



**CORAL TRIANGLE
INITIATIVE**
ON CORAL REEFS, FISHERIES
AND FOOD SECURITY



CHAIR'S SUMMARY

CTI-CFF Financial Resources Working Group (FRWG) Virtual Meeting

Adopted on 29th April 2020

by the

Governments of Republic of Indonesia,
Malaysia, Papua New Guinea,
the Republic of the Philippines,
Solomon Islands and Timor-Leste

A. INTRODUCTION

1. The Meeting of the CTI-CFF Financial Resources Working (FRWG) was held via the digital platform ZOOM on 28th-29th April 2020.
2. The meeting was chaired by Mr. Andre Omer Siregar Director of Asia Pacific and Africa, Interregional and Intraregional Cooperation, Ministry of Foreign Affairs (Indonesia), Chair of FRWG and Vice-Chair, Dr. K. Nagulendran, Deputy Secretary General, Ministry of Environment and Water (Malaysia).
3. The objectives of the meeting were to carry out the decisions made during SOM-15 and discuss the following items:
 - a. Progress of RPOA 2.0 and accompanying sustainable business/financial plans
 - b. Review of Draft Financial Strategic Plan
 - Trust Fund Model using Caribbean Challenge and Micronesian Challenge
 - Concept note for CTI-CFF Trust Fund and its roadmap
 - c. Engagement with Project Funding Institutions
 - Update on Strategic Partners – UQ, GIZ, WWF-EU, USAID, BSSE, RSAP
 - Explore Sustainable Regional Business Forum (RBF)
4. Plans for Sustainable Financing Mechanism Initiatives
5. Discuss ongoing programs funded by external partners
6. Election of new Chair and Vice-Chair (based on consensus) – as per Articles 4 and 5 of the Terms of Reference (TOR) of FRWG
7. Other matters

B. FRWG CHAIR'S SUMMARY: RECOMMENDATIONS

SESSION 1: OPENING CEREMONY

1.1. Acknowledged the Welcome Remarks by the CTI-CFF Regional Secretariat Executive Director Dr. Mohd Kushairi Mohd Rajuddin who welcomed the members of FRWG and CTI Partners to the meeting and particularly expressing hope that the discussion on alternative financing mechanisms and plans will guide CTI-CFF to take steps towards achieving financial capabilities to fund its activities; and stressing that all means including upgrading internet connection facilities are being sought for to enable web meetings encompassing RS and CTI Member States be implemented to encounter the inability to carry out normal physical presence/in-person meetings due to COVID-19 outbreak as referred in Annex 1;

1.2 Acknowledged the Opening Remarks by the Chair of the FRWG, Mr. Andre Omer Siregar particularly thanking the members of FRWG and CTI Partners for their participation, particularly in the midst of this COVID-19 situation; and congratulate the new Executive Director of Regional Secretariat for his appointment and expressing appreciation for the excellent arrangement of virtual meeting of the Regional Secretariat; and recognizing the importance of the meeting to address the recommendations of SOM-15 and further identify how the group can bring up the CTI-CFF programs as referred in Annex 2;

1.2. Acknowledged the following participants:

INDONESIA

1. Mr. Andre Omer Siregar (FRWG Chair)
2. Dr. Hendra Yusran Siry (Focal Person)
3. Mr. Andy Anak Agung Ngurah Laksmiana (Focal Person)
4. Mr. Agus Dermawan
5. Mr. Rifky Setiawan
6. Ms. Fivien Ocktaviani
7. Mr. Imam Fitrianto
8. Ms. Rita Octafiani

9. Mr. Aldi Triyanto
10. Mr. Asa Silalahi
11. Ms. Sri Atmini
12. Mr. Fajar Firdaus
13. Mr. Rezha Fernando Wanggai
14. Mr. Yuliadi Kadarmo
15. Ms. Siti Annisa Mardhatillah
16. Mr. R. Rizki Andhitya Yunanto
17. Mr. Marcus Daniel Wicaksono
18. Ms. Devika Rahmasari

MALAYSIA

1. Dr. K. Nagulendran (Vice-Chair)
2. Mr. Eddy Mazuaansyah Mohd Ali Murad
3. Mr. Husni Alhan Md Salimun (Focal Person)
4. Mr. Jamalulail Abu Bakar
5. Ms. Malisa Mat Noor

PAPUA NEW GUINEA

1. Ms. Yvonne Tio (Focal Person)
2. Ms. Phelameya Haiveta

PHILIPPINES

1. Ms. Nilda Baling (Focal Person)
2. Ms. Carina Manlapaz (Focal Person)
3. Mr. Pablo delos Reyes Jr.
4. Ms. Patrie Cianne Gelvezon
5. Ms. Hiyas Crisostomo

SOLOMON ISLANDS

1. Mr. Alick Misibini (Focal Person)
2. Mr. Matthew Walekoro

TIMOR LESTE

1. Ms. Alda Sousa
2. Mr. Julio da Cruz (Focal Person)

CTI PARTNERS

Asian Development Bank

Mr. Arunkumar S. Abraham

The Nature Conservancy

Ms. Laura Whitford

Wildlife Conservation Society

1. Mr. Martin Callow

2. Dr. David Meyers

- 1.3. Accepted the appointment of rapporteurs from the CTI-CFF Regional Secretariat namely, Ms. Janet Rosalie Anne H. Polita and Ms. Monique Lydia Sengkey; and
- 1.4. Agreed to adopt the provisional Agenda of the FRWG Meeting (Annex 3).

SESSION 2: REVIEW OF SOM-15 DECISIONS

- 2.1. Acknowledged the update and actions taken by the Regional Secretariat regarding SOM-15 decisions as referred in Annex 4;
- 2.2. Agreed to extend the deadline for the submission of list of financial experts on trust fund and sustainable financing mechanism from CTI Member States by 15th May 2020 to Regional Secretariat in consideration of the COVID-19 situation and work from home arrangements of CTI Member States;
- 2.3. Acknowledged that the SOM-15 approved budget of USD 50K in the workplan is for back-to-back meetings of FRWG and Internal Resource Committee (IRC), where each is assigned USD 25K;
- 2.4. Acknowledged and appreciated the update from Indonesia on Indonesia Aid, taking note that it is one alternative to support CTI-CFF. Also, the CTI look forward to the discussion on Indonesia Aid on how to complement with the activities of the CTI-CFF and look forward to further updates about the Indonesia Aid;

- 2.5. Tasked the Regional Secretariat to follow-up the result from the Financial Expert Strategy Workshop conducted 31 July – 1 August 2019 in Singapore, specifically on the outcome of the screening exercise by the workshop group of different finance options for the CTI-CFF;
- 2.6. Tasked the Regional Secretariat to follow-up with The Nature Conservancy (TNC) and its willingness to share learning experiences on sustainable financing mechanism as acknowledged in the decision 11.2.7 of SOM-15; and
- 2.7. Noted with interest that the Regional Secretariat conducted Partners Call Meetings and request for the summary of those meetings to be shared to the CTI Member States by 2nd week of May 2020.

SESSION 3: PROGRESS ON RPOA 2.0 AND ACCOMPANYING SUSTAINABLE BUSINESS/FINANCIAL PLANS

- 3.1. Acknowledged the progress on RPOA 2.0. as presented by the Regional Secretariat as referred in Annex 5. CTI also recognized the potential timeline challenges in finalizing the RPOA 2.0 due to the current external issues mentioned above;
- 3.2 Tasked the Regional Secretariat to get an official approval from the Committee of Senior Officials (CSO) to extend implementation period of RPOA 1.0 until the approval process and adoption of RPOA 2.0 by CSO and Council of Ministers (COM);
- 3.3 Agreed the need for the extension of timeline for finalization of RPOA 2.0 given the current scenario at the regional and national levels and the need for CTI Member States to thoroughly engage national stakeholders while maintaining CTI Member States commitment to CTI-CFF goals;
- 3.4 Recognized the draft of RPOA 2.0 requires the inputs of CTI Member States on the choice of institutional framework, regional activities, targets, outputs and indicators, bearing in mind that this information are country specific, therefore, seeking guidance from the CTI Member States

to provide this information accordingly in moving forward to the finalization of RPOA 2.0; and

- 3.5 Tasked the Regional Secretariat to submit the business continuity plan to CTI-CFF CSO.

SESSION 4: REVIEW OF DRAFT FINANCIAL STRATEGIC PLAN AND SUSTAINABLE FINANCING MECHANISMS

- 4.1. Acknowledged the presentation on draft financial strategic plan as referred in Annex 6;
- 4.2. Recognized the recommendation of exploring CTI-CFF Trust Fund as one source of sustainable finance mechanisms, as well as acknowledging CTI's reservation with regard to the cost implication in setting up the trust fund and its compliance to CTI-CFF Financial Regulations and national financial regulations;
- 4.3. Agreed to explore medium and long-term project activities with CTI Partners and donors as one of the financial mechanisms to support CTI-CFF and to also explore outcome-based budgeting mechanism;
- 4.4. Agreed that the sustainable financing mechanism such as blue carbon, Payment for Ecosystem Services, and tourism fees (as indicated in FRWG agenda) to be considered as one of the activities under RPOA 2.0; and
- 4.5. Agreed that the architecture of sustainable financing mechanism of CTI-CFF shall be CTI Member States-driven.

SESSION 5: ENGAGEMENT WITH PROJECT FUNDING INSTITUTIONS

- 5.1. Acknowledged the updates on the status of project funding activities with CTI Partners as referred in Annex 7 and request for all project mobilization to adhere to established CTI-CFF cooperation mechanism in consultation with CTI Member States and its respective working groups;
- 5.2. Urged Regional Secretariat to coordinate and facilitate the CTI Regional project mobilization and implementation in consultation with CTI Member States;

- 5.3 Acknowledged and appreciated the insights and updates from the Asian Development Bank, The Nature Conservancy and Wildlife Conservation Society regarding their efforts to provide technical assistance to CTI-CFF, which is relevant in achieving sustainable financing, as well as ensuring their continuous cooperation and support to the plans and activities of CTI-CFF;
- 5.4. Tasked the Regional Secretariat to continue to work and to coordinate closely with CTI Partners to optimize their involvement and assistance in supporting the goals of CTI-CFF; and
- 5.5 Tasked the Regional Secretariat to develop an outcome-based budgeting proposal to be presented to partners/donors and to inform CTI Member States.

SESSION 6: ELECTION OF NEW CHAIR AND VICE-CHAIR

- 6.1. Appreciated and thanked the roles of Indonesia, Mr. Andre Omer Siregar as Chair, and Malaysia, Dr. K. Nagulendran as Vice-Chair of FRWG for the past two years in facilitating the crucial work of FRWG; and
- 6.2 Recognized the consensus result of the election of Chair and Vice-Chair of FRWG wherein Indonesia and Malaysia remain as Chair and Vice-Chair respectively for the period of 2021 - 2022.

SESSION 7: OTHER MATTERS

- 7.1. Recognized the need to assist Pacific Countries in their communication if virtual meetings for CTI-CFF activities shall be pursued due to COVID-19 pandemic;
- 7.2. Acknowledged the suggestion of Indonesia to reschedule the meeting of Internal Resource Committee from May to June in consideration of the COVID-19 situation and celebration of Eid Fitri;
- 7.3 Noted the postponement of the Monitoring and Evaluation Working Group from May to June 2020 tentatively, as conveyed by Philippines due to COVID-19 situation and change in leadership of Philippines CSO Chair;

7.4. Acknowledged the statement by the Chair of CTI-CFF Financial Resources Working Group (FRWG) on COVID-19 pandemic as follows:

7.4.1. The FRWG recognizes the current challenge of COVID-19 pandemic faced by all countries globally, particularly the CTI Member States, and expresses its deepest sympathy for the loss of lives and wishes for quick recovery to the affected;

7.4.2. The FRWG fully supports the national efforts taken by the each respective CTI Member States in coping with the COVID-19 pandemic, and aware for the needs of strong collaboration between states. Despite the COVID-19 pandemic, CTI Member States show eagerness to continue the cooperation in CTI-CFF.

7.4.3. The FRWG acknowledged the precautionary measures taken by the CTI-CFF in preventing the spread of COVID-19, thus resulting in the postponement of CTI-CFF related meetings and events; and switching to virtual meeting for the time being.

SESSION 8: CLOSING SESSION

8.1. Appreciated the participation of FRWG members and CTI Partners; the excellent facilitation of FRWG Chair, Mr. Andre Omer Siregar and Vice Chair, Dr. K. Nagulendran; and thanked the leadership of the new Executive Director of CTI-CFF Regional Secretariat Dr. Mohd Kushairi Mohd Rajuddin and the team for logistical preparation and actual management of virtual meeting.



Welcome Remarks

By Dr. Mohd Kushairi Mohd Rajuddin

*Delivered during Day 1 of the Financial Resources Working Group Virtual Meeting,
28 April 2020*

Good morning

Excellencies, Ladies and Gentlemen,

1. I and all the staffs of the Regional Secretariat here in Manado, would like to warmly welcome you all, members of the CTI-CFF Financial Resources Working Group from Indonesia, Malaysia, Papua New Guinea, Philippines, Solomon Island and Timor-Leste, and CTI Partners to the FRWG virtual meeting.
2. I thank you all for your presence here and while we are engrossed with this meeting, I pray to the Almighty that you as well as your family members at home are safe and healthy.
3. The Regional Secretariat is in solidarity with organizations and nations around the world, particularly with the CT6 member countries during this challenging time. Indeed, we are facing a global health crisis that has affected immensely on individual's health and has triggered unprecedented restrictions not only on the movement of people but also on the mobility of a wide range of economic activities.
4. With the out spread of the Corona Virus (COVID-19), we can only do to adapt and adopt to the "new normal" to ensure that CTI-CFF activities that have being planned are able to be kept up with and carried to attain the expected outputs.
5. As such, the Regional Secretariat has turned to digital platforms like Skype, Microsoft Teams, Google Meets etc to meet. The virtual meeting today may not able to convey the in-person presence but hopefully at the end of the 2-day meeting, we are able to attain to the best of expectations as planned.
6. As I have said during SOM-15 when I had the opportunity to speak before the respected Senior Officials on the 8th of November 2019 in Honiara, the contributions

of each member country are needed and important to support CTI-CFF, but to depend too much on member country's contribution is not a good long term practice. And it is about time for CTI-CFF to look for ways to reduce but sufficiently to maintain a limited contribution from its present member countries.

7. As such the discussion on identifying alternative sustainable financing mechanisms and financial plans for CTI-CFF in today's meeting that will be presented by my deputy Mr Gustaaf Lumiu will perhaps guide us, through our constructive comments and inputs, to a smooth effort in taking the next step to gear towards getting achieving additional financial capabilities for CTI-CFF activities. Also, the discussion relating to external funding is hoped to bring a win-win paradigm between CTI Partners and other external stakeholders; thus, contribute to strengthen the socio-economic condition and livelihood of over 130 million people, particularly those living in coastal communities of the Coral Triangle.
8. I look forward for an insightful sharing and exchanging ideas, objective discussions and a fruitful meeting. Nobody is perfect but perfection will never be perfected without anyone contributing as a community aiming towards a common goal in achieving perfection.
9. Once again, thank you and I hope we can make the best of this meeting opportunity to meet our goals, with the help of the Almighty.
10. Without consuming our limited and precious time schedule, I would like to invite the Chair of FRWG and Director for Asia Pacific and African Intra and Inter Regional Cooperation, Ministry of Foreign Affairs, H.E Andre Omer Siregar to formally open today's meeting via his Opening Remarks.
11. Thank you.



Opening Remarks

MR. ANDRE OMER SIREGAR

*Chair, CTI-CFF Financial Resources Working Group and
Director, Asia Pacific Africa Interregional Intraregional Cooperation,
Ministry of Foreign Affairs of the Republic of Indonesia*

Distinguished members of FRWG, CTI-CFF Regional Secretariat, CTI Partners, Ladies and Gentlemen, a very good morning to us all and welcome to the CTI-CFF Financial Resources Working Group (FRWG) meeting.

At the outset, allow me to extend my appreciation to the FRWG members for your participation and also the Regional Secretariat for the excellent arrangement of this virtual meeting. It is indeed some interesting times before I continue, let me take this opportunity to congratulate the new Executive Director of CTI-CFF Regional Secretariat in which I did not have the privilege meeting last November. I wish you all the best.

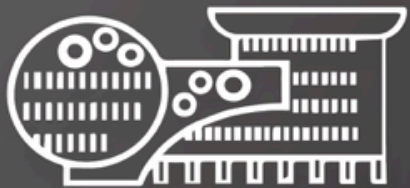
This is indeed interesting times, where we are called upon to stay due to the circumstances for the sake of our health. Strange circumstances for the sake of our health. Indeed, despite the challenges of this COVID – we still strive too meet from various locations in the world especially between CT6 countries. We are entering now the 6th week of this COVID. I really do hope that everybody here, the CTI and the member states and your families are in good health. As we go through this trying time, all our governments are working hard to overcome this COVID challenge. Despite these challenges, we still meet in the next two days to address this important recommendations of SOM-15 that was agreed in Honiara, Solomon Islands last year. It is timely for us to discuss how we can bring the programs of CTI-CFF despite the fact that the world is dealing with this COVID-19 pandemic while each of our respective governments focus on implementing domestic measures in fighting this pandemic. As a group, we have to make sure that our organization is adaptive to the situation and also we can continue to keep delivering our purposes as agreed in previous meetings.

Ladies and gentlemen, this is indeed a trying time but as our leader established the CTI-CFF over a decade ago, we are burden with the responsibility to seek

ahead for the world condition not only our mandate but also how we overcome this challenge of COVID. I am also currently involved in meetings such as APEC, IORA, MSG and PEF and not to mention supporting governments at multilateral level especially those countries in the CTI-CFF including PNG, Timor-Leste and also Solomon Islands. We work closely with countries such as Malaysia and Philippines and also other countries in our region to face this great challenge. But as the ED mentioned earlier that we have the responsibility to consider the welfare of our grandchildren and the future of this esteemed organization. It is in this forum today, in the next two days, despite the challenges we face, we still have the strength to focus and to see what the world awaits us despite the ramification of the COVID not only to our people but to our economy but also the worldwide impact. So I am looking forward to listening to the views of all the countries and also our partners.

Excellencies, in that regard, I am looking forward to your active participation and hopefully we can agree to the desired outcome to this two-day meeting and with that I thank you and wish to begin this FRWG. Thank you very much.

CTI-CFF Financial Resources Working Group Meeting



28–29 April 2020



**CORAL TRIANGLE
INITIATIVE**

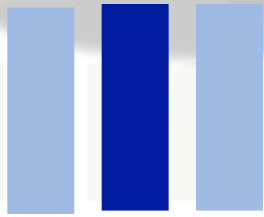
ON CORAL REEFS, FISHERIES
AND FOOD SECURITY



Provisional Agenda

PROVISIONAL AGENDA

Day 1
28 April



Session No.	Activity/Topic	Time	Facilitator
	Log-In/Technical Check	8:30 AM- 8:55 AM	Regional Secretariat (RS)
	Video-Conferencing ‘House Rules’	8:55 AM – 9:00 AM	RS
1	Welcome Remarks	9:00 AM – 9:05 AM	RS Executive Director
2	Opening Remarks	9:05 AM – 9:10 AM	FRWG Chair
3	Introduction of Participants and Appointment of Rapporteur(s)	9:10 AM -9:25 AM	FRWG Chair
4	Adoption of the Provisional Agenda	9:25 AM – 9:35 AM	FRWG Chair

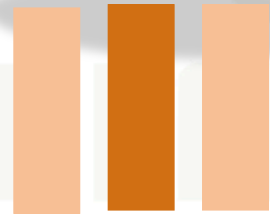
Day 1
28 April

Session No.	Activity/Topic	Time	Facilitator
5	Review of SOM-15 Decisions	9:35 AM- 9:50 AM	FRWG Chair RS ED
6	(Session only for CT6 Member Countries) Progress of RPOA 2.0 and accompanying sustainable business/financial plans	9:50 AM – 10:10 AM	FRWG Chair RS ED
	BREAK /SCREEN SHOT OF PARTICIPANTS	10:10 AM – 10:20 AM	RS
7	(Session only for CT6 Member Countries) Review of Draft Financial Strategic Plan <ul style="list-style-type: none"> • Trust Fund Model using Caribbean Challenge • Concept note for CTI-CFF Trust Fund and its roadmap 	10:20 AM – 11:15 AM	FRWG Chair RS ED
8	(Session only for CT6 Member Countries) Plans for Sustainable Financing Mechanism Initiatives	11:15 AM -12:00 NN	FRWG Chair RS ED
End of Day 1			

Day 2
29 April

Session No.	Activity/Topic	Time	Facilitator
	Log-In/Technical Check	8:30 AM- 9:00 AM	RS
9	Engagement with External Funding Institutions <ul style="list-style-type: none"> • Discuss ongoing projects with CTI Partners – GIZ, UQ, WCS, WWF-EU, RSAP • Discuss Sustainable Regional Business Forum (RBF) 	9:00 AM – 10:30 AM	FRWG Chair RS ED
10	Election of new Chair and Vice- Chair (based on consensus) – as per Article 5 of FRWG TOR	10:30 AM – 10:45 AM	FRWG Chair RS ED
11	Other Matters	10:45 AM – 11:00 AM	FRWG Chair
	Break (to prepare draft Chair ‘Summary)	11:00 AM – 11:15 AM	RS

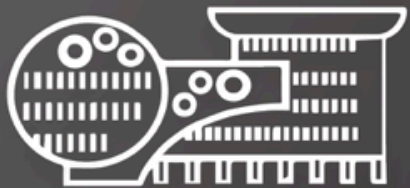
Day 2
29 April



Session No.	Activity/Topic	Time	Facilitator
12	Review of the Chair's Summary	11:15 AM – 11:50 AM	FRWG Chair
10	Closing Session	11:50 AM – 12:00 NN	FRWG Chair
End of FRWG Meeting			



CTI-CFF Financial Resources Working Group Meeting



28–29 April 2020



**CORAL TRIANGLE
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ON CORAL REEFS, FISHERIES
AND FOOD SECURITY



Review of SOM-15 Decisions

SOM-15 Decisions

11.2.1 Acknowledged and accepted the report of the Internal Resources Committee (Annex 39)

11.2.2 Acknowledged the update on actions undertaken by the Regional Secretariat as tasked in the FRWG Meeting of 11th February 2019

11.2.3 Acknowledged the engagement of CTI-CFF Regional Secretariat with existing and potential donors/funders

Updates/Actions Taken

- Typo error – should read “Acknowledged and accepted the report of the Financial Resources Working Group” (Annex 39)
- FRWG Report (Annex 39) uploaded on the CTI Website under SOM-15 homepage

No actions required

- RS had a meeting with CTI Partners last 5th February 2020 to update them on the progress of RPOA 2.0 and other activities as well as acknowledged their continuous support to CTI-CFF

SOM-15 Decisions

Updates/Actions Taken

11.2.4 Acknowledged the report on the Financial Resources Expert Strategy Workshop conducted between 31st July - 1st August 2019 in Singapore (Annex 40)

No actions required

11.2.5 Tasked the Regional Secretariat to explore sustainable financing mechanisms through the following:

- engage financial experts from CT6 Member Countries to provide technical assistance in developing financial options and solutions

- RS had a Partners Call Meeting last 5th Feb 2020 and presented initial draft Concept of Trust Fund Plan prepared by RS's DED for Corporate Services
- Wrote to FRWG and NCCs on 14th April 2020 requesting list of financial experts in the area of trust fund and sustainable financial mechanism by 24th April 2020; no feedback received yet

- develop proposals based on shared and common interest with existing and potential funding institutions

- RS had initial discussion with the following CTI Partners to explore possible funding opportunities:
 - GIZ (18 Feb, Jakarta)
 - USAID RDMA (19 Feb, Jakarta)
 - EU Ambassador to Indonesia and Brunei Darussalam (21 Feb, Manado)
 - WCS (21 Feb, Manado and 3 April, Call Meeting)
 - WWF (Dec 2019, Jakarta and 27 April, Call Meeting)

SOM-15 Decisions

- consider a blended approach to finance mobilization to allow for a mixed financial solutions and mechanisms.

11.2.6 Acknowledged the update by Indonesian delegation on the possibility for partnership with Indonesian Aid as one of the alternative solutions to support the achievement of CTI-CFF's goals and SDGs; and tasked the Regional Secretariat to circulate the detailed information once it is available;

11.2.7 Acknowledged and appreciated TNC's efforts to continue to share learning on sustainable financing between the CTI-CFF and other regional oceans framework including the Caribbean Challenge and Micronesian Challenge; and

Updates/Actions Taken

- RS had initial call meeting with WCS/Mr. David Meyers of Conservation Finance Alliance to discuss blended financing on 3rd April and 17th April 2020
- RS has not received any update regarding Indonesian Aid; RS will follow-up through NCC Indonesia regarding the matter
- RS conveyed appreciation to CTI Partners, including TNC, WCS, WWF during the Partners Call meeting on 5th February 2020 for their continuous support and conveyed plan to conduct face-to-face/physical meeting with CTI Partners

SOM-15 Decisions

11.2.8 Endorsed FRWG Workplan for 2020 (Annex 41).

Updates/Actions Taken

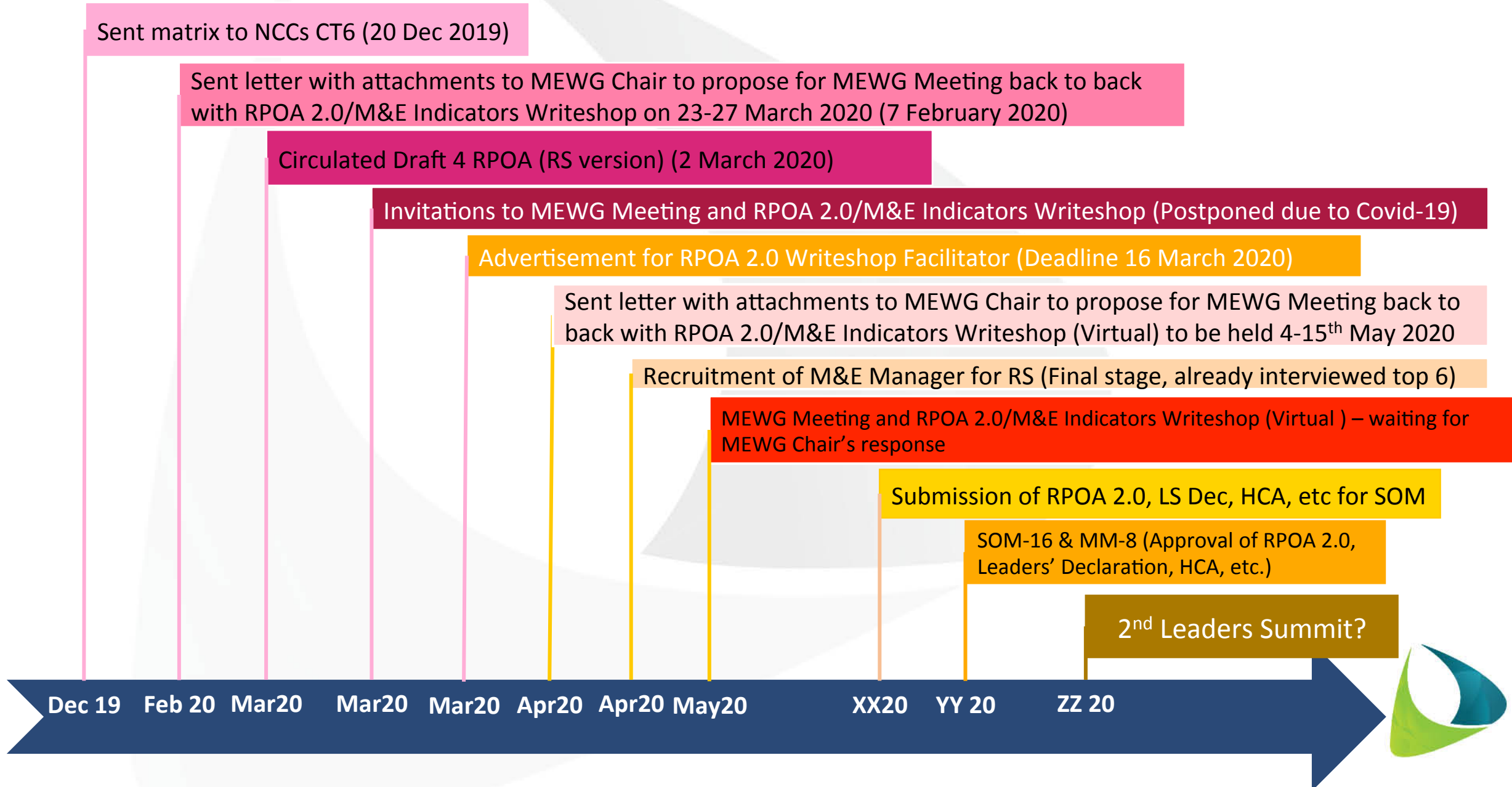
➤ Budget approved at SOM15 was USD \$25K.



Progress of RPOA 2.0 and accompanying sustainable business/ financial plans



Progress of RPOA 2.0



Progress of RPOA 2.0 accompanying sustainable financial/ business plan (after SOM-15)

20 December:

- Circulated the following documents to NCCs for their comments/feedback based on SOM-15 Decisions:
 - 3rd draft of RPOA 2.0
 - Matrix of comments/revisions based on the series of workshops conducted relating to RPOA
- At present, no comments received from NCCs

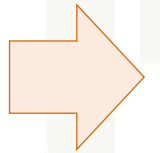
Dec 2019



15 February :

- Wrote a letter to MEWG Chair proposing conduct of MEWG Meeting back to back with RPOA 2.0 Writeshop, M&E Indicator and CT Atlas Meetings on 30 March – 3 April

Feb 2020



Progress of RPOA 2.0 accompanying sustainable financial/ business plan (after SOM-15)

2 March:

- Sent invitation to NCCs and CTI Partners regarding the MEWG Meeting back to back meetings

12 March

- Sent letter informing the postponement of March and early April activities due to COVID-19 among NCCs and CTI Partners

Mar 2020



14-15 Apr:

- Wrote a letter to MEWG Chair proposing MEWG virtual meeting back to back with RPOA 2.0 Writeshop on **4-8 May and 11-15 May** (half-day, 9 AM – 1PM); awaiting feedback from MEWG Chair
- No official reply/ communication received from MEWG Chair

Apr 2020



Review of Draft Financial Strategic Plan

- **Trust Fund Model using Caribbean Challenge**
- **Concept note for CTI-CFF Trust Fund and its roadmap**



Caribbean Challenge Initiative (CCI) is a coalition of governments, companies and partners working together to accelerate action on the marine and coastal environment in the Caribbean.



CARIBBEAN
CHALLENGE INITIATIVE



Caribbean Biodiversity Fund

- A national conservation trust fund developed by The Nature Conservancy along with CCI countries
- It supports the CCI programs for the benefit of the public, the conservation, protection, management and expansion of national protected area systems and other areas of environmental significance of participating geographies.

INITIAL DONORS

The Nature Conservancy (TNC)
US \$8M

Germany (BMZ-KfW)
US \$26M

Global Environment Facility (GEF)
US \$7.95M

ENDOWMENT FUNDS

CARIBBEAN BIODIVERSITY FUNDS

The CBF will channel funding each year to national trust funds established in CCI countries.*

BOARD OF DIRECTORS

CBF SECRETARIAT

INVESTMENT MANAGER

National trust funds will set up vertical agreements with the CBF as the basis for receiving CBF resources.

OTHER FUNDS

Trust funds can serve as magnets to attract other public and private sources of funding.

NATIONAL TRUST FUND

Countries have made solid progress in establishing trust funds.

LOCAL LEVEL PROJECTS

Examples of on-the-ground projects to be funded could include: declaration of new protected areas, actions to strengthen existing protected areas, sustainable fisheries and sustainable coastal tourism projects.

*At this time overseas territories that are a part of the CCI are unable to receive funding from the CBF.



Summary

Subject	CCI	CTI-CFF
Launched & Aims	<ul style="list-style-type: none">• Launched in 2008• aims to support /incentivize Caribbean governments to: (i) meet their sustainable development commitments, (ii) catalyse new funding and accelerated action, and (iii) help ensure more prosperous and sustainable economies across the Caribbean in the future	<ul style="list-style-type: none">• Launched in 2009• aims to facilitate regional collaboration around sustainable development policies and practices related to marine resource exploitation recognizing the distinct political, economic, environmental and social challenges of each individual CT6 country



Subject	CCI	CTI-CFF
Target Goals	To protect and conserve twenty percent of their marine and coastal resources to promote the sustainable use of natural resources	To preserve and manage the vast marine, coastal and small islands ecosystems and the unique biodiversity of the Coral Triangle region of the Indo Pacific, which provide invaluable livelihood and food security benefits for communities in the Coral Triangle area.
No. of countries involved	9	6
Donors' Commitments	TNC with CCI countries develop the CBF, funded by the German Development Bank (KfW), Global Environment Facility and The Nature Conservancy disburse funds to National Conservation Trust Funds.	In 2008, the GEF Council approved a \$72 million, five-year CTI Support Program. The USG committed \$40 million over five years to support the CTI, with funding being channeled through a consortium of NGOs.

Subject	CCI	CTI-CFF
Secretariat	<ul style="list-style-type: none"> • The Secretariat is hosted by the Government of Grenada • It manages the operations of the CCI. • A CCI Council and an Extended Secretariat to include partner organizations providing direct assistance to the CCI Secretariat 	<ul style="list-style-type: none"> • Permanent Secretariat established in April 2015 to coordinate the implementation of the CTI Regional Plan of Action reside in Manado, Indonesia.
Construction of Conservation Trust	<p>The Trust Fund.</p> <p>A sustainable finance architecture, the two-level trust fund was established to support CCI. It is composed of a set of national trust funds,</p>	Conceptualization Stage



Subject	CCI	CTI-CFF
Main Trust Fund	<ul style="list-style-type: none"> • Intended to support the CCI programs for the benefit of the public, the conservation, protection, management and expansion of national protected area systems and other areas of environmental significance of participating geographies. 	Conceptualization Stage
Endowment Fund	<ul style="list-style-type: none"> • CBF Funding of US \$42M as initial financial commitments established to capitalize the CBF endowment. • Donors: Government of Germany (BMZ/KfW), GEF through the World Bank, UNDP and TNC. 	Conceptualization Stage



Subject	CCI	CTI-CFF
Management of Endowment Fund	<p>4.5%</p> <ul style="list-style-type: none"> • amount of annual CBF funding available for disbursement to the participating NCTFs • percent of the monthly value of the portion of the CBF endowment earmarked for each trust fund (averaged over the previous three (3) years) 	<p>Conceptualization Stage</p>
National Trust Fund	<ul style="list-style-type: none"> • established in the participating countries. • the CBF channels funding every year to the account of each NCTF 	<p>Conceptualization Stage</p>



CTI-CFF Trust Fund and Roadmap



PREPARATION

**Set Objectives
Goals,
Communication**

Focus and Activities

Develop Networking
National Focal Point
International
Publication

**Resource
Development**
Discussion on
Periodical Contribution
Endowment or Sinking
Fund

INTEGRATION

Targets
To eliminate/improve
To reduce/increase

Rationale and Functions
To ensure sustainable solution
through strengthening
coordination, planning and
communication

Scope of the Fund
To contribute to sustainable
solution as stated in RPOA 2.0

**Fund Governance and
Coordination**
The Steering Committee
The Secretariat
The Administrator

Systems Operation Manual
Operating details & Risk manual

IMPLEMENTATION

Contributions
Target Amount
Donors: CT6, Strategic
Partners, Businesses,
Foundations, Individuals,
etc

Resource Allocation
Projects earmarked, Projects
Participants

**Program and Project
Approval Process**
Announcement
-Submission of the
Proposals
Screening
Approval
Signing MOU
Disbursement

MONITORING, EVALUATION & REPORTING

**Monitoring, Evaluation
and Reporting**
Monitoring
Evaluation
Reporting (narrative,
financial)

**Accountability and
Transparency**
Annual Financial Audit
External Evaluation

Review
Amendment
Duration
Termination



PREPARATION

➤ Financial Architecture

- Conduct a high-level assessment on planning
- Conduct special studies on sustainable financing mechanisms and opportunities
- Establishing a **CTI Business Development Unit** (BDU) to “oversee the implementation of the financial architecture of the CTI”

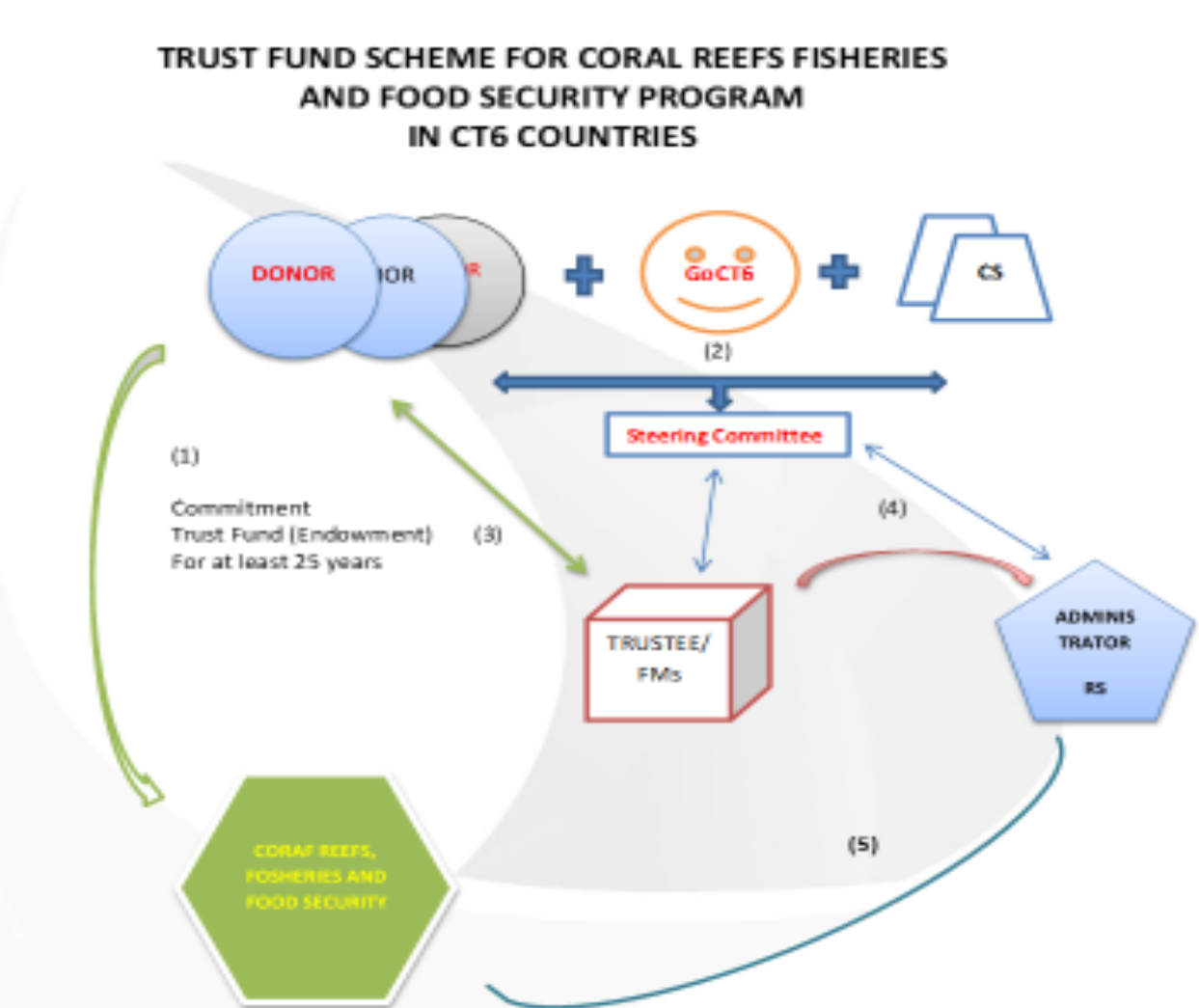
➤ Finance Resource Strategy

- Financial independence and stability due to the establishment of a trust and a mechanism for decisions on disbursements
- Well preparation of legal foundation to the fund considering the different jurisdictions of CT6



INTEGRATION

- Discusses the activities that must be done to achieve targets of projects to be financed by CT6 and in collaboration with CTI Partners
- Creation of Governance structure in managing the sustianbale funds/trust fund



- Commitment Fund to setting up trust fund US\$100MIO. Donor transferred the fund and title of ownership to the Trustee as regulated under the Law
- Trustees which hold the fund must be a trust legal institute appointed by Steering Committee (SC)
- Fund managers managing the fund appointed by SC.
FM must have a capability to invest the fund with a return of xx% annually
- Administrator must be a non for profit legal institute setup by CTG in this case RS,
5% of fund derived from investment will be expended for programs and supporting activities

Oversight Committee

Functions

- i. Provide general oversight and exercising overall accountability of the Fund
- ii. Approve the strategic direction of the Fund and its overall results framework
- iii. Approve Fund risk management strategy and review risk monitoring regularly
- iv. Review and approve proposals submitted for, ensuring their conformity with the requirements of the Fund Terms of Reference (TOR)
- v. Decide the allocation of funds; Request fund transfers to the Trustee (signed off by chair of the Oversight Committee)
- vii. Review Fund status and oversee the overall progress against the results framework through monitoring, reporting and evaluation
- viii. Review and approve the periodic progress reports consolidated by the Trustee agent and the Secretariat based on the progress reports submitted by the Participating Organizations
- ix. Commission mid-term and final independent evaluations on the overall performance of the Funds
- x. Approve direct costs related to fund operations supported by the Secretariat
- xi. Approve Fund extensions and updates to the Fund TOR, as required

The Secretariat

- i. Advise the Oversight Committee on strategic priorities, programmatic and financial allocations
- ii. Provide logistical and operational support to the Oversight Committee
- iii. Organize calls for proposals and appraisal processes (depending on the mission statement of the fund)
- iv. Ensure the monitoring of the operational risks and Fund performance
- v. Consolidate annual and final narrative reports provided by the Participating Organizations and share with the Oversight Committee for review as well as with Trustee for preparation of consolidated narrative and financial reports
- vi. Facilitate collaboration and communication between Participating Organizations to ensure programmes are implemented effectively.
- vii. Liaise with the Trustee on fund administration issues, including issues related to project/ fund extensions and project/fund closure.



Fund Administrator – The Trustee

- i. Provide support to the design of the Fund
- ii. Sign an MOU with Donors, the Participating Organizations
- iii. Sign Standard Administrative Agreements with each donor that wish to contribute financially to the Fund
- iv. Receive and manage funds included those of the Fund's closure
- v. Invest and reinvest Fund's resources according to investment policies, practices and procedures as directed by Oversight Committee. Any profits will be added to the Fund's resources and will not be credited to the contributions of a particular donor
- vi. Provide updated information to the Oversight Committee regarding the regular resource availability
- vii. Subject to the availability of resources, transfer funds to Beneficiaries through Secretariat in accordance with the Oversight Committee decisions
- viii. Release funds as direct costs for the running of the Secretariat, based on the Oversight Committee decisions. The Trustee as the Trust Fund Administrative Agent will annually notify the Oversight Committee about the amounts used to that end.
- ix. Release funds for additional expenses that the Oversight Committee decide to allocate
- x. Provide tools for fund management to ensure transparency and accountability.
- xi. Proposed Location of Trust fund: Singapore

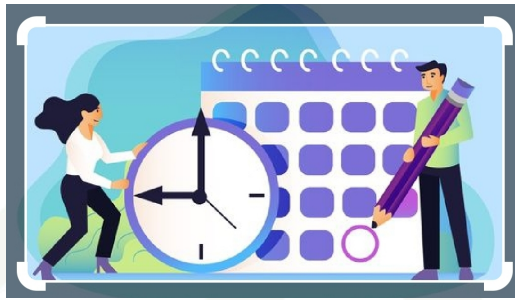


IMPLEMENTATION

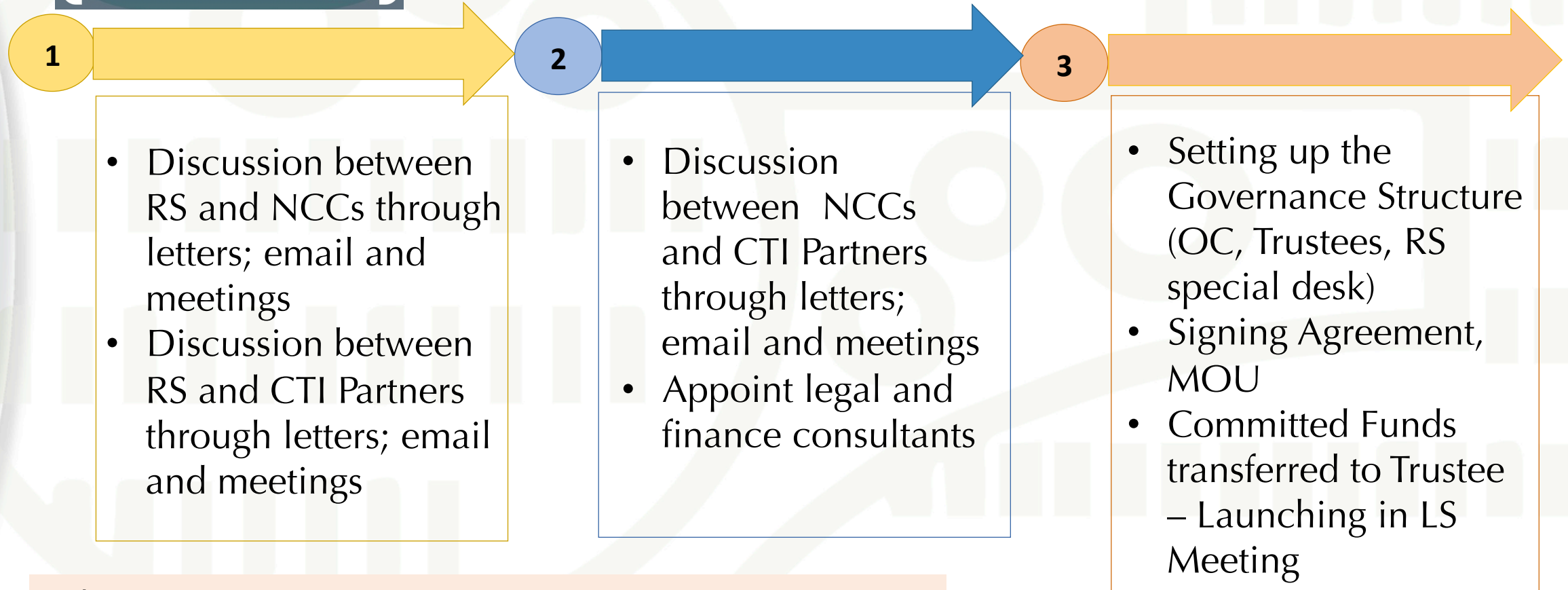
Focus:

- Commitment from CT6 Member Countries and CTI Partners of funds to be set aside as Trust Fund
- Decision on the amount dedicated for trust fund (blended, etc.)
- Type of Trust Funds to be operated (endowment, sinking, revolving)
- Setting the governance structure of the Trust Funds
- Appoint Legal and Finance Consultant





Proposed Timeline



Subject to :

- 1. COVID-19*
- 2. Progress of RPOA 2.0;*
- 3. CT6 Government Administrative and Ministerial Process*



Plans for Sustainable Financing Mechanism Initiatives



1 Sustainable Investment Index

Sustainable funds invest with two lenses: They analyse company performance with regard to ESG criteria (environmental, social, and governance) alongside traditional factors such as valuations and earnings growth.

2 Green Mutual Fund

KEHATI Lestari Mutual Funds (RDKL) is a Fixed Income Mutual Fund (0-20% Shares, 80-100% Bonds, 0-20% Money Market/Cash Market) which is environmentally sound investing only in government bond portfolios that actively managed.

3 Green Bond

- a type of fixed-income instrument that is specifically earmarked to raise money for climate and environmental projects
- are typically asset-linked and backed by the issuing entity's balance sheet, so they usually carry the same credit rating as their issuers' other debt obligations
- In 2018, PT SMI issued Green Bond, which is the first Green Bond issuance in Indonesia with a total facility value of IDR 3 trillion.

4 Impact Investing

- Aims to generate specific beneficial social or environmental effects in addition to financial gains
- The strategy actively seeks to make a positive impact by investing, for example, in non-profits that benefits community or in clean technology enterprises that benefit the environment.

5 Micro Finance

- a type of banking service provided to unemployed or low-income individuals or groups who otherwise would have no other access to financial services.



Engagement with Project Funding Institutions



CTI Partners and RPOA, RPOA 2.0

1. In order to optimize the Partner's engagement, RS is actively in contact with Partners, (as already eluded to in Day1 SOM-15 Updates) despite RPOA 2.0 is not finalized yet
2. Current projects and proposals by Partners are mostly congruent with RPOA & v. 2.0. E.g. the GIZ SOMACORE and WCS Sustainable Financing activities

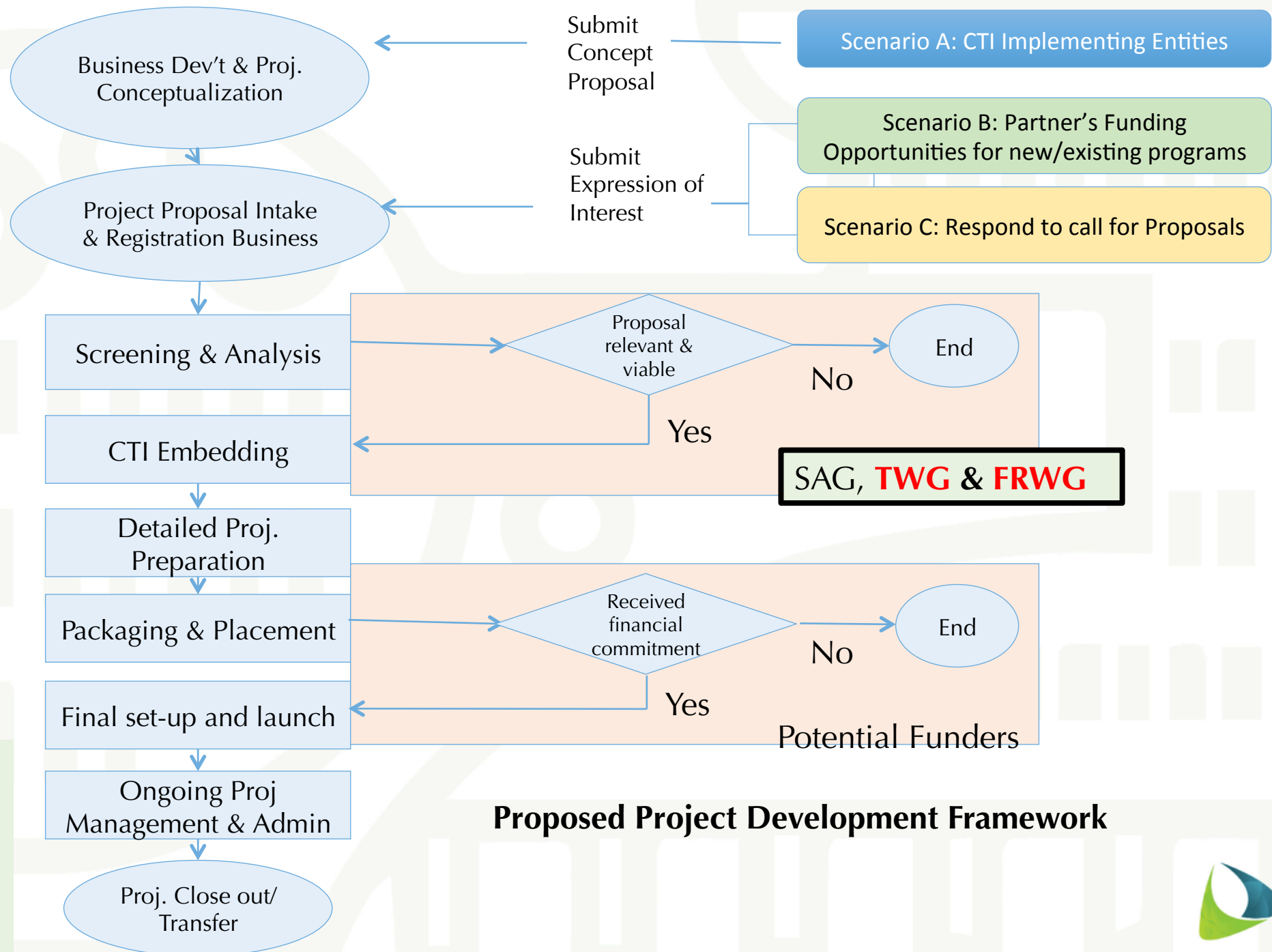
The consultant for the GIZ SOMACORE presently and CTI-CFF consultant in 2019 for RPOA 2.0 is the same person. A big similarity SOMACORE and RPOA 2.0 activities.

Note:

The RPOA 2.0 finalization depends on the CT6 Member Countries, vis-à-vis:

- a) Consensus agreement for the final institutional framework for CTI-CFF and RS as per the various options presented by the Consultant's reports*
- b) Consensus agreement of the final regional activities, targets, outputs, indicators, etc*
- c) Consensus agreement on Financial and Business Plan (after RPOA 2.0 finalized)*

*PROJECT PREPARATION FACILITY



• **NOTE:**
Flowchart derived from the
Financial Architecture Report
adopted at SOM-11, 2015
(SOM-11 Decision 10.2(a))

Proposed Project Development Framework



Project Preparation Facility (PPF)

- Financial Architecture Report presented by ADB, adopted at SOM-11, 2015 in Manado (SOM-11 Decision 10.2(a))
- Maybe needs revision? Not well-socialized by past RS management?
 - RS seeks guidance from CT6 if Projects from Partners regarding the PPF, *inter alia*:
 1. CTI-CFF branding; and NCCs endorsement of Partners entering their countries
 2. Several NCCs insist that process must go via TWGs, CCI WG such as WLF, GWG such as FRWG, and thereafter on to SOM (as SOACAP, UQ and GIZ SOMACORE project proposals did), and RS to have MoA/MoU with the Partners
 3. Several NCCs deal directly with Partners bilaterally, but with consequences e.g.
 - when workshops invitations involving other NCCs were issued directly by Partners (without knowledge of RS), but the other NCCs participants (Govt officers) have no mandate for travel authorization from their own Govt except when invitations come from CTI RS
 4. When Partners come to current RS with ready packages, ipso facto (e.g. WCS-EU, WWF-EU)
 5. Remaining Proposals of unknown status to be clarified (e.g. the BSSE Seascape proposal to GEF by NCC IND, RARE, CI), if going via TWG, RS, SOM, and status?

Projects with CTI Partners: An Update



**Proposed
Partners**

CI, IUCN,
WWF
Malaysia,
WCS, TNC,
ILLMA, ECA

Project Proposal Stage Activity :

SEASCAPE Workshops to further develop the program “Solutions for Marine and Coastal Resilience in the Coral Triangle” (SOMACORE)

Aims:

To contribute to the protection of biodiversity in transboundary habitats by reducing pressure on ecosystems and mitigating resource use conflicts through appropriate and equitable management and monitoring regimes. And to strengthen the social and economic resilience of communities through fair access to and better management of marine resources.

Update: Schedule of virtual workshops

April 20-22: Sulu-Sulawesi Seascape (IN, MA, PH) **(COMPLETED)**

April 23-27: Lesser Sunda Seascape (IN and TL) **(COMPLETED)**

April 28-30: Bismarck Solomon Seascape (IN, PNG and SI) **(ONGOING)**

Proper Meetings with Seascape WG, other WGs and RS will be held

Project Proposal:

Transboundary Approach to Securing Coral Reef Fishery and Biodiversity Resources in the Sulu-Sulawesi Seascape

Objectives

1. Enhance food security and biodiversity by creating a climate-resilient, transboundary management plan for coral reefs and associated small-scale fisheries.
2. Create and adopt regional guidelines of best practice for climate adaptation for coral reefs and fisheries in a transboundary context. Share with other transboundary seascape projects.
3. Strengthen a regional network of practitioners and scientists to improve the provision of evidence-based policy for coastal biodiversity in connected seascapes
4. Support the fulfilment of the UN Aichi Target 11 for the multi-national network



Status:

- February 2020: Professor Mumby met with NCC PH to explain about the project proposal to new management/govt
- GEF is willing to fund only one (1) project from the SSS region - GEF suggested to integrate the UQ project with the UNDP RSAP project
- The Seascope country members are requested to decide whether to merge this two projects or choose one (1) from the two projects.





KFW



Title of Project (Ipsa Facto):

Marine Biodiversity and Support of Coastal Fisheries in the Coral Triangle project

Intended Outcomes:

To contribute to the conservation of Coral Triangle's biologically diverse marine ecosystems and important fisheries through

- the creation and improvement of selected marine protected areas (MPAs) and MPA networks,
- improved management of some commercially and ecologically important, particularly small-scale fisheries,
- improved management linked to selected terrestrial ecosystems underpinned by sustainable finance models.

Areas: North Maluku and North Sulawesi, Indonesia
Palawan and South Mindanao, Philippines



KFW



Regional (CTI-CFF):

The project will support technical inputs and capacity building on **a) sustainable finance; b) fisheries climate change modelling and adaptation planning; c) IUU fishing and wildlife tracking, and d) integrated land-sea management approaches**

The project will support CTI-CFF's existing process: (1) FRWG; (2) EAFM and MPA TWGs; (3) Knowledge management platform; (4) Scientific Advisory Group; and (5) University Partnerships program

Status:

- **21 February 2020:** CTI-CFF through RS inked declaration of support for WCS KFW project
- **23 February 2020:** CTI-CFF through RS facilitated WCS-KFW EU Stakeholders' Meeting
- **3 April 2020:** Call meeting with WCS to discuss sustainable financing
- **17 April 2020:** Call meeting with Mr. David Meyers to discuss sustainable financing
- *As follow-up to Strategic Financial workshop in Singapore in 2019, WCS offers RS and CT6 capacity building in the form of training on Sustainable Financing, lead trainer is Dr. David Meyers of Conservation Finance Alliance (CFA) (via series of Webinars, due to Covid-19)*
- *FRWG to endorse?*



Title of Project:

Ocean Governance : Protecting and restoring marine ecosystems, catalysts for building peace and security and fostering sustainable economies, South Asia and Atlantic Ocean basin

Focal areas: The Atlantic & South Asian regions

Project duration: 36 months (1 Jan 2020 – 31 Dec 2022)

Project purposes:

1. Increased knowledge and practise of protecting and restoring marine and coastal ecosystems in three selected areas of Marine Protected Areas in the South East Asian region
2. Improved management of Marine Protected Areas around the Atlantic Ocean using the concept of shared environmental protection
3. Strengthened knowledge exchange between Atlantic and South East Asian marine and coastal regions
4. Improved basis for dialogue amongst marine and coast stakeholders in the South East Asian region



Status:

- May 2019: IED signed a CTI-CFF Collaborative Agreement, sent to the EUAid for the EU project.
- September 2019: IED met with WWF Coral Triangle Programme Team to discuss the project
- 27th April 2020: current ED and team had a virtual meeting with WWF to discuss the project (noted the need to socialize the project to CT6 as per usual CTI procedure via TWGs and SOM)





Title of Project Proposal for GEF funding:
Regional Strategic Action Program for the Sustainable Fisheries Management of the Sulu-Celebes Sea Marine Ecosystem

(RSAP, SSS Countries involved: IND, MAL, PH)

Status:

- **February - March 2020: Meetings on SSS SubRegional Plan** in Jakarta and Manila, also touched on RSAP
- **7th April 2020: RS received the following:**
 - Endorsement document of the RSAP signed by the Director General of Marine Spatial Management, on behalf of the Indonesia NCC, MMAF
 - Authorization Letter of the Minister of Indonesia's MMAF to the Director General of Marine Spatial Management, MMAF to sign the endorsement documents of the RSAP SCS-LME and to represent the Minister on the implementation of the SCS-LME activities.
- **9th April 2020:** RS officially circulated to NCCs the update on Indonesia's NCC-signed endorsement RSAP SCS and Authorization letter
- IND, MA and PH to decide whether the RSAP is to be merged with Professor Mumby team's proposal on Transboundary Approach to Securing Coral Reef Fishery and Biodiversity Resources in the Sulu-Sulawesi Seascape for submission of proposal to GEF by GEF deadline of October 2020
- RS sent invitations for virtual meeting for 8th May to discuss RSAP, NCCs, merger with UQ and GEF issues.

Proposed Project to GEF:

Investing the Blue Economy within the Bismarck Solomon Sea Ecoregion (BSSE) – a Coral Triangle priority seascape and global epicenter of marine biodiversity

Main Executing Entity: Coordinating Ministry of Maritime Affairs

Co-Executing Entities: CTI-CFF, RARE, Conservation International, West Papua Provincial Government, Papua Provincial Government

GEF Agencies: UNDP (lead); Conservation International (co-GEF Agency)

Status:

- **March 2019:** IED sent letter of support to GEF
- Series of meetings between NCC Indonesia (led by KEMENKO) and IED
- Latest update: GEF to Indonesia - to consult Solomon Islands ?
- Latest status unknown, if TWGs and RS involved?





COMPLETED PROJECT/ Title of Project:

Strengthening Organizational and Administrative Capacity for Improved Fisheries Management Biodiversity and Support of Coastal Fisheries in the Coral Triangle project (SOACAP-IFM)

Period covered: 2017-2019 (consultations with CT6 and RS: 2016-2017)

Goal:

- To strengthen CTI-CFF in ecosystem approach fisheries management (EAFM) through sharing the existing CDT system and USAID Oceans CDT system to combat illegal, unreported and unregulated (IUU) fishing and promote sustainable fisheries for livelihoods and food security in the Asia and Pacific region by the mid of 2019.
- Capacity building for CTI-CFF and RS CS.

Note: There was an Agreement signed between USAID and RS. Workshops involved all CT6 countries, invitations and activities via RS.

Status: Completed –The Final SOACAP activity was the RPOA 2.0 Institutional Framework Workshop and RPOA 2.0 Writeshop in August 2019 in Bali, Indonesia

Update on Sustainable Business Forum

2019 Sept

Prepared draft Action Plan on Regional Business Forum RBF which includes re-branding of RBF to **SBF(Sustainable Business Forum)** as output of CCI Workshop organized by Coral Triangle Center and USAID

2019 Oct

Circulated draft Action Plan of **RBF/SBF Sustainable Business Forum** to NCCs

2019 Nov

Presented the draft Action Plan of **SBF** during SOM-15

*NOTE:
There is no funding budgeted/allocated for RBF/SBF.
Cost of RBF in 2015 in Bali was very high*

2020 Mar

26 Mar: RS communicated with NCCs, Coral Triangle Center and WWF requesting inputs and update on the progress of Concept Paper, and how RS can more effectively contribute.

Progress of RBF/Sustainable Business Forum

Aligning Cross Cutting Initiatives to the CTI-CFF Regional Plan of Action 2.0 Workshop (September 2019 held in Bali, Indonesia) produced an output Summary Table for RBF, etc

Output Summary Table of RBF circulated to NCCs and Partners

Output Summary Table was presented at SOM 15

CT6 Member Countries (except PNG and PH) have submitted to RS their nominees for Sustainable Marine Tourism Focal Points [in reference to objective 1e of the Summary Table]

RS followed up with Partners (WWF and CTC) and NCCs for inputs to develop the concept paper on the rebranding of RBF to “CT-SBF” (Coral Triangle Sustainable Business Forum as per SOM decision 12.3.3 and 12.3.5)

Partners (WWF and CTC) in collaboration with RS and NCCs to develop an initial scoping for the RBF “Value Proposition” and private sector mapping activity. Completed by end of Q3 2020[In reference to Objective 1c of the summary table]

Capitalizing on CTI Leaders’ Summit, RS in collaboration with Partners to organize a small, high-level roundtable meeting with heads of states, business owners/CEOs of multi-national companied. To be completed by end of Q4 2020. [In reference to Objective 1d of the summary table]

Note: COVID19, RPOA 2.0 finalization are still in progress. LS, and this RBF event are still under discussion, and has no funding.

Sept
19

Oct
19

Nov
19

Feb
20

March
20

XX
20

XX
20



ADDITIONAL INFORMATION

➤ USAID

RS had several meetings and communications this year with various USAID entities, where they expressed their interest to continue to support CTI-CFF, RPOA 2.0, WLF and RS

➤ IUCN

In communication with RS regarding IUCN's interest to apply for CTI Partner status

➤ LGN

- has applied to be a CTI Partner
[in process for Ministerial Meeting (MM-8) approval].