



Federated States of Micronesia

Ridge to Reef Project (R2R)

1st Quarter Report –FY2019



Table of Contents

1. Introduction	1
1.1 National Government	1
2. Implementation Progress	3
Table 1: Progress Report Matrix	3
2.1 Kosrae State	6
2.2 Pohnpei State	8
2.5 Chuuk State	10
2.9 Yap State	12
3. Budget	13
4. Summary	14
5. Annexes	15
Annex 1:	15
Annex 2:	17
Annex 3:	22
Annex 4:	26
Annex 5:	27
Annex 6:	28
Annex 7:	31
Annex 8:	37

1. Introduction

1.1 National Government Quarter 1 Activities

- **SEA Phase 2**

In Quarter 1, various components of the SEA were completed including: (1) National and Pohnpei State environmental and socio-economic baselines; (2) capacity survey of departments and agencies likely to play a role in the Integrated Environmental Management Plan (IEMP) for Pohnpei State; (3) community consultations on key issues; and (4) an SEA analysis workshop with over 40 participants from State and National Governments, NGOs and community-based organizations. Refer to Annex 1 for more information.

The outcome of the process are the following recommendations, critical to operationalizing the Pohnpei State IEMP:

- *Establishment of a Coordinating Unit, separate from the PIU, to (1) serve as a secretariat to the IEMP steering committee; (2) develop annual work plans; (3) liaise with agencies for monitoring and organizing awareness; (4) develop a website, press releases and newsletters; (5) and provide progress reports on IEMP activities;*
- *Implement the IEMP (coordination across government, municipalities, communities and private sector on environment and related socio-economic issues, monitoring and mitigation measures) and facilitate a cross-cutting review of laws, policies and regulations;*
- *Development of Municipal Ecosystem Management Frameworks;*
- *Pohnpei State Strategy for Sustainable Tourism;*
- *Ensure all tourism projects are subjected to a full EIA – following the guidelines in the IEMP;*
- *Review and revise the EIA regulations;*
- *Consider a new regulation for SEA; and*
- *Complete the SEAs for the remaining FSM states, using the model used for this SEA.*

- **Communications Plan**

In Quarter 1, a Communications and Knowledge Management Officer (CKMO) was recruited for the R2R and Adaptation Fund projects. The main role of the new recruit is to provide overall support to the project to increase its awareness and visibility in the FSM, provide updates on the SEA as a milestone for the project and provide assistance to the Technical Coordinator in the completion of the Communication Plan.

- **Capacity Development Strategy**

In Quarter 1 (February 2019), the PIU conducted a visit to the four States. One of the primary objectives of the visit was to prepare stakeholders for the upcoming MTR, as well as validate key documents required to be completed prior to the MTR. Among the documents is the capacity development scorecards of the project, to be addressed through the project's capacity development strategy. Next step is to develop the plan, however, project is awaiting findings of the MTR prior to moving forward.

- **R2R Steering Committee Meeting**

On March 27, 2019, the PIU held a Steering Committee meeting to discuss the preliminary findings of the Pohnpei State SEA. Key discussions are listed above under SEA Phase 2. Participants include 4 members of the SC (DECEN, R&D, Finance and Education), an observer from UNDP; 3 project staff (PM, TC, and CKMO) and the consultant, Professor Barry Dalal-Clayton. The meeting report is attached as Annex 2.

2. Implementation Progress at State Level

Table 1: Progress Report Matrix for 1st Quarter Activities

Unlikely complete on schedule	Behind schedule and ongoing	On track and ongoing	Completed behind schedule	Completed on schedule	Completed ahead of schedule	Cancelled
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Outputs	Kosrae	Pohnpei	Chuuk	Yap
Outcome 1: Integrated ecosystems management and rehabilitation on the High Islands of the FSM to enhance R2R connectivity				
1.1 Four Integrated Land Management Plans are developed and implemented for the High Islands of the FSM		Recruit State Expert to Draft ILMP		Recruitment of Local Expert to Draft ILMP
1.2 Institutions with sectoral responsibilities for the development and conservation of the High Islands, together with relevant CSOs and community partners, are capacitated for coordinated action at the wider landscape on SLM.		Revive Pohnpei Resource Management Committee to identify and prioritize 3 SLM activities		
1.3 Additional finances for SLM investments secured & existing contributions to the environment sector to support SLM practices are aligned		Develop a Work Plan for Resource Economist		
1.4 Management and rehabilitation of critical ecosystems implemented to	Conduct community awareness and outreach on the Sanitary Pig Pen Regulation	Construct 4 DLPs in Pehleng	Nefo Forest Project launch, coordination facilitation, mentoring and close out Rehabilitation of the Nefo Forest area to enhance R2R connectivity	Construction of Compost Shed and Equipment Shed
	Farmers promotional program on conversion of regular	Procure surveillance equipment to assist PA Ranger in monitoring of SLM Activities	Hiring of 2 interns for the rehabilitation of Nefo Forest	Strengthening Yap's R2R vein (stream bank restoration/erosion control)
	Construct and convert potential piggeries into the DLP		Facilitate a baseline forest survey and inventory for the Nefo Forest	
	Rehabilitation of Merremia Peltata Infested Areas (upland forests) for Agroforestry/Intercropping		Facilitate a monitoring and evaluating training for the Nefo Forest Area	

enhance the connectivity, reduce erosion, improve water quantity and quality to reduce coastal erosion	Rehabilitation of Mangrove Forests	Conduct Workshop to review existing laws and develop recommendations to improve laws governing land use zoning	Development of the Nefo tree planting campaign	Procurement of Mini-Dump Truck and Excavator for Compost Activities
	Rehabilitation of Wetlands	Rehabilitation of two degraded coastal ecosystems	Mangrove Forest Assessment	
	Conduct Tree planting for Eroded Coastal Areas		Moratorium on sale of mangroves	Conduct clean up of waste and pollution sources impacting critical ecosystems
			Engage communities for clean ups	
			Promote sustainable solid waste management practices	
			Rehabilitation of 2 Mangrove Forest Sites	Restoration of upland watersheds area and wetlands
	Construction of Pilot DLPs			

Outputs	Kosrae	Pohnpei	Chuuk	Yap
Outcome 2: Management Effectiveness enhanced within new and existing PAs (marine and terrestrial) on the High Islands of the FSM as part of the R2R approach				
2.1 National and State level PAN legal institutional frameworks have been established to improve management effectiveness of PAs	Allocate 10,000 USD to support the start-up of a PA fund bill		Awareness Education on PAN Law	Development of Yap PAN Criteria to support PA management decision support system
			Tol Areas of Biodiversity Significance (ABS) Review and Status Analysis	
			Verification of Existing PAs and Gazzeting of 1 New Protected Area	
2.2 The PAN of the High Islands has been expanded, and existing & new PAs have been secured through review & upgrading of legal protection status	Finalize and enact Walung and Malem MPA through the PA legislation	Facilitate participatory awareness on Watershed Forest Reserve in Nett Municipality	Endorsement of 3 Municipal Ordinances	PAN Review, Enhancement and Expansion
		Develop a Demarcation Action Plan for the Nett Watershed Forest Reserve		
	Gazetting of the Awane Marine Protected Area	Procure Demarcation Materials for Nett Watershed Forest Reserve	Establish PAN Fund through consultations, agreed on MOU by stakeholders, and engaging interns	
	Establishment of Monitoring Sites for Awane and Walung MPAs	Delineate Watershed boundaries in Kitti Municipality		
		Facilitation of Partarticipatory awareness activities with Peniou communities		
		Designation of Awak Watershed Basin through PA Legislation		
2.3 Management authorities (States and communities) of	Conduct training for PA management authorities and	Conduct workshop on project management, M&E and etc. with Local Government Coordinators and LMMA focal points		

newly established PAs are equipped and capacitated in managing PAs	stakeholders to use MPA Management Effectiveness (MPAME) Tools			Bird Survey for Yap Monarch, Micronesian Pigeon & Fruit Bats
		Conduct Watershed baseline ecological surveys for newly demarcated boundaries		
	Conduct initial assessment of Walung MPA using the MPAME tool	Develop Fisheries Management Plan for Sokehs Municipality		
	Re-evaluate management effectiveness of the UBR and Tafunsak MPA using MPAME tool	Conduct Communications and Report Writing Training with Community Conservation Officers in Madolenihmw		
2.4 Effective site and cross site level PA management practices promoted in new and existing PAs	Conduct consultation meetings for Walung and Tafunsak Community-based Ecosystem Approach to Fisheries Management (CEAFM)		Surveillance and Enforcement guardhouse planning and construction	Development of a demarcation plan for MPAs
	Support ongoing Coastal Fisheries Management Campaign in the State of Kosrae			Hiring of 2 PA Rangers
	Conduct MPA management planning activities in the Awane MPA community			Assist Gachpar to develop an MPA management plan and review and update an existing community MPA plan
	Conduct sea cucumber and trochus stock assessment in PAs around Kosrae coastal waters			Conduct community awareness and outreach on PAs with communities for potential new PA sites
	Revisit and update KCET Action Plan			Conduct community consultations with 4 communities to revise their management plans
	Conduct course refresher for enforcement officers			Watershed and water protection outreach and awareness campaign
	Participate in annual enforcement training course			Management Effectiveness determined and best practices promoted in PAs
	Procure badges for enforcement officers			
	2 PA Rangers			
	Coral Reef Monitoring			
	Ducula Oceanica Population Survey			

2.1 Kosrae State

Output 1.4

- Achievements/Shortfalls

Three of the activities listed under Output 1.4 (conduct community awareness and outreach on the Sanitary Pigpen Regulation, farmers' promotion program on conversion of regular pigpen into the DLP system and construction of DLPs) are activities from 2018 which were rolled over to 2019. In particular, the community awareness and farmers' promotion program are long-term activities that will continue throughout the lifecycle of the project to ensure long-term sustainability of the project's DLP efforts. The construction of pilot piggeries into DLPs is ongoing. In Quarter 4, construction materials were procured and transferred to all selected farmers.

The rehabilitation activities approved for 2019 (rehabilitation of merremia peltata invested areas, mangrove forests, wetlands and tree planting for eroded coastal areas) are also ongoing. Initial engagements with the lead agency (KIRMA's Forestry and Invasive Species Unit) has been completed and a plan for action is currently in its planning phase.

- Adaptive Measures Identified to Address Issues

Due to limited human capacity within KIRMA to fully implement the rehabilitation activities, the project will subcontract various components of the rehabilitation activities to different communities to assist in the restoration efforts. The action plan will be up for discussion beginning Quarter 2 to ensure roles and responsibilities of all role players are identified and clarified before the project enters begins drafting the required agreements.

Output 2.1

- Achievements/Shortfalls

After nearly 2 years, it has become clear that the allocation of 10K for Kosrae's PA fund will not be complete until a regulation is put in place to secure proper management and provide clear guidance on the requirements necessary for communities to access the fund. Although multiple attempts have been made to secure AG's assistance on such matter, it is apparent that little progress will be made unless a legal expert is brought on board to assist KIRMA with the drafting of the regulation.

- Adaptive Measures Identified to Address Issues

One of the recommendations put forth through the MTR is for the project to engage a legal expert to assist the States of Kosrae and Pohnpei in revising their respective PAN laws (endorsed prior to the launch of the R2R project) to ensure they align to the recently endorsed FSM PAN framework. Should the recommendation move forward, this will be an opportunity for the project to utilize such expertise to develop Kosrae's PAN fund regulation.

Output 2.2

- Achievements/Shortfalls

In March 2019, the Nature Conservancy, through the support of KIRMA, KCSO, DREA and the Walung Community, held a workshop to re-evaluate the Walung MPA. The outcome of the workshop included a decision from the community to utilize results from the CEAFM process to expand the boundaries of the Walung MPA site. With a management plan already in place, this

speeds up the process and shifts the project's focus on endorsing the plan by the community in order to go through the PA legislation process. The draft management plan for Awane MPA is nearly completed and pending final endorsement by the community before undergoing the PA legislation process, in other words, the official designation of the site as an MPA.

In Quarter 1, meetings were held between KIRMA's Marine Conservation Unit, the Kosrae Conservation and Safety Organization (KCSO) and the Division of Fisheries under Department of Resources and Economic Affairs to establish monitoring sites for Awane and Walung MPAs. This initiative is currently in progress and monitoring sites are expected to finalize by Quarter 2.

- Adaptive Measures Identified to Address Issues

On April 11, 2019, Kosrae's TAC will be holding a meeting to discuss progress of ongoing activities, but most importantly, ways to speed up implementation. The meeting will include discussions of contracts between the project and lead implementing agencies to help expedite progress of activities.

Output 2.3

- Achievements/Shortfalls

In FY18, the lead agency for the following delayed activities: (1) training for PA management authorities and stakeholders on the use of the MPA Management Effectiveness Tool; (2) Initial assessment of Walung MPA using the tool; and (3) re-evaluation of Tafunsak MPA – requested a push back, allowing them to roll over to 2019 due to competing priorities.

- Adaptive Measures Identified to Address Issues

Activities led by NGO partners such as KCSO will be contracted to expedite implementation. A pending meeting is scheduled for April 11, 2019 to finalize the agreement.

Output 2.4

- Achievements/Shortfalls

The following activities were rolled over from 2018 to the current fiscal year: (1) Conduct consultation meetings for Tafunsak Community Ecosystem based management approach (CEAFM); (2) Support ongoing Coastal Fisheries Management Campaign in the State of Kosrae; (3) Conduct MPA management planning activities in the Awane MPA community; (4) Conduct trochus stock assessment in PAs and Kosrae coastal waters; (5) Revisit and update KCET Action Plan; (6) Participate in annual Enforcement Training Course; and (8) Support workshop for KCET on PAs and environmental laws and regulations.

Cause of delays for consultation meetings with Tafunsak include lack of availability from community members for necessary consultations. For the fisheries campaign, delays are due to awareness days only limited to world observation days i.e. Earth Day, Environment Day, etc. and school visits. The MPA management planning activities with the Awane MPA community, as mention under output 2.2 are ongoing with the management plan close to its completion. The trochus assessment, delayed as fisheries stock assessment are dependent upon requests from the Governor, is still a priority under the project.

Enforcement of PAs is one of Kosrae's biggest concerns, therefore, the Kosrae Conservation and Enforcement Taskforce is still adamant on moving forward with the revision of its Action Plan. Progress includes the Chair of the taskforce collaborating with the former developer of the action plan for its revision. Further updates will be provided in the next progress report.

In Quarter 1, a 3day course refresher was conducted in Kosrae with over 30 participants. The outcome of the course includes 30 enforcement officers being deputized on March 28, 2019. For more information, refer to Annex 3. In addition, badges were procured and are currently being shipped in.

The recruitment of 2 PA rangers, coral reef monitoring and bird survey are currently ongoing. A TOR for 2 enforcement officers (called MATEs) in Yap is available and will be used to guide the development of the TORs for Kosrae. The coral reef monitoring program for Kosrae is still in its planning stage at this point. The drafting of a TOR for a bird survey for Kosrae and Yap is being lead by the PIU in collaboration with Bird Life International. The MTR is expected to provide recommendations moving forward with the coral reef monitoring efforts and the bird survey.

- Adaptive Measures Identified to Address Issues

Majority of the delayed activities under Output 2.4 fall under the lead of KCSO. It is apparent that one of the biggest factors contributing to the delays include competing priorities of the said entity in addition to the procurement delays at the National level. As a measure to address this issue, the project is recommending subtracting of all activities to KCSO to ensure priority for implementation is given to them this year.

2.2 Pohnpei

Output 1.1

- Achievements/Shortfalls

Following the scoping study in Quarter 4, the recommendation was put forth for the establishment of an SEA and State expert teams, thus, relinquishing the project's need to bring on board a local expert to assist the SEA expert.

In Quarter 1, Pohnpei State completed various components of Phase II of the Strategic Environmental Assessment (SEA). These include development of National and Pohnpei State environment and socio-economic profiles, gathering if existing data, review of laws, policies and regulations, capacity survey of State departments and agencies likely to play a role in the implementation of Pohnpei's Integrated Environmental Management Plan (IEMP), local consultations with communities on key issues and the development of scenarios through an SEA analysis workshop. For more information, refer to SEA documents in project file.

Output 1.2

- Achievements/Shortfalls

With Pohnpei State focusing its efforts on the SEA, very little progress was made on the establishment of the Pohnpei Resource Management Committee (PRMC). However, it is with hope that the environmental impacts (highlighted in the SEA) caused by poor decision-making, will bring to light the need to establish a Pohnpei Resource Management Committee (PRMC).

The recruitment of a Resource Economist is pending final outcomes of the SEA.

- Adaptive Measures Identified to Address Issues

Interest remains among stakeholders to continue to seek ways to secure support from the current Administration for the establishment of the PRMC. The final outcome of the SEA is expected to pave the way moving forward including the recruitment of a Resource Economist for valuation of critical ecosystem services identified through the SEA process.

Output 1.4

- Achievements/Shortfalls

In Quarter 1, construction materials for Pohnpei's DLPs were secured with the exception of white sand. Pohnpei State has on sole supplier of white sand. Furthermore, beginning 2019, the seller discontinued its supply of sand, stalling all construction projects in Pohnpei including the DLPs.

The procurement of surveillance equipment to support PA monitoring and enforcement activities completed in Quarter 1. A laptop, projector, projector screen and a hard drive were procured to support the Division of Fish and Wildlife (DFW) in its PA enforcement and awareness activities. A drone was also procured to support enforcement of both SLM and PA activities.

While about 90% of efforts in Quarter 1 were focused on the Strategic Environmental Assessment (SEA), Pohnpei State incorporated sites critically degraded on several mapping exercises (i.e. SEA community consultation and SEA analysis workshop). Refer to Annex 4 for mapping of degraded areas in Pohnpei State.

- Adaptive Measures Identified to Address Issues

The next step is to formalize a field team to visit these sites to verify their status. This also allows Pohnpei State to make informed decisions on selection of priority sites for rehabilitation by the project.

Output 2.1

- Achievements/Shortfalls

The following activities are pending the results of the MTR: (1) participatory awareness on Watershed Forest Reserve; (2) development of a Demarcation Plan for the Nett Watershed Forest Reserve; (3) procurement of demarcation materials for the Nett Watershed; and (4) delineation of the watershed boundaries in Kittu.

- Achievements/Shortfalls

With 20 months left for implementation, the need to prioritize PAs is very critical to achieving the end targets of the project. Both the Nett and Kittu watersheds are large PAs (not include in the original project PA list) that will require more than a year to (1) establish demarcation plans and ; (2) delineate and demarcate the areas. Therefore, a decision was made to postpone these activities to ensure they make it on the final PA list of the MTR before moving forward.

Output 2.2

- Achievements/Shortfalls

Planning meetings for the participatory awareness activities in Peniou commenced in Quarter 1, beginning with a meeting between the Pohnpei State Coordinator and a Peniou community leader. Another briefing meeting was carried out between the Pohnpei State Coordinator and the Conservation Society of Pohnpei focusing on next steps in garnering support from State Senators (Legislature) to introduce a bill to be spearheaded by its Standing Committee on Resources and Development aimed to designate Peniou as an official MPA.

- Adaptive Measures Identified to Address Issues

While these tasks are at risk of being hampered by the upcoming 2019 election for Pohnpei State Government in November, project will continue to engage with key community members to ensure this effort does not lose its momentum.

Output 2.3

- Achievements/Shortfalls

In Quarter 1, through the community consultations component of the SEA, a training for trainers (refer to Pohnpei's SEA for the report) was conducted to support Pohnpei's management, M&E, communications and reporting writing needs. Rather than only targeting LMMA focal points and conservation officers as initially proposed, the training was extended was also extended to all resource owners/users within the local communities in Pohnpei State.

The watershed baseline ecological surveys, the development of a Fisheries Management Plan for Sokehs Municipality and the are among the activities affected in Quarter 1 due to the implementation of the SEA.

- Adaptive Measures Identified to Address Issues

There is a need for Pohnpei stakeholders to revisit its delayed 2018 activities to reprioritize and ensure that they align to current priorities of the State. Similar to other PA initiatives, the development of a Fisheries Management Sokehs is pending the final results of the MTR to ensure that the said PA remains a priority of Pohnpei State prior to moving forward.

2.3 Chuuk

Output 1.4

- Achievements/Shortfalls

For clarification purposes, the following activities delayed were rolled over from the 2018 annual work plan: (1) rehabilitation of Nefo; (2) mangrove forest assessment; (3) moratorium on sale of mangrove; (4) engage communities for cleanups; and (5) promotion of sustainable solid waste management.

In Quarter 1, the R2R project subcontracted the Chuuk Women's Council (CWC) to facilitate preparatory work for the Nefo Project in addition to the PIU coordinating the recruitment process of two Coordinators to lead the rehabilitation work. Due to delays in the recruitment process from FSM National Government's Personnel Office, routing of the coordinator contracts did not route April 2019.

In Quarter 4, work plan was developed for implementation of Chuuk's mangrove assessment. The assessment was to be conducted in line with the community clean ups to promote sustainable solid waste management practices. Two agencies (CRE and the Department of Agriculture) were selected to facilitate these efforts. However, due to unexpected funding issues, DOA staff were laid off from work. As a result, such activities was put on hold as DOA's priority shifted towards securing funds to continue operation.

The moratorium on the sale of mangroves is still under review by the Chuuk State Legislature is expected to remain pending until issues on land ownership in Chuuk have been resolved and all the required hearings have completed.

In February 7, 2019, the PIU held a meeting with Chuuk's TAC to discuss pending activities including the construction of DLPs. The outcome of the meeting was a recommendation to conduct an assessment on the project site for determination of its pollution sources. This will allow Chuuk to make an informed decision on the appropriate measures to improve the quality of water within the site. Following the initial assessment, led by the Department of Agriculture (which also included an assessment on existing piggeries within the site), a water quality test was scheduled to follow. However, post the site assessment (Annex 5), the individual in charge of water tests (the only certified staff at EPA) was hospitalized, therefore, delaying the water quality test.

- **Adaptive Measures Identified to Address Issues**

The recruitment of two Coordinators to facilitate the rehabilitation work of Nefo is ongoing. Two candidates have been identified and contracts began routing on April 9, 2019. It is important to note that the recruitment process at the National level continues hinder project activities. Therefore, it is highly recommended that future recruitment of temporary staff is conducted at State level to minimize these types of risks.

Furthermore, activity delays continue to be a major issue for the R2R project in Chuuk. This is rather common across projects in Chuuk. After two years of project implementation in Chuuk, it is apparent that the need to put in place adaptive measures is critical to advancing progress of activities in Chuuk. Therefore, project will be scheduling a visit to Chuuk mid Quarter 2 to discuss potential adaptive measures to help address project issues in Chuuk.

Output 2.1

- **Achievements/Shortfalls**

The awareness and education on the PAN law, to date, have no new progress due to delay in recruitment of PAN coordinators through Micronesia Conservation Trust (MCT). In Quarter 4, supplies and equipment for the TOL Area of Biological Significance (ABS) review and analysis were procured and ready for implementation. However, due to an additional request for stipends not budgeted for in the AWP, there was a delay in the actual execution of the review.

- **Adaptive Measures Identified to Address Issues**

Recruitment of PAN coordinators for each State including Chuuk is expected to complete by June 2019 through MCT. One on board, these coordinators will utilize funding available through MCT and the R2R project to carry out awareness for the PAN laws.

Output 2.2

- Achievements/Shortfalls

The endorsement of 3 municipal ordinances was one of 2018's activities proposed for cancellation as a result of a prioritization process initiated in Quarter 1. The purpose of the prioritizing procedure was to eliminate activities proposed since 2017 that are no longer priorities for 2019 to ensure only those that are relevant remain.

Similar to Kosrae, Chuuk's PAN fund is anticipated to be a long-term effort for the project. A law must be put in place to establish the fund, along with the regulation required for management and access of the fund. Chuuk's Department of Marine Resources is currently taking the lead by working with both the House Representatives and the Senate (within the Chuuk State Legislature) to propose a law for the PAN fund.

- Adaptive Measures Identified to Address Issues

Similar to Kosrae, there is a need for the project to bring on board a legal expert to assist the States in developing laws and regulations to support alignment of the PAN laws to the FSM PAN framework, as well as establishment of financing mechanism to support management of PAs at the community level. It is recommended that the project awaits findings for the MTR for ways forward.

Yap

Output 1.4

- Achievements/Shortfalls

The following two activities were rolled over from 2018 to the current fiscal year: (1) construction of a compost and equipment shed to support the ongoing rehabilitation of Savanah lands in Yap; and (2) strengthening of R2R vein through stream bank restoration. To date, a contract has been executed between the PIU and a local contractor for the construction of the compost compost shed. The site has been cleared and construction is expected to commence soon. Consultations are also ongoing for the selection of streams to be restored. In addition, a draft TOR is being developed for a local consultant to take lead of the rehabilitation work in collaboration with the Division of Agriculture (DAF).

Water quality sampling within four points of the Dachangar stream (project pilot site for DLPs) has been conducted for establishment of baseline data. The analysis of the water sampling, however, has yet to be finalized. Therefore, training and construction of the DLPs are delayed pending the results of the water test.

- Adaptive Measures Identified to Address Issues

In Quarter 1, weather conditions halted the clearing and construction work of the compost and equipment shed. Construction, however, continues to move forward despite the unforeseen delay. Project is also currently working with DAF to finalize the TOR required to engage a local consultant to facilitate the stream bank restoration effort.

During a State visit in Quarter 1, a recommendation (refer to Annex 6) was put forth to postpone all DLP related activities until a water quality test has been conducted to determine the main

pollutants of the Dachangar stream. Once results become available, a more concrete plan will be developed to help address the water quality issues.

Output 2.4

- Achievements/Shortfalls

On March 7-8, 2019, 2 additional FADs were deployed in Yap. Scheduled for execution in 2018, shipping and handling of the FAD materials caused a major delay in the deployment of the FADs. Once the materials arrived in late Quarter 4, a team was assembled to construct the FADs. Weather conditions, however, did not allow for the FADs to be deployed on time. A full report on the deployment of the FADs is attached as Annex 7.

One final consultation for Yap's demarcation plan was conducted in Quarter 1. Final demarcation plan is due on April 10, 2019. In addition, R2R partners (YapCAP, MRMD and TNC) are working together to develop a management plan for Gachpar community. With the preparations of the project MTR, community engagements for management planning and awareness were put on hold until the MTR has concluded. Finally, on February 23, 2019, the Nimpal Channel Marine Conservation Area endorsed its revised 5-year management plan with the support of R2R and YapCAP. Copy of management plan can be found in the R2R files. While the goal was to revise management plans for four communities, this overall effort has come to its conclusion until the project PA list is revised (as part of the MTR) to determine sites to be prioritized within the remaining project timeframe.

- Adaptive Measures Identified to Address Issues

With the Strategic Environmental Assessment, Midterm Review and financial and Micro HACT audits all spread out in Quarter 1 in addition to recent departure of the project's Financial Administrator in January 2019, implementation of project activities at State level were affected. Activities are expected to pick up beginning Quarter 2 now that most of these assignments are close to completion.

3. Budget

The proposed budget for Quarter 2 of the FSM Ridge to Reef Project Fiscal Year 2019 is \$220, 200. This proposed budget is for implementation of activities listed in the table below, in addition to those identified in the revised 2018 AWP (Annex 8).

National	Kosrae	Pohnpei	Chuuk	Yap
Development of IEMP for Pohnpei State	Rehabilitation of Merremia Peltata Infested Areas (upland forests) for Agroforestry/Intercropping	Rehabilitation of At Least 2 Degraded Critical Ecosystems	Rehabilitation of 2 Mangrove Forest Sites	Restoration of upland watersheds area and wetlands
State Visits	Rehabilitation of Mangrove Forests	Facilitation of participatory awareness with Peniou communities	Construction of Pilot DLPs	Dry Litter Piggeries

TAC Meetings	Rehabilitation of Wetlands	Designation of Awak Watershed Basin through PA Legislation	Verification of Existing PAs and Gazzeting of New Protected Area)	Development of Yap PAN Criteria to support PA management decision support system
	Gazzeting of the Awane Marine Protected Area	TAC Meetings	Coral Reef Monitoring	PAN Review, enhancement and expansion
	Recruitment of 2 PA Rangers		TAC Meetings	Bird Survey for Yap Monarch, Micronesian Pigeon & Fruit Bats
	Coral Reef Monitoring			Management Effectiveness determined and best practices promoted in PAs
	TAC Meetings			TAC Meetings

4. Summary

In Quarter 1, the primary focus of the PIU was the Strategic Environmental Assessment (SEA) for Pohnpei State, Midterm Review, financial audit and the Micro HACT assessment. Although led by the PIU, these tasks required cooperation among all project staff due to the recent departure of the Financial Administrator. As such, coordination of certain activities at State level were also affected.

Another challenge that contributed to delays include the lack of project funds. In Quarter 4, in an attempt to spend all remaining funds, the project committed more than \$150K towards project activities for the said quarter. Due to limited supplies and equipment available in country, special orders were made by local vendors to their suppliers abroad. Shipping and handling, therefore, delayed clearance of the project's commitments since local vendors are not eligible for advance payments.