

QUARTER PROGRESS REPORT¹
PERIOD JANUARY – MARCH 2017

UNDP
Philippine Country Office
AUTHORIZATION
Date Received: <u>2/24/17</u>
Action Due on: _____
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Action Needed:
<input type="checkbox"/> For Action, PIs.
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A. BASIC INFORMATION

Project ID / Output ID	00080516/00093061 / 00047594	Reporting Date:	<input type="checkbox"/> For Action, PIs. 3/31/2017
Full Title:	Biodiversity Finance Initiative		
Start Date	12/1/2013	Completion date, approved extension (if any)	12/31/2018
Total Project Fund: (and fund revisions, if any)	USD 745,000.00	AWP Budget (2017)	USD 164,633.33
Implementing Partner:	United Nations Development Programme		
Donor/s	European Union, Governments of Germany, Flanders, Switzerland and Norway		
Responsible Partner/s:			

B. INDICATIVE/EMERGING RESULTS OF THE PROJECT

To achieve the results that Biofin is aiming for, stakeholder engagement is imperative. Key stakeholders that need to be strategically engaged have to be identified, the stakeholder network strengthened and continually engaged to ensure clear communication of objectives to achieve a shared vision. Collective leadership through a participatory process is necessary to take the change endeavor to fruition. To assess the process monitoring of the project, the following factors² were used:

- leadership and sponsorship – The key stakeholders from the Department of Environment and Natural Resources (DENR) are the Biodiversity Management Bureau (BMB), Foreign-Assisted and Special Projects Service (FASPS), Planning Service and the Office of the Undersecretary for International Environmental Affairs. Others include the National Economic and Development Authority (NEDA), Department of Finance (DoF), Department of Budget and Management (DBM), Climate Change Commission (CCC), the Philippine Business for Environment (PBE), Philippine Business for Social Progress (PBSP) and the Office of Rep. Josephine Ramirez-Sato. These stakeholders have varying levels of awareness and commitment to Biofin although it can be said that there is some degree of high level sponsorship as evidenced through the leadership of Usec Jonas Leones of the DENR, Dir. Mundita Lim of the BMB, Dir. Edwin Domingo of the FASPS, Assistant Secretary Mercedita Sombilla of NEDA, and Rep. Josephine Ramirez-Sato from the legislature. However, there is a need to further strengthen and obtain commitment from the other stakeholders (CCC, DBM, Planning Service, PBE, PBSP) and a need to engage other actors beyond this core group.
- cohesion and relationship-management – “Success in the delivery of outcomes thrives on good relationships.”³ Biofin has provided good opportunities for exchange of ideas (meetings, workshops, informal discussions) and articulation of project objectives and goals between and among stakeholders. These venues help ensure transparent communication and help develop trust among stakeholders.

¹ UNDP CO Template for Quarterly Progress Reporting for projects without donor-prescribed templates for quarterly reporting; simplified form from POPP; Updated: June 2016

² Based on Working with Stakeholder Dialogues: Key Concepts and Competencies for Achieving Common Goals, Collective Leadership Institute 2011

³ Ibid.

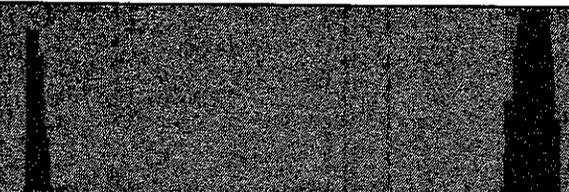
- c. goals and process clarity – When people are aware of the relevance of the project for them and their institutions and of what their specific contribution is, they stay engaged. However, there are times that it is difficult to keep stakeholders aligned behind the overall goal and “backdoor diplomacy” and informal consultations are needed to keep them onboard. An unexpected success of the project was the relatively easy mainstreaming of the Philippine Biodiversity Strategy and Action Plan (PBSAP) targets into the new Philippine Development Plan (2017-2022). This can be attributed to the clear understanding by the BMB of their role in mainstreaming biodiversity into the national plan. On the other hand, the slow progress in the marketplace activity may be an indication that the goal or the process that Biofin is undertaking may not be very clear with PBE which is the key project partner for this specific task. The PMU, being unaware of the UNDP requirement of conducting a due diligence when partnering with the private sector is an example of lack of process clarity. This has significantly delayed the engagement with Team Energy Foundation, Inc. since the decision on whether to engage or not is still pending.
- d. knowledge and competence – Biofin brings to a number of the stakeholders knowledge sharing opportunities and learning resources (webinars, regional and global workshops) to enrich current wisdom and to help stakeholders see the entire picture. In particular, key technical staff from BMB, NEDA, DoF and DBM have participated in Biofin’s regional and global workshops. Other stakeholders have participated in webinars, meetings and seminars/workshops which are, in a way, capacity building exercises. The knowledge that has been imparted to stakeholders is one of the building blocks for Biofin’s sustainability.
- e. credibility - Credibility involves a number of factors such as reputation, neutrality and credibility of the initiator (in this case DENR-BMB and PMU); adequate representation of stakeholders; transparency of decision-making; and reliability with which recommendations or inputs from different stakeholders are taken into account. Annual workplans are prepared together with BMB while progress is reported regularly to the UNDP Country Office, DENR-FASPS, Global Biofin Team and the Project Board which is composed of representatives from government and non-government organizations. Thus, decisions in project implementation, particularly in areas that are problematic, are coursed through these channels.
- f. inclusivity – This means integration of critical voices and ensuring representativeness particularly of those crucial for the implementation of the project. Biofin was able to identify major stakeholders that need to be strategically engaged for successful implementation. At the same time, Biofin has been constantly in touch with these stakeholders providing them with updates and continuously involving them in the process.
- g. ownership – This happens when decision-making by all stakeholders takes place on the basis of consensus building, their contributions are sufficiently acknowledged and the relevance of goal/s, objectives and outcomes is regularly reviewed by all. Biofin has implemented a very participatory process in producing outputs like the PIR, PPBER, FNA and finance solutions plan. At present, the same process of collective decision-making is carried out in implementing finance mechanisms.
- h. delivery and outcome orientation – To ensure delivery of outputs, roles of the Biofin team are clear and implementation and steering structures (Project Board) are in place. Monitoring of is done regularly through team and board meetings, mid-year and annual assessment and planning. Implementation of project activities is always done in coordination with partner agencies/organizations to ensure ownership and commitment.

C. TECHNICAL ACCOMPLISHMENTS

- Evidence-based reporting. Include relevant reports/publications and/or photo-documentation (description, date, location) as an annex.
- Quarterly financial performance is reported in the FACE Form. Please ensure consistency of technical accomplishments with the submitted Quarter FACE form and the AWP.
- Interim annual financial performance data is reported in the APR.

EXPECTED OUTPUTS					
Output 1. By 2018, capacity to implement resource mobilization mechanisms is improved					
Project Output Indicator/s		Baseline	Quarter Milestone	Annual Target	
Letters of commitment from LGUs/NGOs/POs	2015	No letters of commitment		At least 3 signed letters of commitments	
Number of viable proposals submitted by LGUs and CSOs totalling 1B (PSF)	2015	No proposals submitted		At least 5 viable proposals submitted	
Number of viable proposals submitted by LGUs totalling 200M (ER 1-94)	2015	No proposals submitted		At least 5 viable proposal submitted	
BIOFIN methodology implemented locally	2015	LGUs do not have biodiversity action plans and finance solutions		BIOFIN Workbooks implemented in at least 2 LGUs	
Private sector participation in marketplace ensured	2016	Limited private sector investment for biodiversity conservation		At least 1 marketplace/matching activity conducted	
Support to PBSAP Secretariat provided	2016	Limited awareness on the PBSAP		Participation in at least 3 cascading activities	
Activity/Sub-activity Description	Activity/Sub-activity Deliverables	Physical Performance		REMARKS	
		Status of Activity	Status Update/ Accomplishment for the Quarter	Challenges / Bottlenecks and plans to address them / Lessons Learned	
Planned Activity 1.1 Obtain letters of commitment from LGUs	Letters of commitment			PMU decided not to obtain letters of commitment (to submit proposals to earmarked funds) from LGUs so as not to raise false expectations that the letter of commitment will ensure funding for their proposals.	

<p>Planned Activity 1.2 Submit LGU/CSO proposals totaling Php100M to the Peoples Survival Fund (PSF)</p>		<p>The Peoples Survival Fund is a special fund with an annual allocation of Php1B from the General Appropriations Act to augment financial support for climate change adaptation programs, projects and activities. It was created pursuant to Sec 18 of Republic Act 10174 or the Peoples Survival Fund (PSF).</p> <p>Five proposals have been prepared with the provincial government of Cavite. These are:</p> <ol style="list-style-type: none"> 1. Improvement of Water Quality through provision of Septage, Sewage and Wastewater Treatment Facilities in the province of Cavite – Php238,166,000 2. Cavite Watershed Management Plan – Php9,785,990 3. Establishment of Mangrove Protected Area and Development of Eco-park in Noveleta, Cavite – Php4,875,085 4. Establishment of Marine Turtle Protected Area in Naic, Cavite – Php4,695,000 5. Groundwater and Surface Water Monitoring in the Province of Cavite and Establishment of the Cavite Water Testing Laboratory in Indang, Cavite – Php19,555,508 <p>These proposals will be presented to the PSF Secretariat by the next quarter.</p>	<p>Capacity of LGUs for project development is barely sufficient thus, a considerable amount of time was spent in mentoring them. In consideration of this, more resources (time, expertise and finances) need to be allocated for this activity to facilitate proposal preparation and presentation to the CCC and PSF Secretariat.</p>
<p>Planned Activity 1.3 Submit LGU proposals totaling Php200M to ER 1-94</p>	<p>At least 5 viable proposals submitted</p>	<p>ER 1-94, as amended, requires the generation company and/or energy resource developer to set aside one centavo per kilowatt hour (P0.01/kWh) of the total electricity sales as financial benefits to host communities. The P0.01/kWh is monitored through trust accounts established specific for EF (Electrification Fund), DLF (Development and Livelihood Fund) and RWM/HEEF (Reforestation, Watershed Management, Health and/or Environmental Enhancement Fund) in the name of Department of Energy (DOE) and the</p>	<p>Information on the amount in the trust fund for Malita is still unknown. On the other hand, the trust fund in Busuanga, Palawan only amounts to Php100,000. Considering that the target for accessing ER 1-94 is Php200M, there is a need to identify host communities that have access to larger trust funds and provide them with assistance.</p>

			<p>generation company. Current funding available from ER 1-94 trust funds amount to more than PHP 1.2 billion. Data secured from the DOE indicate a very low take-up, i.e., PHP 30 million as of 2013 and 2014 representing 4% of the total amount available.</p> <p>Two proposals were prepared to access ER 1-94. These are:</p> <ol style="list-style-type: none"> 1. Scaling up of Maldives – Malita’s Marine Protected Area (MPA) and Establishment of Sustainable Ecotourism 2. Livelihood Development Program for Busuanga, Palawan – P100,000 is available from Calamian Island Power Corporation <p>Biofin linked the LGUs with the concerned power generating companies.</p> <p>The provinces of Palawan, Cebu, Occidental Mindoro and Oriental Mindoro were short-listed for the PBSAP localization. The two provinces of Mindoro were selected based on the following criteria:</p> <ol style="list-style-type: none"> a. rate of success – 20% b. biodiversity importance – 25% c. good fiscal management – 20% d. presence of stakeholder partnership – 15% e. poverty incidence – 10% f. vulnerability to climate change – 10% <p>The island of Mindoro is also one of the 29 priority sites of the DENR where its sustainable integrated area development (SIAD) approach will be implemented. Likewise, it is also the site for a proposed GEF project entitled “Biodiversity Corridors.”</p>	
<p>Planned Activity 1.4 Localize biodiversity action plans and implement finance solutions</p>	<p>Selection of LGU finalized</p>		<p>A Declaration of Cooperation was signed last January 23, 2017 among the following:</p> <ol style="list-style-type: none"> 1. Regina Paz L. Lopez, Secretary of the DENR 	<p>Reps. Leachon and Umali of Oriental Mindoro were not present during the signing and as of this writing, the signatures of the two</p>
	<p>MOUs with LGUs</p>			

			<p>2. Hon. Josephine Y. Ramirez-Sato, Lone Representative of Occidental Mindoro</p> <p>3. Hon. Paulino Salvador C. Leachon, Representative, 1st District of Oriental Mindoro</p> <p>4. Hon. Reynaldo V. Umali, Representative, 2nd District of Oriental Mindoro</p> <p>5. Hon. Mario Gene J. Mendiola, Governor of Occidental Mindoro</p> <p>6. Hon. Alfonso V. Umali, Jr., Governor of Oriental Mindoro</p> <p>7. Hon. Peter J. Alfaro, Vice-Governor of Occidental Mindoro</p> <p>8. Hon. Humerlito "Bonz" Dolor, Vice-Governor of Oriental Mindoro</p> <p>9. Theresa Mundita Lim, Director of BMB</p> <p>10. Tiron Mitra, UNDP Country Director</p> <p>DENR Undersecretary Ma. Paz Luna represented Secretary Lopez and initialed the declaration while BMB Asst. Director Antonio Manila represented Dir. Lim.</p> <p>The necessary project presentations were conducted for DENR Assistant Secretary Juan Miguel Cuna (Field Operations – Luzon), DENR Wimaropa Regional Director Natividad Bernardino and PENROS Mary June Maypa (Oriental Mindoro) and Abe Francisco (Occidental Mindoro).</p>	<p>representatives are still being sought. The Declaration of Cooperation has been pulled out of their offices and has been forwarded to the Office of Sec. Gina Lopez for her signature.</p>
	<p>Biofin workbooks implemented</p>		<p>An initial meeting with Haribon Foundation, a national NGO implementing a project entitled "Strengthening Capacity of Local Conservation Actors in Managing the Sub-watersheds of Naujan Lake National Park" was done to explore the possibility of a joint project development activity for Haribon's "biodiversity fellows" composed of selected technical staff of the LGUs of Naujan, Socorro, Victoria and Pola and a number of members from peoples organizations. The objective is to mainstream biodiversity into local plans using the PBSAP</p>	

			<p>framework and adopt the 5 PBSAP priority programs as anchors for proposed projects of the 4 LGUs. Earlier, the PMU was invited to present to the "biodiversity fellows" about Biofin.</p> <p>In support to the localization effort, resource valuation studies for 2 PAs namely the Apo Reef National Park and the Naujan Lake Natural Park have commenced. These studies shall calculate economic and financial internal rate of return (EIRR and FIRR) of investing in the management of PAs, which will be used as business case for the government and private sector to invest in PAs. This is undertaken jointly with another UNDP project entitled "Strengthening Marine Protected Areas to Conserve Marine Key Biodiversity Areas in the Philippines (SMART Seas PH)." An inception meeting has been held with BMB counterparts. Initial data gathering for Apo Reef was done in Sablayan, Occidental Mindoro wherein key informant interviews were undertaken with LGU, DENR and fishers.</p> <p>Procurement of Lead Consultant and LGU Specialist was initiated.</p>	<p>Progress in terms of matching the 4 selected enterprises has been slow and may be attributed to the workload of PBE's Executive Director who is the point person for the marketplace. Biofin has proposed to retain his services to facilitate the completion of this activity. A TOR has been prepared and sent to him for his review and comment.</p>
<p>Planned Activity 1.5.1 Develop programs for donor and private sector participation</p>	<p>1 marketplace/matching activity for 4 proponents conducted</p>		<p>The marketplace showcases innovative biodiversity projects/initiatives that have potential to scale and can deliver social, environmental, and economic performance. It is expected to stimulate funding, insights, resources, and conversations to address the challenges on biodiversity, thus, contributing to achieve the targets of Sustainable Development Goals 14 and 15 (Life on water; Life on land).</p> <p>Four selected proponents from last year's call for proposals will be matched with the private sector together with the Philippine Business for the Environment (PBE), a non-government organization (NGO) whose members are the top corporations in the country. These are:</p>	

			<p>1. Aquaponic System – Bgy. Aquaponics 2. Nipa Palm Sugar – FREEDOM, Inc. 3. Community-based Ecotourism Development in Mt. Iglit-Baco National Park – Tamaraw Conservation Project-DENR 4. BiodiverseCity: Native Ornamental Trees For Urban Greening – Pro-Seeds Development Association Incorporated (PRO-SEEDS)</p> <p>Among the proposals that were considered by the Philippine Tropical Forest Conservation Foundation (PTFCF) for funding are the following: 1. Candis 3 Marketing Cooperative- " Strengthening Conservation and Protection of Forest, Coastal and Endangered Wildlife thru CBST project in Puerto Princesa City" (proposed amount is Php3M) 2. PCC- "Expansion of the Conservation Scope of PPSRNP (PA and WHS) in adjacent communities thru the establishment of Local Conserved Areas (LCAs) for Habitat Protection and Biodiversity Conservation" (proposed amount is Php5M) 3. Community Centered Conservation (C3) did not formally submit their proposal entitled "Bantay Dugong Towers" but submitted it through Biofin (forwarded to PTFCF during the Dec workshop), but they have submitted a proposal entitled "Developing a Small Island Grant Proposal for Busuanga Island" worth Php 397,000.00 which was funded last February.</p> <p>During this quarter, Biofin engaged with the Philippine Business for Social Progress (PBSP), the largest corporate-led social development foundation in the Philippines. Operating nationwide, it has programs in education; health; sustainable livelihood; micro, small, and medium enterprise development; and environment. Biofin sought the assistance of PBSP in trying to match the Lumad Almada Tappers of Governor Generoso (LATTAG), a people's</p>	<p>Having no biodiversity component, the proposal of Bgy. Aquaponics will be "offered" to PBSP for possible matching with their members.</p>
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			<p>organization composed of 122 trained indigenous peoples tappers with Boysen Paints, Inc., a top producer of paints in the country. Although LATAGG is currently selling all its produce to a buyer in Cebu, other buyers will also be identified to diversify its market. The municipality of Governor Generoso, Davao Oriental exerted efforts to protect the 69,477 "tappable" almaciga trees covering an area of 1,525 hectares and establish new plantations. It employed the community-based approach involving the family as stewards of almaciga trees. Thus, the establishment of LATAGG.</p> <p>Almaciga (<i>Agathis philippinensis</i>) formerly <i>A. alba</i> (Reyes, 1938) is one of the few conifer timber species endemic to the Philippines. It is highly valued for its resin, which is the world-renowned Manila copal, used in manufacturing varnish, lacquer, soap, paint, printing inks, linoleum, shoe polish, floor wax, plastic, water-proofing materials, paper sizing and other products. Locally, it is used for torches and ignition, incense, fuelwood, caulking substance and smudge for mosquitoes.</p> <p>Samples of the resin were sent to Boysen, however, based on tests, the resins cannot be used by Boysen. Nevertheless, the possibility of the resin being used by other similar companies will be explored.</p> <p>LATTAG was initially supported by another UNDP project called the Biodiversity Partnership Programme.</p>	
<p>Planned Activity 1.5.2 Ensure participation of the private sector in marketplace as investors</p>	<p>Private sector participating as donors</p>		<p>Biofin is still facilitating a corporate social responsibility (CSR) program between Team Energy Foundation, Inc. (TEFI) and the Mts. Banahaw-Cristobal National Park and the Manleluag Spring Protected Landscape through the National Parks Division of the BMB. TEFI has committed multi-year</p>	<p>Biofin has been facilitating this program since the third quarter of last year and progress has been slow. The delay can be attributed to the turnaround time in submission of revised workplans by the park</p>

			<p>support to a component of the protected areas' plans. A draft MOA has been prepared and circulated to all parties.</p> <p>Biofin has also touched based with Smart Communications, a leading wireless services provider, which supported the development of a phone application to monitor biodiversity called BioSentinel. Biofin facilitated their presentation to technical staff of the BMB and the ASEAN Centre for Biodiversity. Comments on the app have been given to Smart.</p> <p>A proposed workshop on ecological fiscal transfers (EFT) is planned by the next quarter. EFTs are intergovernmental transfers which redistribute tax revenues among levels of government, from national and regional governments to <u>local jurisdictions</u> according to agreed principles and priorities⁴. EFTs may be used as a mechanism to transfer funds from national to local level to function as a viable finance solution for biodiversity. As a finance solution, it represents a realignment of expenditures (from national to local).</p> <p>The workshop aims to develop a draft policy instrument on "ecological fiscal transfers" that will compensate and /or incentivize local governments with protected areas within their jurisdiction. Target participants are representatives from the DOF, DBM, DENR, NEDA, Office of Rep. Sato, LGU leagues, Mindoro provinces governors, ASEAN Centre for Biodiversity, foreign-assisted projects (Ecofish, SMART Seas, PAMF, and local and international finance experts.</p>	<p>superintendents. Constant follow-up from concerned parties was done.</p>
<p>Planned Activity 1.6 Determine the viability of other financial mechanisms (debt swaps, green bonds, social impact investment, ecological fiscal transfers)</p>	<p>Round table discussion conducted</p>			

Planned Activity 1.7 Provide technical support to PBSAP cascading activities to DENR field offices	Inputs to cascading program design provided			The availability of high resolution pictures for the document has caused delays. Photos had to be sourced from outside of BMB. Another message had to be drafted and signed by the new secretary (Sec. Gina Lopez) for inclusion in the document. As of this writing, the message has not yet been signed.
	PBSAP finalized and published		Final editing of both the unabridged and abridged versions of the document has been done.	

EXPECTED OUTPUTS

Output 2. By 2018, environmental policies are conducive for investments in biodiversity conservation

Project Output Indicator/s	Baseline	Quarter Milestone	Annual Target
Draft Joint Administrative Order/Department Administrative Order (JAO/DAO) on biodiversity expenditure tagging formulated	2015	No policy on biodiversity expenditure tagging	Draft JAO/DAO on biodiversity tagging formulated
Draft DAO on recommended modes of public-private partnerships (PPP) formulated	2015	No policy	1 policy paper formulated
House bill on Malampaya Fund signed and filed for 17 th Congress	2015	No policy	Draft bill signed
Activity/Sub-activity Description Formulate policy papers and implement policies	Activity/Sub-activity Deliverables Draft JAO on biodiversity expenditure tagging formulated	Status of Activity Physical Performance Status Update/ Accomplishment for the Quarter A series of expenditure tagging workshops that were conducted with the 6 bureaus of the Department of Environment and Natural Resources (DENR) in 2016. The objectives of the tagging exercise are: 1. Build on climate change expenditure typologies and new typologies in accordance to PBSAP; 2. Identify and tag biodiversity programs, activities, and projects starting with DENR Bureaus and attached offices;	REMARKS Challenges / Bottlenecks and plans to address them / Lessons Learned
Planned Activity 2.1 Formulate policy papers and implement policies	Activity/Sub-activity Deliverables Draft JAO on biodiversity expenditure tagging formulated	Status of Activity Physical Performance Status Update/ Accomplishment for the Quarter A series of expenditure tagging workshops that were conducted with the 6 bureaus of the Department of Environment and Natural Resources (DENR) in 2016. The objectives of the tagging exercise are: 1. Build on climate change expenditure typologies and new typologies in accordance to PBSAP; 2. Identify and tag biodiversity programs, activities, and projects starting with DENR Bureaus and attached offices;	REMARKS Challenges / Bottlenecks and plans to address them / Lessons Learned

EXPECTED OUTPUTS

Output 2. By 2018, environmental policies are conducive for investments in biodiversity conservation

		<p>3. Assess programs, activities, and projects to track and report biodiversity-related expenditures of identified offices;</p> <p>4. Further define parameters of BD tagging on related strategies and investments in accordance to Program Expenditure Classification</p> <p>5. Leverage climate financing as part BIOFIN Finance Solution</p> <p>The tagging exercise builds on the guidance set forth for tagging/tracking climate change expenditures in government budget through Joint Memorandum Circular No 2015-01 (dated July 23, 2015) issued by the Department of Budget and Management (DBM), Climate Change Commission (CCC), and Department of Interior and Local Government (DILG). The climate change expenditure tagging is anchored in the National Climate Change Action Plan (NCCAP) where the structure and content of its typologies were derived.</p> <p>The results of the tagging exercises are the following:</p> <ol style="list-style-type: none"> 1. Biodiversity Management Bureau – 81% 2. Ecosystems Research and Management Bureau – 41% 3. Mines & Geosciences Bureau – 41% 4. Lands Management Bureau – 6.95% 5. Forest Management Bureau – 42% 6. Environmental Management Bureau – <p>These percentages have further refined the results of the public and private biodiversity expenditure review that was earlier conducted.</p>
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EXPECTED OUTPUTS

Output 2. By 2018, environmental policies are conducive for investments in biodiversity conservation

			<p>The results were presented to CCC Commissioner Noel Gaerlan and his technical staff. CCC supported the possibility of including biodiversity expenditure tagging into the current climate change expenditure tagging required of national government agencies. CCC informed Biofin that the National Climate Change Action Plan needs updating thus, any proposed amendment to the current JAO will have to be set aside until the Plan is updated. Biofin was invited to join the updating process to enable synergy between climate change and biodiversity programs and activities.</p>	
	<p>PPP research conducted</p>		<p>This activity has been put on hold since the third quarter of 2016 pending the decision of UNDP on the due diligence report on Team Energy Foundation, Inc.</p>	<p>PMU was unaware that a due diligence process was required in partnering with the private sector. Nevertheless, this was complied with and the document was submitted to the Country Director for decision. However, this was elevated to Headquarters thus, the report was forwarded in March. An option is to exclude UNDP from the MOA.</p>
	<p>Draft DAO on recommended modes of PPP formulated</p>			<p>The official who headed the PPP Unit retired upon assumption of the new administration in July 2016. Since then, Biofin could not pinpoint the responsible office within the DENR handling PPP matters. A follow-up was made with Usec Jonas Leones during the Project Board meeting held last December 2016.</p>
	<p>Proposed DAO on establishment of PPP unit in DENR signed and implemented</p>		<p>PMU attended a consultative meeting on the proposed DAO organized by the Policy Technical Working Group (PTWG) of the DENR Central Office. This inter-bureau group reviews all proposed policies.</p>	<p>The project does not have a direct hand on how fast the policy can be signed and implemented. PMU can</p>

EXPECTED OUTPUTS

Output 2. By 2018, environmental policies are conducive for investments in biodiversity conservation

			<p>House Bill 4604 (An Act Authorizing the Use of the Special Fund Composed of the Government Share from the Exploration, Development and Exploitation of Energy Resources for Renewable Energy Development and Biodiversity Conservation Activities, amending for the Purpose Section 8 of Presidential Decree No. 910 Entitled "Creating an Energy Development Board, Defining its Powers and Functions, Providing Funds, Therefor, and for Other Purposes," and Specifying the Use of the Special Fund for Biodiversity Conservation, and for Other Purposes) was signed and filed last December 2016 by Representative Josephine Y. Ramirez-Sato from the lone district of Occidental Mindoro.</p>	<p>only follow up/suggest to the PTWG to include the proposed DAO on the agenda when it meets.</p>
	<p>House bill on Malampaya Fund signed and filed for 17th congress</p>		<p>Biofin provides technical support to the Office of Rep. Ramirez-Sato for proposed presentations to/meetings with the House Speaker, Senate President, Secretary of Finance and the Executive Secretary.</p>	<p>The identification of a legislative champion in the person of Rep. Ramirez-Sato has facilitated the filing of this bill.</p>
	<p>Technical assistance to potential House hearings and presentations to government executives provided</p>		<p>The 20 PBSAP targets have been successfully mainstreamed into the new PDP particularly in Chapter 20 on Ecological Integrity. The Biofin team attended all consultations held by the National Economic and Development Authority (NEDA) and provided technical inputs until the chapter was finalized.</p>	<p>Rep. Ramirez-Sato recognizes that legislation can take a long time, thus, this track will be pursued. As mentioned earlier, biodiversity financing needs high level sponsorship so that this change endeavor can prosper.</p>
	<p>PBSAP targets mainstreamed into the new Philippine Development Plan (PDP 2017-2022)</p>			<p>The ease in which the PBSAP targets were mainstreamed into the updated PDP can be attributed to the clear understanding by NEDA of the importance of biodiversity conservation in the whole economic picture as well as the strong advocacy of BMB during the consultation process.</p>

EXPECTED OUTPUTS

Output 3. By 2028, greater awareness on biodiversity and its importance to the economy is achieved

Project Output Indicator/s	Activity/Sub-activity Description	Activity/Sub-activity Deliverables	Status of Activity	Physical Performance		Quarter Milestone	Annual Target	REMARKS Challenges / Bottlenecks and plans to address them / Lessons Learned
				Status Update/ Accomplishment for the Quarter				
Number of partnership activities conducted			2015	1 partnership activity			At least 1 partnership activity	
Number of organizations/agencies that forged partnership and commitment to implement strategies and actions in the IEC Plan			2015	N/A			At least 2 organizations/agencies	
Number of IEC materials produced and disseminated			2015	No previous organizations/agencies that committed to IEC plan			At least 2 IEC materials produced and disseminated	
Number of radio and other media sources highlighting biodiversity financing			2015	1 media coverage			At least 2 radio and other media coverage	
Number of press releases published			2015	3 press releases			At least 2 press releases	
Planned Activity 3.1.1 Implement IEC plan		1 partnership activity						The WBI Project and BIOFIN plan to hold a charity/gala dinner for distinguished supporters, major donors, corporate leads, artists and philanthropists which will serve as a publicity event and also to raise funds for the projects' achievement of its objectives. The gala dinner plans to feature sustainable cuisine sourced from local farmers from Mindanao and the rest of the country orchestrated by chef Margarita Forés, named Asia's Best Female Chef in 2016 by the Diners Club Asia's 50 Best Restaurants Academy.

				<p>For the celebration of International Day for Biological Diversity, BIOFIN along with other BMB-UNDP foreign-assisted projects will hold a 3-day travel expo that will feature PAs and other non-PA sites with ecotourism potential. Partnership shall be forged with travel agencies, airlines, bus and other transportation operators as well as with media groups with travel and environment/biodiversity beat.</p> <p>Biofin will handle the Biodiversity Financing theme of the Biodiversity Congress to be held on May 22-24 headed by the SGP-5 Project.</p>
	<p>At least 2 organizations/agencies that forged partnership and commitment to implement strategies and actions in the IEC Plan</p>		<p>Biofin collaborates with the Office of Rep. Ramirez-Sato by providing inputs to press releases.</p>	
	<p>At least 2 IEC materials produced and disseminated</p>		<p>Biofin contributed articles to the <u>newsletters of the Foreign Assisted and Special Projects Service of the DENR and of the DENR MIIMAROPA Region</u>. Likewise, Biofin collaborated with Mr. James Malden of the Global team for the <u>recent article</u> that appeared in the Biofin e-newsletter.</p> <p>Biofin developed a module for the Biodiversity Fellows Program (BFP) of Haribon and USAID discussing the PBSAP and BIOFIN. This module was used during the first phase of BFP to provide guidance and inputs to the fellows in preparation for the second phase, which focuses on project development of the 4 municipalities along the Naujan Lake.</p>	

	At least 2 radio and other media coverage				Biofin will contribute articles to the Philippine Star through its partnership with UNDP. Contributions will focus on success stories from the BIOFIN implementation of finance mechanisms.
	At least 2 press releases			A press release for the signing of the Declaration of Cooperation between UNDP, Ministry of Environment, Mindoro Local Chief Executives and Legislators for the PBSAP localization in Mindoro Island was released and was published in several national dailies: Manila Bulletin, Business Mirror, and Philippine Star	
	At least 1 case study on finance solutions				Biofin will write case studies on unique and interesting stories encountered while piloting finance mechanisms both at the national and local level. Stories will highlight both biodiversity conservation and gender and development.

EXPECTED OUTPUTS					
Output 4. Project Management Unit					
Activity/Sub-activity Description	Activity/Sub-activity Deliverables	Status of Activity	Physical Performance		REMARKS Challenges / Bottlenecks and plans to address them / Lessons Learned
			Status Update/ Accomplishment for the Quarter		
Planned Activity 4.1 Conduct of team meetings and project board meetings	Team and board meetings		Team and regional skype meetings were held in January.		
Planned Activity 4.2 Participate in Global and Regional BIOFIN Workshops and UNDP CO Activities	Attendance to project and institutional activities/events		PMU participated in the following activities: a. ISD Annual Partners Meeting (January 18-20) wherein the Unit's theory of change was further refined and where possible areas of collaboration among projects were identified. b. HR Orientation held last February 8 c. Meeting with Aktar Uddin, Program Officer of the UN Volunteer Service last March 14		

EXPECTED OUTPUTS

Output 4, Project Management Unit

Activity/Sub-activity Description	Activity/Sub-activity Deliverables	Physical Performance		REMARKS Challenges / Bottlenecks and plans to address them / Lessons Learned
		Status of Activity	Status Update/ Accomplishment for the Quarter	
Planned Activity 4.3 Prepare and submit reports	Reports submitted punctually		An EU Mission was conducted from January 31-February 1 with Ms. Stephanie Hodge as monitor. The first quarter report was prepared.	
Planned Activity 4.4 Participate in related BMB activities			PMU participated in the consultations on the PA Master Plan that is being finalized by BMB. On behalf of BMB, the Project Manager delivered a lecture on biodiversity to the new foreign service officers last February 17. The Project Manager was one of the judges in the quiz bee during the World Wildlife Day celebration last March 3. The Project Manager attended the NEDA-sponsored workshop to finalize PDP indicators held last March 13. PMU attended the foreign-assisted projects coordination workshop held last March 22-24. The Project Manager took part in BMB's culminating event for Women's Month entitled "Inspiring Stories of Women in Biodiversity Conservation" held last March 31.	

a. PARTNERSHIPS FORGED

Name of partner	Type	Description of partnership and how it has contributed to project results or sustainability

Philippine Business for the Environment	Civil Society Organization	An MOU between PBE and UNDP has been signed which stipulates that both parties will cooperate in biodiversity partnerships particularly on organizing venues (forums, marketplace, meetings) for private sector participation in biodiversity conservation.
Philippine Business for Social Progress (PBSP)	Civil Society Organization	The initial contact was made during a roundtable discussion organized by PBSP entitled "Business Beyond the Usual: Inclusive Business and Sustainable Development Goals CEO Forum" last October 2016. Although there is no formal agreement between UNDP and PBSP, a shared vision for Inclusive business is the basis for collaboration.
Haribon Foundation for the Conservation of Natural Resources	Civil Society Organization	Haribon Foundation is the oldest environmental organization in the Philippines and has actively participated in the updating of the PBSAP as well as in a number of Biofin's workshops. The partnership involves a joint project development workshop among the LGUs and POs in the municipalities of Naujan, Pola, Socorro and Victoria which encompass the Naujan Lake Natural Park. This contributes to the PBSAP localization efforts of the project.

b. IEC AND KNOWLEDGE MANAGEMENT

IEC/Knowledge Product	Type	Date published/ produced	Target audience	Link (if available)
PBSAP-BIOFIN Module for the Biodiversity Fellows Program	Training module	3/14/2017	Municipal LGUs of Socorro, Pola, Victoria and Naujan in Oriental Mindoro	
Social media posts for info dissemination	Other	January-March 2017	General public	https://www.facebook.com/pbsap/ https://twitter.com/BIOFIN PH https://www.instagram.com/biofin_ph/
Contribution to DENR-FASPS newsletter	Other	March 2017	General public	http://fasps.denr.gov.ph/index.php/2016-02-17-04-17-37/news-info/faps-news/163-mindoro-local-officials-undp-denr-agree-to-localize-biodiversity-action-plan

c. ACTIONS TAKEN REGARDING AUDIT AND/OR SPOT CHECK FINDINGS

Describe actions taken to address the findings from the audit / spot check as applicable

Audit/Spot check recommendation/s	Action taken	Responsible person	Implementation date
			<i>Click here to enter date.</i>

d. RISK LOG UPDATE

Assess identified risks and record new risks that may affect project implementation:

No.	Description	Date Identified	Type	Status	Countermeasures / Management response (What actions have been taken/will be taken to counter this risk)
1	Intermittent participation of BMB staff in some project activities and meetings with partner government agencies and private sector (these are opportunities for advocacy and capacity building)	3/1/2017	Select risk type. Political (Government commitment)	Materialized, medium-level risk.	A sustainability plan will be formulated and implemented within the year to ensure smooth turnover by the time the project is completed next year. Biofin support to the PBSAP Secretariat hopes to address this risk.
2	Low familiarity and ownership for the PBSAP	3/1/2017	Political (Government commitment)	Materialized, medium-level risk.	
3	Unsatisfactory performance by the LGU specialist has resulted in some delay in the submission of the proposals to PSF and ER 1-94	2/1/17	Operational	Materialized, medium-level risk	No new contract will be given to the existing consultant and a new consultant will be procured.
4	No decision on partnership with Team Energy Foundation, Inc.	1/1/17	Operational	Materialized, high-level risk	An option is UNDP's exclusion in the MOA.

Prepared by: ANABELLE E. PLANTILLA

Signature: Anabelle E. Plantilla Date: 15 April 2017

Project Manager, BIOFIN

Noted by: FLORADEMIA C. ELEAZAR

Signature: Floradema C. Eleazar Date: _____

Programme Team Leader, ISD
UNDP