



**Darwin Initiative/Darwin Plus Projects
Half Year Report
(due 31st October 2020)**

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 Talibon & Getafe, Province of Bohol; Nigel Stansfield, President, EMEA, Interface Inc., UK
Project leader	Amado Blanco
Report date and number (e.g. HYR3)	HYR4
Project website/blog/social media	www.zsl.org; www.net-works.com; @heatherkoldewey @morefishlessplastic; coast4c.com

1. Outline progress over the last 6 months (April – Sept) against the agreed project implementation timetable (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 Yr4.

Output 1 – Effective iMPAs.

Despite COVID-19 restrictions and lockdown, three (3) new iMPAs were legally declared in the first half of Yr4. The municipal ordinances of Silagon iMPA in Ajuy, Iloilo and Guindacpan iMPA in Talibon, Bohol and Handumon iMPA in Getafe, Bohol were approved in July 2020. The three new iMPAs have average size of 773 ha., 93% bigger than the minimum size (400 ha.) we were aiming. The average size of their no-take zones is 229 ha., or 15% bigger than target minimum size of 200 ha. However, opposition from commercial fishing interest delayed the approval of Igbon iMPA in Concepcion, Iloilo. The third iMPA we are setting up in Bohol did not meet the 200-ha NTZ requirement and we are now exploring the possibility of an iMPA co-manage by the two villages it covers. We remain hopeful we will be able to deliver the remaining two targeted iMPAs in the second half of Yr4.

Strengthening management structures. The municipal mayors of Ajuy in Iloilo, Talibon and Getafe in Bohol issued executive orders formally constituting the MPA management councils of Silagon iMPA, Guindacpan iMPA and Handumon iMPA, respectively. The mayors chair these management councils.

The 5-year management plans of Tambaliza, Concepcion iMPA and Punta Buri, Ajuy iMPA were endorsed by their respective Municipal Fisheries and Aquatic Resource Management Councils and finally approved by their respective municipal councils and mayors. The management plan of Salvacion-Malangabang, Concepcion iMPA is in the advance stage formulation. MPA planning workshops were conducted in Silagon, Ajuy and being planned in Guindacpan, Talibon and Handumon, Getafe. These workshops were organized cognizant of prevailing COVID-19 safety protocols and restrictions on mass gatherings.

We conducted a training on Consensus Building and Conflict Management and strategic plan review with fishers' organization in the newly-created Silagon iMPA management council. We invited management council members to participate in the Squid and Blue Swimming Crab Fisheries Management webinar that we co-organized with another partner NGO. Current restrictions imposed on meetings did not allow us to organize new VSLAs during this period.

Building enforcement capability. A new iMPA guardhouse was turned over to Punta Buri Management Council. With funding from Waterloo Foundation, GIZ, and labour counterpart from the local government of Concepcion, Iloilo, construction of Tambaliza iMPA guardhouse was nearing completion. Sites of guardhouses in Silagon, Salvacion-Malangabang, and Handumon iMPA have been identified and inspected. We received a small grant from the German Embassy in Manila to procure marker buoys for Silagon iMPA. Patrol boats were procured for Silagon and Salvacion-Malangabang. What was more prominent was the VSLA donation of a chase boat to Tambaliza iMPA management council. The VSLAs pooled their environmental funds so they could make the donation. Our team facilitated a review of Punta Buri Enforce Operational Plan.

Resource accessing. In May, the German Embassy in Manila approved a small grant (£10,350) for marker buoys in Silagon iMPA and Igbon iMPA, which is still in the process of legalisation. The municipal government of Ajuy, Iloilo committed £3,200 counterpart for guardhouse construction and marker buoys in Silagon iMPA. Silagon village committed £1,280 for the guardhouse and marker buoys. The municipality of Concepcion committed cost-shares for guardhouses and marker buoys in Salvacion-Malangabang and Igbon iMPAs.

Sixteen (16) seaweed farmers received a total of £2,800 in insurance claims for crops damaged by bad weather and bleaching or "ice-ice"

Output 2 – TURFs.

The three newly-declared Silagon, Guindacpan, and Handumon iMPAs have total TURFs zones of 1,292 ha. We conducted fish catch monitoring in designated TURFs zones within the Tambaliza and associated fishing grounds. Results of our monitoring will inform formulation of appropriate regulatory measures. The draft Tambaliza iMPA implementing rules and regulations (IRR) was further advanced.

Output 3 – Diversified Net-Works model.

The seaweed cultivation method we started introducing in the second half of Yr3 did not perform as expected. The farms we assisted were still affected by bleaching or ice-ice and we have observed that farms remain vulnerable to problems associated with warm sea surface temperatures even at depths they were set up. In the first 3 three months of Yr4, we focused on modifying the farming methods. The enhanced methods we adopted involved farming at 5-7meters depth and planting seedlings at 50cm to 150cm distance from the sea surface. Twenty farmers started adopting the enhanced farming method. Unfortunately, COVID-19 lock down forced at least 75% of assisted farmers to abandon their farms as local government prohibited farmers from visiting their seaweed farms. Consequently, all farms we assisted were damaged. We started planning and implementing farm restoration when our technical team was again allowed to do field work in early September.

We are ready to ship three containers of used nets to Slovenia. We are still trying to understand new cargo transport rules under current Covid-19 travel restrictions. Also, we now have an inventory of dried seaweeds of about 3 tons.

Output 4 – Incorporation of mangroves into iMPAs and development of science base of blue carbon from mangroves.

The three newly-declared iMPAs have a total mangrove area of 123 ha., or average of 41 ha. We supported in the preparatory phase of a new AXA research project – a partnership between University of Exeter and ZSL Institute of Zoology. The project aims to develop quantitative spatial tools to identify coastal MPA networks in the Philippines that unlock sustainable financing and equitable management, through improving readiness for sale of mangrove blue carbon and coastal protection credits. Early elements of this research aim to enhance Philippines-specific data on: (1) Levels of extractive use (cutting, degradation) in mangrove ecosystems, the socioeconomic drivers of this use at an individual and community level, and the potential for financing from blue carbon and/or coastal protection-oriented Payments for Ecosystem Services (PES) schemes to alleviate reliance of mangrove resources at a community level, and; (2) Blue carbon sequestration in mangrove ecosystems (those that are intact, degraded, converted [aquaculture] and rehabilitated. Fieldwork will commence in October 2020.

Output 5 – Breaking donor dependence.

The spinoff of the Net-Works from ZSL has been formalized. The emerging entity will have a non-profit arm and a trading company. The trading company will handle commercial growth the used fishing net and seaweed supply chains. The non-profit is already registered in Australia and the registration of the trading arm is underway. A Philippine legal firm offered *pro bono* services to set up Philippine branches or subsidiaries of the non-profit and trading arms.

2a. Give details of any notable problems or unexpected developments/lessons learnt that the project has encountered over the last 6 months (for Covid-19 specific delays/problems, please use 2b). Explain what impact these could have on the project and whether the changes will affect the budget and timetable of project activities.

COVID-19 has impacted project implementation. Project staff travel was restricted, reducing overall productivity. We were aiming for the legal declaration of 5 new iMPAs and we only managed to deliver 3 of 5 because of Covid-19 restrictions on travel and mass gatherings. The lockdown forced our assisted seaweed farmers to abandon their seaweed farms, which were all eventually completely damage. Damage of the seaweed farms will have implications to our financial ability to provide essential support to partner communities.

2b. Please outline any specific issues which your project has encountered as a result of Covid-19. Where you have adapted your project activities in response to the pandemic, please briefly outline how you have done so here. Explain what residual impact there may be on your project and whether the changes will affect the budget and timetable of project activities.

Key issues we encountered as a result of the pandemic:

1. Low income due to disruptions of supply chains for fisheries products. Partner communities reported at least 50% reduction in prices of fish and significant increase in the cost of transportation.
2. Regulations on travelling also increased the price of basic commodities in fishing villages.
3. Travel restrictions delayed implementation of the target activities
4. An island site was locked down for more than a month because it was COVID-19 hotspot (50 confirmed positive cases). Assisted seaweed farms were all damaged because farmers were not permitted to visit their farms
5. Our entire team in Bohol had to undergo self-quarantine due to exposure to a confirmed COVID-19 case in one of our partner communities.
6. VSLA operations (savings and credit) were affected since due to the ban on mass gatherings.
7. Cost of travel has increased

Some coping mechanisms we adopted include conduct of webinars whenever they were feasible. We improved communication support system so we could continue working from home and sustain contact with communities while lock down was in effect. We maintain contact with community partner through mobile phone communication and social media platforms. We also provided our community partner with basic support to improve health and safety through provision of reusable facemasks. We broke up community training/meetings into smaller events in compliance with existing regulations on mass gatherings and meetings. In one community that was badly hit, we organized three (3) water relief missions providing 579 households with drinking water.

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

Discussed with LTS:	No
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Formal change request submitted:	No
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Received confirmation of change acceptance	No
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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. Please DO NOT send these in the same email as your report.

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

We are planning to submit a formal budget change request. We are anticipating staffing changes that will have budgetary implications.

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.

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 DO NOT send these in the same email.****

Please send your **completed report by email** to 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: 25-001 Darwin Half Year Report**