

Biodiversity Challenge Funds Projects Darwin Initiative, Illegal Wildlife Trade Challenge Fund, and Darwin Plus Half Year Report

Note: If there is any confidential information within the report that you do not wish to be shared on our website, please ensure you clearly highlight this.

Submission Deadline: 31st October 2022

Project reference	29-029
Project title	Nature Climate Solution to Protect Mangrove Biodiversity and Improve Livelihood
Country(ies)/territory(ies)	Indonesia
Lead partner	Yayasan Konservasi Alam Nusantara (YKAN)
Partner(s)	<ul style="list-style-type: none"> - Faculty of Biological Sciences, University of Leeds - Faculty of Fisheries and Marine Science, Mulawarman University
Project leader	Muhammad Ilman
Report date and number (e.g. HYR1)	HYR1
Project website/blog/social media	TBD

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).

In its first three months, the project kicked off with setting the foundations for the SIGAP approach, conducting analyses in the three villages (Pegat Batumbuk, Suaran, and Tabalar Muara villages), initiating the re-design of 10 SECURE ponds, and assisting women groups on their milkfish production that contributes to the following agreed framework:

Output 1.

1.1.1. Under the 7-step SIGAP approach, YKAN facilitators has undertaken the following steps: (1) **disclosed** its intent and engaged with around 20 village government representatives and village stakeholders to build trust and initiate partnership for the program, (2) **defined** the program by inviting village government and village stakeholders to obtain FPIC (Free Prior Inform Consent) and they have agreed to the program, and (3) **assessed** the villages' natural resources assets and resource management through primary survey in Pegat Batumbuk and desk study of secondary data, stakeholders reports, and relevant research in Suaran and Tabalar Muara. The project looked at mangrove and endemic species like proboscis monkey and other mammal and bird species with addition of Irrawaddy Dolphin in Pegat Batumbuk. On the fisheries, the study looked at aquaculture of tiger shrimp and its higher economic value of shrimp processing and products. The project also notes existing agriculture in Suaran and Talabar Muara for palm oil.

1.2.1 and 1.2.2. Following the establishment of MoUs and cooperation agreements with our partners UNMUL and University of Leeds, subgrantee documents are being finalised. In parallel with the cooperation agreement signing process, YKAN and UNMUL teams conducted a mini seminar to develop implementation plans, identified laboratory needs, sampling methodology and potential collaboration with other national and regional

experts. We have also finalised testing the equipment for the water quality monitoring, which will be used for daily monitoring in the coming weeks (waiting for the pond construction completion which is expected by December 2022).

- 1.3.1. Assessment of villages' natural resource assets is ongoing and will be analysed to also complement the capacity needs assessment of human resources in the villages, which will be conducted in the next quarter (Q3 FY22/23). Both assessments will be used to do a visioning (strategy) that will be translated into training plans.

Output 2.

- 2.1.1. This activity will be conducted upon gathered information from indicator 1.2 that will be implemented by UNMUL.
- 2.1.2. As the first step, YKAN facilitators have undertaken the SIGAP approach as described in 1.1.1. above and have met with the village government representatives and village stakeholders to build trust and initiate a partnership for the programme. To improve their understanding about EAA, we have facilitated a workshop where an expert from the national government (Ministry of Marine Affairs and Fisheries) provided guidance on the implementation of EAA for local government officials.
- 2.2.1. YKAN and 10 local communities have secured 10 ponds that will be re-designed as SECURE ponds. Our science team has developed a dashboard of the ponds to monitor the activity progress in each pond. Currently, 2 prototypes of the SECURE model are being implemented in Tabalar Muara and Pegat Batumbuk. The project will work with the community, including enhancing their understanding of the model, to pilot the SECURE model in other selected ponds upon obtaining agreement with new pond owners.
- 2.2.3. Vegetation analysis will be conducted next quarter (Q3 FY22/23) when project staff are fully onboarded.
- 2.3.1. Technical assistance is regularly provided by project's site team especially in existing YKAN's partner ponds. Capacity building to operate SECURE ponds (including materials) will be provided in relation to results of 2.2.1. There was a late distribution of aquaculture materials (tea seed saponin, fertilizer, limes) to the aquaculture farmers due to the unavailability of the materials in local markets. Our team is currently trying to source the materials from other provinces.
- 2.3.2. Please see the progress in 2.2.1 above. Currently YKAN is already operating two SECURE models in a 7 ha pond size in Tabalar Muara and 10 ha pond size in Pegat Batumbuk. Data collected by the project's site team does not indicate a decline in pond productivity on average, compared to average pond productivities in the project site based on actual harvest recorded in the receipts from middlemen.
- 2.4.1 In October 2021, we installed an Automatic Weather Station (AWS) to detect wind power and wind direction, rain, humidity and will be analysed monthly together with data from Li-COR Bioscience to count GHG emission on the surface and inside the ponds and mangrove areas.

Output 3.

- 3.1.1. Analysis of available natural and human resources, village infrastructure, and existing women's groups and village-owned enterprises within mangrove-dependent livelihoods conducted in the 3 villages. The project also supported group legalisation through Pegat Batumbuk Village Government. In Suaran Village, the project and village government have started the discussion of planning for development of farmers/human resource capacity toward improving their businesses.
- 3.1.2. In Pegat Batumbuk Village, the project introduced Milkfish Shredded products to add economic value to 12 shrimp aquaculture businesses, complemented with analysis of Milkfish Shredded production chain and the use of Business Model Canvas (BMC) to improve the farmers' capacity. In Tabalar Muara Village, the project also started to assist 2 women groups (20 persons total) on product development of their existing salted fish and milkfish cracker business.

2. 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.

YKAN has been working in Berau and is very familiar with the villages, which provides a strong advantage for the implementation of this project. Existing YKAN research, expertise, and portfolio proved beneficial in setting up the project and building toward attaining the project goals.

New project staff have just recently been onboarded due to a slight delay in the recruitment process, especially for the site office. Finalising the subgrant agreements with our partners UMUL and University of Leeds also took longer than anticipated. This has delayed parts of the project execution by 1 quarter behind the current timeline, although the consortium is currently planning to ensure all FY22/23 activities are completed in time.

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

Discussed with NIRAS-LTS: Yes/No

Formal Change Request submitted: Yes/No

Received confirmation of change acceptance Yes/No

Change request reference if known:

4a. 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: £

4b. 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 re-budget Change Request as soon as possible. There is no guarantee that Defra will agree a re-budget 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.

5. Are there any other issues you wish to raise relating to the project or to BCF management, monitoring, or financial procedures?

Currently, YKAN has mainly used match funding to finance the first quarter's activities. Development of cooperation agreements with UNMUL and University of Leeds were finalized in late September. Pursuant to that, the process of finalising the sub-grantee agreements with Leeds University and UNMUL is ongoing. Legal reviews and finalization of contracting processes take time, despite the fact that we started early in the project.

If you are a new project and you received feedback comments that requested a response (including the submission of your risk register), or if your Annual Report Review asked you to provide a response 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 NIRAS-LTS International through a Change Request. **Please DO NOT send these in the same email.****

Please send your **completed report by email** to BCF-Reports@niras.com. The report should be between 2-3 pages maximum. **Please state your project reference number, followed by the specific fund in the header of your email message e.g. Subject: 29-001 Darwin Initiative Half Year Report**