



**UNDP/GEF PROJECT ENTITLED “REDUCING ENVIRONMENTAL STRESS IN THE
YELLOW SEA LARGE MARINE ECOSYSTEM”**

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**Third Meeting of the Regional Scientific and Technical Panel
for the UNDP/GEF Yellow Sea Project**
Jeju Island, Republic of Korea, 20-22 November 2006

**Report
On Implementation of
Regional Working Group for Investment
by
Mingyuan ZHU
Chairperson of RWG-Investment**

1. General description of the meeting

The Third Meeting of the Regional Working Group for the Investment Component was held in Dalian, China, during 9-12 September 2006. There are 16 participants. The meeting agenda was prepared by PMO and accepted by the meeting without any change.

Participants of the meeting are:

Member of RWG-I from People's Republic of China

Mr. Mingyuan ZHU, Mr. Fengkui LIANG, Mr. Aiping FENG, Ms. Jingmei LI,

Member of RWG-I from Republic of Korea

Mr. Dong-Oh CHO, Mr. Sukjae KWON, Mr. Suh-Yong CHUNG

Regional GIS and Meta Databases Consultant

Mr. Hoi-Soo JUNG

Governance Analysis Consultant (China)

Ms. Ming YU

TDA Consultant

Mr. John Michael BEWERS

National Project Office of China

Mr. Yafeng YANG

Project Management Office (PMO)

Mr. Yihang JIANG, Mr. Isao ENDO, Ms. Euidea YUN, Ms. Yan WEI

Local Secretariat

Ms. Xinzhen LIN

2. Review of Completed and On-going Activities in Investment Component and Outcomes of the Meeting

2.1 Stakeholder Involvement, Public Awareness and Participation

This activity consisted of:

(1) Organisation of the Parliamentary Conference

Mr. Jiang informed the Meeting that during the Parliamentary Conference, the participants felt that regular meetings of the parliamentary members will serve as a useful mechanism to enhance co-operation and co-ordination of the parliamentary organisations in the participating countries. He informed the Meeting that the next Conference would be organized in Korea, and a detailed programme of the Conference will be prepared after consultation with relevant organisations. Meeting participants support this activity and agreed to submit the recommendation to the PSC to organise the second Conference and allocate necessary resources for this event, and consider to have regular conference as a mechanism for co-operation between the parliamentary organisations.

(2) Establishment of the Yellow Sea Partnership

Mr. Jiang informed the meeting that the Yellow Sea Partnership (YSP) is aiming at facilitating collective efforts among the partners for protection of marine environment and for sustainable use of marine and coastal resources. He expressed the willingness that the partnership would be self-sustained and informed the Meeting that every partner organisation covered its costs to attend the YSP meeting. Additionally, Mr. Jiang emphasised the cost-sharing and cost-effectiveness of the partnership have provided benefits to the Project. For example, the Yellow Sea Project could utilise the data and results with no additional cost that the Yellow Sea Eco-Region Planning Programme (YSEPP) produced. The Meeting acknowledged the benefits and importance of the YSP and agreed to support its activities.

(3) Operation of the Small Grants Programme

The Meeting reaffirmed the importance of the Small Grants Programme and agreed to continue the Programme if approved by the PSC.

(4) Organisation and implementation of the Youth Programme

A sessional working group on the Youth Programme was formed and presented the following guidelines for future activities:

- The Youth Programme should target a wider range of audiences from elementary school students to university students;
- For elementary school students, it is suggested to organise summer camps with site visits and hands-on activities to understand the environmental problems in the Yellow Sea;
- For middle school and high school students, organising a speech contest will help them build their capacity to collect information, understand problems, and communicate about the environmental issues in the Yellow Sea; and
- For university students, it is suggested to provide them with voluntary work experience of assisting the implementation of the Project activities.

The Meeting thanked the efforts of the sessional working group to prepare the guidelines, and agreed to request the PMO to follow them for better planning and implementation of relevant activities.

(5) Organisation of the Local Government Training

International marine law and environmental valuation were suggested as possible topics for next local government training. The Meeting agreed that the PMO will decide on a new title for the activity in consultation with relevant experts. The Meeting also agreed to identify a specific theme for the next workshop after the questionnaire survey is conducted in the forthcoming workshop. Some participants suggested it would be more appropriate if the title of this programme could be changed to better reflect the activities, such as "Local Government Programme" and "Local Government Involvement." The first Local Government Training was conducted in Jeju Island during Sept.

(6) Implementation of the Internship Programme

The Meeting agreed that a review report of the intern programme should be prepared by PMO and submitted to PSC for consideration.

2.2 NGO and private sector's membership in PSC

Based on the survey results on similar GEF-funded projects, Mr. Endo introduced a draft guideline for granting the membership of Project Steering Committee (PSC) to NGOs and private entities. Some participants thought that it might be too early to grant the full membership to NGOs and private sectors, although they agreed on the idea to invite those important stakeholders to the PSC as observers. The Meeting agreed to present the draft guideline together with the views expressed by the members of this group to PSC for further consideration.

2.3 Data and Information Management

After a brief introduction of background information regarding this agenda item by the secretariat, Mr. Hoi-Soo Jung presented the report for the development of regional GIS and Meta databases. He explained the base GIS map preparation as well as the database design. Mr. Jung mentioned that a prototype application of the GIS system has been designed and built, and that the system has been installed and running steadily and safely. Mr. Jung emphasized that the databases focus on the needs of end users. With further testing and refinement, the system can be more reliable and efficient. Mr. Jiang expressed his sincere gratitude for the provision of ArcGIS software by the First Institute of Oceanography (FIO). Then, he thanked the China-Korea Joint Ocean Research Center (CKJORC) for their hard work to develop the databases. The meeting agreed that CKJORC should prepare a proposal for the future to be submitted to the RSTP for consideration. The meeting agreed to invite the National Project Co-ordinator for Korea to consider the locations of the mirror site in consultation with relevant organisations.

2.4 Preparation of the TDA

2.4.1 Governance Analysis

Ms. Ming Yu presented the draft report of Governance Analysis for China. She highlighted process and major findings of the analysis, including the underlying root causes of the Yellow Sea's ecosystem problems, and suggested options for future interventions to address the problems. Mr. John Michael Bewers congratulated Ms. Yu on the excellent job the team has done. He mentioned that the report provides a good picture of the national laws in China as well as the international conventions. To improve the report, Mr. Bewers suggested making the connection clear between identified problems and possible causes, on which the TDA will conduct relevant analysis.

Mr. Dong-Oh Cho presented the draft report of Governance Analysis for Korea. He explained the findings from stakeholder analysis, institutional analysis, legal and policy analysis. Based on these analytical works, Mr. Cho provided recommendations on the necessary actions to improve the situations stated in the document. Mr. Chung suggested the relevant analysis on the roles of governmental organisations such as Ministry of Foreign Affairs and Trade (MOFAT) should be added.

Mr. Chung also suggested making the two government analysis reports comparable. To discuss this matter, the meeting agreed to set up a sessional working group with participation of Mr. Cho and Ms. Yu to discuss and provide to the plenary session suggestions on the improvements of the reports.

The sessional working group reported its discussion and recommendation on the regional governance analysis, and provided preliminary ideas on its objectives, issues and possible contents. Pointing out its significance to the SAP development, Mr. Cho suggested conducting the regional governance analysis as a new activity under the RWG-I. Mr. Chung

mentioned that the outputs of the regional governance analysis might be different from those of the national governance analyses because there would be different focus and approaches. With invitation from the members of the group, Mr. Chung volunteered to prepare an outline of the possible regional governance analysis. PMO will circulate the outlines to the members of the RWG-I for further consideration during next RSTP meeting.

The meeting thanked Mr. Chung's offer and agreed that the necessary actions should be taken accordingly. Dr. Suh-Yong Chung kindly prepared a draft outline, and PMO circulated it to the RWG-I members on 13th Oct. Dr. Chung will finalize the outline by early November.

The meeting discussed the publication of the Governance Analysis reports, and agreed that the reports should be published after improvements of the documents based on the comments and suggestion made by the Meeting.

2.4.2 Draft TDA

Mr. Bowers gave a presentation of the TDA development, explaining its objective, structure, and components. He briefly introduced the procedures of the development of TDA, with special reference to the Causal Chain Analysis. Mr. Bowers noted the linkage between the Governance Analysis and the TDA, in particular in relevance to identify the root causes of the environmental problems in the Yellow Sea. For better understanding of the new members of the Regional Working Group, Mr. Jiang introduced the overall procedure and tasks of the TDA and SAP, including the roles of the Causal Chain Analysis and Governance Analysis. The Meeting agreed that with appreciation of the TDA consultant of his rich experience and hard work, the TDA should be completed according to the overall workplan of the Project. The Meeting requested PMO to take necessary actions to facilitate the preparation of TDA on time. The RWG-I is ready to provide full support to the TDA consultant to complete his work.

2.5 Preparation of the SAP

2.5.1 Environmental Valuation

Ms. Li presented the draft of final report of Environmental Valuation with the focus on mariculture. She explained major findings, including the ecosystem services to be addressed to comprehend the total economic value of the Yellow Sea ecosystem; and provided the valuation methods for the priority ecosystem services, especially those relevant to mariculture. Mr. Zhu informed the Meeting about the preliminary results from the case study with the focus on mariculture. The case study was conducted in the Sanggou Bay where extensive mariculture operation was observed.

The members were invited to consider the information provided by Ms. Li and Mr. Zhu, and to suggest how to improve the report and how the findings can contribute to mariculture management and to the SAP development. After the participants exchanged their initial thoughts, the meeting agreed to form a sessional working group with Ms. Li, Mr. Kwon, and Mr. Endo to review the preliminary results produced so far, and provide suggestions on improving the draft report. The sessional working group for Environment Valuation informed the meeting about the results of the discussion.

The sessional working group discussed how to improve the draft guideline with case studies, that were prepared by the consultant, and what framework and information the regional guideline should contain. The sessional working group shared views on the detailed suggestion of the draft report with the case study in mariculture; however, the sessional working group members did not reach consensus on the technical framework conducting the relevant studies. The sessional working group confirmed that the members will continue

necessary cooperation after this meeting to improve the results of the draft report and the case study.

The meeting discussed the ways to implement case studies focusing on tourism and agreed that this activity should be implemented as agreed in the 2nd meeting of the RWG-I. PMO should advertise the work again with clear Terms of Reference (TOR), and a contractor should be selected after open bidding.

2.6 National Co-ordination and Implementation

On behalf of Mr. Haiqing Li, National Project Co-ordinator (NPC) of China, Mr. Liang presented the progress report on National Co-ordination in China. He described the co-ordination with relevant government agencies with respect to the co-operative cruise, the small grants programme, and the data and information collection. Mr. Liang also explained the assistance provided by NPC on the negotiation to involve the Democratic People's Republic of Korea (DPRK) in the UNDP/GEF Yellow Sea Project.

On behalf of Mr. Hyung-Tack Huh, National Project Co-ordinator (NPC) of Korea, Mr. Cho presented the progress report on National Co-ordination in Korea. Mr. Cho explained the co-ordination for major activities including those of the Inter-Ministerial Co-ordinating Committee (IMCC). Mr. Cho reported it was difficult to nominate members to the RWG meetings due to the lack of incentives. He has suggested that the members will attend the meeting more regularly with "institutional incentives" given. The Project should convince the organisations which provide the members to put higher priorities on the RWGs.

To strengthen national co-ordination functions, Mr. Jiang mentioned according to the requirements of GEF and commitments of the participating governments, more stakeholders should be involved in the inter-ministry committees and the national working groups. The meeting noted the reports provided by NPCs and agreed to report to the NPCs on the discussion and agreements of the RWG-I.

2.7 Financial Sustainability

Following the agreement made by the Second RWG-I Meeting and endorsed by the Second PSC Meeting, Mr. Yihang Jiang presented preliminary considerations for financial sustainability of the Project. The Meeting agreed on the preliminary consideration prepared by the PMO, and agreed that the strategy for financial sustainability should be prepared as part of the SAP.

2.8 Work plan for 2007

The meeting discussed this draft workplan prepared by the PMO, and agreed to add the new activities to the workplan. The meeting agreed to the presented workplan with the newly added activities to RSTP and PSC meeting for approval.

2.9 Date and Place for 4th RWG-I Meeting

The meeting agreed to have the next RWG-I meeting from 4 to 7 September 2007 in Korea. The detailed venue will be decided after the discussion between the Chairperson of the Korea National Working Group for Investment Component and the PMO.

3. Issues needs to be discussed at the RSTP

3.1 The difficulties for working group chair to report the activities

As working group members are not involved in many activities in Investment Component and working group member was working on a volunteer bases, it is difficult and not relevant for chairperson to report activities to RSTP.

3.2 Regional joint effort in conducting activities

Many activities deal with regional issue were conducted by one consultant, it many cause some problems, such as it can not reflect the regional situation well and still need to be reviewed by both participating countries on a volunteer bases.

3.3 The procedures to change the working group member

RSTP and PSC should make a working procedure for the change of working group members.