for this soonest to explain the rationale for this adjustment.
5. With dispersed configuration (which is challenging and costly to advance simultaneously) we clustered the sites in pilots, second priority (with some engagement), and "sites on ice" (with minimal interaction other than maintaining contact and updates to relevant stakeholders). The focus is on the proof of concept in the 3 pilot sites in Concepcion-Ajuy bay-scape in Yr2, while setting up requisites for full development of the other sites in Y3.
6. The community organizing team is too small, considering the sites and activities, meaning there has been additional pressure on the new project manager who is a superb community organiser to provide both areas of expertise. We are in the process of addressing this.
7. In order to deliver this project we have adopted a matrix management approach as a new way of working within the ZSL-Philippines team so that we can maximise expertise and integrate across sites and teams (national and international). This is a challenging process and has taken time to settle in, but we are now starting to see the benefits of this approach.

2b. Have any of these issues been discussed with LTS International and if so, have changes been made to the original agreement?

Discussed with LTS: Yes

Formal change request submitted: No

Received confirmation of change acceptance No

3a. Do you currently expect to have any significant (e.g., more than £5,000) underspend in your budget for this year?

Yes No Estimated underspend: £

3b. If yes, then you need to consider your project budget needs carefully. Please remember that any funds agreed for this financial year are only available to the project in this financial year.

If you anticipate a significant underspend because of justifiable changes within the project, please submit a rebudget Change Request as soon as possible. There is no guarantee that Defra will agree a rebudget so please ensure you have enough time to make appropriate changes if necessary.

4. Are there any other issues you wish to raise relating to the project or to Darwin's management, monitoring, or financial procedures?

If you were asked to provide a response to this year's annual report review with your next half year report, please attach your response to this document. Additionally, if you were funded under R24 and asked to provide further information by your first half year report, please attach your response as a separate document.

Please note: Any planned modifications to your project schedule/workplan can be discussed in this report but **should also be raised with LTS International through a Change Request.**

Please send your **completed report by email** to Eilidh Young at Darwin-Projects@ltsi.co.uk. The report should be between 2-3 pages maximum. **Please state your project reference number in the header of your email message e.g. Subject: 22-035 Darwin Half Year Report**