



Investing in rural people

Aide Memoire

Republic of the Philippines
Fisheries, Coastal Resources and Livelihoods (FishCORAL) Project
PCR Mission, 13 – 22 June 2022

I. Background and Objectives of the Mission¹

1. The FishCORAL project is executed by the Department of Agriculture/Bureau of Fisheries and Aquatic Resources (DA/BFAR). It has a total project cost of USD 43.045 million composed of an IFAD loan of EUR 27.31million or approximately USD 29.956 million, an IFAD grant of USD 0.60 million; national and local government counterpart funds of USD 12.38 million; and beneficiary contributions estimated at USD1.25 million. IFAD financing became effective on 26 October 2015, with original project completion date of 31 December 2020 and a financial closing date of 30 June 2021. On 29 December 2020, Government requested for one year extension which was subsequently approved by IFAD on 19 January 2021. The Project Completion Date (PCD) was extended to 31 December 2021 and Financial Closing Date (FCD) to 30 June 2022.

2. The overall goal is to reduce poverty in poor coastal communities, improve food and nutrition security and increase household incomes in the Philippines. This will be achieved by building fishing communities' capacity to sustainably manage fishery and coastal resources and by ensuring sustainable engagement in diversified livelihood activities in the target coastal areas of four regions: Bangsamoro Autonomous Region in Muslim Mindanao, Caraga in Northeastern Mindanao, Eastern Visayas, and Bicol in Southern Luzon. 180,000 poor households living in coastal areas were targeted to benefit from the project.

3. Conducted through remote and face-to-face meetings with field visits in all regions, the mission's objectives which are necessary for the preparation of the PCR are: i) assessment of the relevance of project interventions at the time of project design and in today's context; ii) assessment of the effectiveness of project implementation, or the extent to which project objectives were met, and to document the immediate results and impacts of project interventions; iii) review of the project costs and benefits and the efficiency of the overall project implementation process, including IFAD's and partners' performance; iv) assessment of the prospects of sustainability of project benefits beyond project completion; v) documentation of useful lessons from implementation that will help improve IFAD's or Borrower's future programming and designs; and, vi) identified potentials for the replication or up-scaling of best project practices.

4. The two main outputs of the mission are: (i) the aide-memoire documenting the findings, conclusions and recommendations of the mission discussed with the Government during the wrap-up meeting; and (ii) a PCR report following IFAD template to be submitted to IFAD's management and to be shared with government.

5. Key findings, issues and recommendations in respect to the project closure concerns and the PCR are listed herein and were discussed and agreed upon with the Project team, DA-BFAR, DA-SPCMAD,

¹ Mission team is led by Mr Jerry Jing Pacturan, IFAD Country Director; Mr Richard Abila, IFAD Senior Global Technical Specialist for Fisheries & Aquaculture; Ms Sashwati Mishra, IFAD Gender and Social Inclusion Specialist; Mr. Saib Ahmad, IFAD Environment and Climate Change Specialist; Mr Yolando Arban, Acting IFAD Country Programme Officer; Ms Hilly Roa-Quiaoit, Coastal Resource Management Consultant; Mr Danilo Songco, Livelihoods and Enterprise Development Consultant; Mr Arthur Tantuan, Senior Procurement Consultant; Mr Le Chi Dung, IFAD Financial Officer; Ms Vivian Azore, IFAD CPA for Mission Logistics.

BARM-MAFAR, National Economic and Development Authority (NEDA) during the wrap-up meeting on 22 June 2022 chaired by DA Undersecretary Cheryl Marie Natividad-Caballero. Details of the findings and agreed actions are documented in the relevant sections of the main report. The mission expresses its sincerest thanks to DA and BFAR FishCORAL management and staff, LGUs and communities and other partners for their warm welcome and high participation during remote meetings and in the field visits and for the excellent mission coordination.

II. Mission Findings and Agreements

A. Project Closure and Exit

6. **Fisherfolk Organizations and Enterprise Projects.** The project has a comprehensive database with household level income from the livelihood projects supported by the project. This would be perfect for monitoring the progress of the households over time and as basis for continuing intervention and support. What would be more useful is for BFAR to have a Memorandum of Agreement (MOA) with Local Government Units (LGUs), national government agencies, civil society organizations and NGOs, academic and research institutions (e.g., public/state-owned colleges and universities) on the technical assistance that they may provide to the enterprises started by FishCORAL. This will serve to formalize the partnership of DA/BFAR and these agencies and organizations in pursuing the growth of the enterprises. IFAD recommends that DA/BFAR continues to pursue the partnerships with relevant agencies and organizations that will provide continuing support and assistance to the fisherfolk organizations (FOs) and their respective enterprises.

7. **Coastal Resource Management (CRM) and Bay-wide Management Plan and Structures.** The value-added of the FishCoral project design for CRM is the synergy of the different component outputs in implementing a successful habitat and resource management, either at the smaller local government unit or scaling up to baywide-level. Based on the PCR report, The accomplishments of the different CRM outputs are in order and the project has attempted to thread the different element (like strong enforcement supported by established Fishery Law Enforcement Team (FLET) complete with auxiliary gadgets, patrol boat, watch tower and policy support for apprehensions). However, to scale this up post-project by BFAR (e.g., Fishery Management Ares/FMAs), it needs supporting material on actual implementation in one specific area that showed how this synergy was played out on the ground. **Agreed Action.** Each region to submit one specific story (case study) showing the successful synergistic implementation of different CRM outputs, to be incorporated as annex in the final PCR Report.

8. As guide, it can take off from this example in Cabadbaran City, Region 13 where CRM synergy showed how enforcement (fully-equipped and LGU-supported FLETs) resulted in the protection of the habitats (apprehensions in its city fish sanctuary with watch tower) and protection of the resources (Blue Swimming Crab stock enhancement), eventually providing a sustainable source of livelihood with the replenishment of highly viable resources (lying-in facility to allow the gravid crabs to release to ensure recruitment) within and to adjacent areas, that is ably supported and sustained by the local government unit (approved CRM plan with budget and facilitated by City Agriculturist), but, monitored by an academic/ technical institution to prevent resource-collapse (Caraga State University research on blue swimming crab to ensure sustainable stocks and secure the livelihood).

9. Many of the elements of CRM can be sustained by the LGUs and Bay-wide Management Councils (BMCs), in order to have a transition of roles and responsibilities from the FishCORAL project team to an entity (in this case BFAR) that must act as catalyst to continue the efforts. The role of BFAR Regional Offices must be explicitly identified in the Sustainability Plan and to make sure to institutionalize the identified strategic and operational activities as part of their regional function and in collaboration with the LGUs, BMCs and other relevant public and private entities. (e.g., focal areas, responsible entity/partners, incorporate in the LGU DTPs for the next 3 years).

10. **Exit and Sustainability Plan.** All regions have prepared exit and sustainability plans based on the initial plans prepared by the PSCO in the last quarter of 2021. The exit planning exercise uses IFAD guide where three approaches to exit strategy were applied altogether: (i) phasing down - mainly

gradual reduction of project activities; (ii) phasing over - transfer of responsibility for activities aimed at accomplishing project goals to another entity; (iii) phasing out - refers to a withdrawal of project inputs. Considering that project completion was on 31 December 2021, the phasing down approach would not apply. What could be explored would be either a phase over on the assumption that other entities are willing to take over some unfinished business by the Project and or a phase out for self-sustaining subprojects or activities. The application of the three approaches in the exit plan to be carried out in a period of six months (January-June 2022) created multiple activities and lack of focus which overburdened a very limited staff at the regional level. At this stage, and for the remaining days of June, the Project should review the phase over activities that have takers for their continuity and which sub-projects can maintain or grow by themselves. The result can be included in the sustainability plans. **Agreed action:** Review the exit plan as to status of implementing activities and identify which of the unfinished actions can be included in the turnover activities and in the sustainability plan to be submitted to BFAR and IFAD by 30 June 2022.

11. The regional sustainability plans anchored on the exit plans and what the Project has identified as key activities which should be continued beyond project life. In the **CRM**, the Project has identified the following: (i) Bay-wide management council, (ii) Municipal water zoning ordinance, and (iii) Sustaining CRM initiatives. In the **Livelihoods** the following should be the focus: (i) Aqua-based Business Schools/ABS groups, (ii) Savings groups, (iii) Clustering and consolidation. In terms of coordination, it highlighted some partnerships. However, as the sustainability planning exercise juxtaposed with the exit planning was only carried out in the last months of project completion, most of the plans contained also activities in the exit plan, and as a result tended to be generic, lacked consultations and commitment building (except BFAR) from other stakeholders identified to continue some activities of the project. Taking off from the drafted regional sustainability plans, the content and process could be improved by refocusing the plan in terms of (i) territorial governance/management: bay/gulf wide plan and LGUs, (ii) specific time duration – July 2022 to June 2025 (new administration), (iii) more identified responsibility centers (lead and support), (iv) inclusion of indicative technical and financial resources needed including the sources, (v) addition of M&E mechanisms that will be continued by BFAR. Moreover, the process of crafting the plan should involve the stakeholders who will implement the plan. Further, there should be signed agreements with partners and stakeholders who will be part of the plan. **Agreed action:** Improve the Sustainability Plans incorporating the results of review of the exit plans and the recommendations of the mission team, and to submit the plans to BFAR and IFAD on 15 July 2022

12. **M & E and MIS.** In managing the project's information, the Project created a Google-based system for live data input, but regional data were not consolidated in a timely and accurate manner. Reasons for this include interconnectivity and issues on differing measurement of some indicators by regions. Data inconsistency were corrected during the PCR report preparation by relying on regional data and adjusting calculation errors. While regional MIS can stand alone in every region for turn over to BFAR regional offices, project-wide data base consistent with regional data/information sets should be consolidated for turn-over to the BFAR national office. **Agreed action:** Consolidate regional data/information sets into project-wide data/information sets for turnover to BFAR national office on 30 June 2022.

13. **High Level Policy Forum.** For the PCR, four thematic studies have been drafted on: (i) aqua business school, (ii) savings and mobilizations, (iii) bay-wide management councils, and (iv) coastal resources and climate change. In addition, it has also identified lessons learned presented on matrix form on: (i) enterprise development, (ii) delineation of municipal waters, (iii) disaster resilient infra, (iv) crop insurance, (v) design and deployment of artificial reef, and (vi) group nursery. The case studies capturing the good practices and innovations contain a lot of learning and lessons in managing coastal and fishery resources which can be scaled-up by BFAR and by other agencies and partners with similar projects, programs and thrust; thus, these thematic studies and lessons learned have to be published and shared in a high level policy dialogue. In finalizing the thematic and case studies, the analysis should draw more on the reasons/factors/elements for success or failures. **Agreed action:** (i) Finalize the thematic and lessons learned case studies on 15 July 2022. (ii) Organize a high-level forum to share the good practices and innovations of the FishCORAL project in July 2022.

14. **Turn-over of Assets (Equipment/Facilities).** Plan for turnover of Project assets to BFAR is

included in the regional exit plans. It falls under Project Management and Coordination where the RPMOs will conduct a conference for Project turnover of assets including all guidelines, M&E tools and the MIS to regional BFAR offices within the month of June. Of the four covered regions none yet has completed this activity. At the national level, the PSCO has not yet crafted a plan for the turnover of project assets.

15. There are three types of recipients of the project's assets: (i) BFAR, (ii) LGUs, and (iii) fisherfolk's organizations (FOs). For the inventory of assets to BFAR, RPMOs uses the Report on the Physical Count of Property, Plant and Equipment under the Government Accounting Manual (GAM) and the procedures on inspection as provided by GAM. As reported, for those facilities and equipment turned over to LGUs, RPMOs refer to the Deed of Donations (DoD) and Certificate of Turned-Over facilities and equipment to LGUs and FOs. As of mission, all regions have completed the inventory of facilities and equipment for disposition to Regional BFARs, and have also completed the inventory of facilities and equipment turned over to LGUs and FOs. What remains to be done is to finalize the disposition plan and the turn over of the assets to BFAR at regional and national offices. **Agreed action:** Finalize the disposition plan and turnover all assets to BFAR national and regional offices by 30 June 2022.

16. **Financial Closure.** Final Withdrawal Applications have been submitted to IFAD for justification of advances and the remaining one by end of June 2020. For any unjustified advances, IFAD will send to the Government of Philippines the request for refund of outstanding advances. Final audit report submitted on 06 May 2022 is deemed satisfactory to the Fund. Upon final closure of the loan/grants account, an official letter will be sent to the government of Philippine to: (i) notify the closure of the loan/grant account; (ii) provide a status of loan/grant funds (a historic transaction report); and (iii) provide final loan amortization schedule which will be revised following the cancellation of the unused balance. **Agreed action:** Submit final withdrawal application to IFAD not later than 30 June 2022.

B. Project Completion Report (PCR)

17. The mission team reviewed the draft PCR submitted on 08 June 2022. The initial review and assessment showed that there is a need for complete information coming from the input studies such as the household endline outcome survey (EOS), Participatory Resource Appraisal-2 (PRA2), Economic and Financial Analysis (EFA), thematic lessons learning studies. From these studies, the PCR narrative report should be written in analytical form according to the IFAD guidelines that includes the PCR indicators rating (See Annex 1 for the initial review of the PCR report). In this respect, additional data and a revised PCR should be submitted to the mission team as shown in the following table of agreed actions.

Agreed Actions	Responsibility	Deadline
BFAR to require the studies service provider to submit final EOS and PRA2 reports the soonest and for the Completion Review Team to review the report before submitting to BFAR management for approval	PSCO	30 June 2022
FishCORAL to forward to IFAD the submitted EOS and PRA2 reports	PSCO	30 June
Submit to IFAD and GoP the completed second draft FishCORAL PCR report	PSCO	15 July 2022
Each region to submit a case study as part of the PCR report showing the successful synergistic implementation of different CRM outputs	RPMOs, PSCO	15 July 2022
Review the exit plan as to status of implementing activities and identify which of the unfinished actions can be included in the turnover activities and in the sustainability plan	PSCO, RPMOs	30 June 2022
Improve and submit the sustainability plans incorporating the recommendations of the mission team	PSCO, RPMOs	15 July 2022

18. IFAD and the Government of the Philippines represented by the DA/BFAR endorse the findings and agreed actions of the PCR mission.



Jerry E. Pacturan
Country Director

International Fund for Agricultural Development
(IFAD)



Cheryl Marie Natividad-Caballero
Undersecretary for Agri-Industrialization and Fisheries
Department of Agriculture
(DA)

Date signed: 27 June 2022

Date signed: 27 JUNE 2022