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EU Transparency Register Nr:
1414929419-24

Mid-term review of the regional multi-annual indicative program (MIP) for Asia and the Pacific (2021-2027)

4 September 2023

This written feedback has been prepared by WWF European Policy Office to contribute to the mid term review process of the regional multi-annual indicative programme for Asia and the Pacific (Asia - Pacific RMIP) and in response to the consultation meeting organised by the Policy Forum on Development and DG INTPA on 5 July 2023.

Our recommendations respond to the following questions provided by DG INTPA C3 for the consultation:

- Relevance of the Regional Asia-Pacific programme: Do the priorities and objectives of the Asia-Pacific RMIP 2021-2027 remain relevant to address current challenges?
- Multilateralism:
 - How can the Asia-Pacific RMIP contribute further to advancing the EU agenda at multilateral level?
 - How do we engage more and better with regional organisations, including through multilateral organisations to achieve the SDGs and international commitments (Agenda 2030 and the Paris Agreement on Climate Change)?
- Inequalities: How can the Asia-Pacific RMIP in its various dimensions contribute further to the implementation of the SDGs, and more specifically to addressing inequalities?

Please note that the recommendations refer to Priority 1: Regional integration and cooperation of the Asia - Pacific RMIP, namely:

- Pan-Asia, SO 2 Improve regional economic governance through support to MSMEs' transformation, adaption and participation to resilient, equitable and socially and environmentally sustainable value chains;
- South East Asia and ASEAN, SO 3 Support adaptation to the impact of climate change on the
 environment, by protecting the region's exceptionally rich biodiversity and ecosystems on land
 and in the ocean, Protection, preservation and effective, equitable and sustainable management
 of regional natural resources, including action to promote sustainable forest management and
 deforestation-free supply chains and tackle wildlife trafficking and IUU fishing;
- South Asia, SO 2 Effective support for the protection, conservation and sustainable management of natural resources, biodiversity, ecosystems, marine ecosystems and ocean resources and prevent pollution;
- Pacific, SO 3 Support Pacific partners in carrying out regionally integrated approaches to strengthen natural resources conservation, management and governance and the application of

circular economy both on land and in the oceans, including through capacity building for maintaining a secure marine environment.

Summary of recommendations:

- Include appropriate funding modalities for CSOs
- **Increase financing for biodiversity** protection to fulfil the EU's global commitments under the recently adopted Kunming-Montreal Global Biodiversity Framework
- Use the MTR to redirect and mobilise technical and financial resources required to support EU
 partner countries in Asia and the Pacific Africa to comply with the new EU Deforestation
 Regulation
- Consider available and transparent processes in rolling out the SWITCH Asia grant programme to ensure high quality proposals submitted by consortiums built across CSOs and private sector actors representative of the region
- Use the Pan-Asia envelope in conjunction with thematic envelopes and the EU Environmental Crime Directive to develop transboundary yet contextualised responses to combat illegal wildlife trade
- In recognition of the inclusion of inland waters in the Kunming GBF framework, and in recognition
 that rivers and wetlands are the frontlines of the climate crisis, particularly in Asia, enhance the
 focus on fresh water throughout the sub-regional priorities of the RMIP

1. Funding modalities for CSOs

According to our <u>preliminary analysis</u> drafted jointly with Concord members, the NDICI-Global Europe does not yet appear to have facilitated access to funding for CSOs and instead the funding modalities and accessibility have been significantly reduced, including CSO opportunities under Asia - Pacific RMIP. The majority of funding has been channelled through through 'pillar assessed organisations' such as international organisations (IOs), namely UN agencies or EU Member States (EUMS) development cooperation agencies (such as AFD, GIZ, Enabel, etc).

In order to reinstate a more productive collaboration between the EU and the CSO community in the implementation of the Asia - Pacific RMIP, DG INTPA must recognise the diversity of CSOs' expertise and operational capacity and enable CSOs to contribute to all NDICI-Global Europe geographic and thematic programmes.

Specific and predictable funding allocations should be made available to civil society organisations under the Asia - Pacific RMIP, to safeguard civic space and enable CSOs' participation in the implementation of the global biodiversity, climate and green transition programmes. Many environmental CSOs have the operational and technical capacity to implement technically demanding multi-country and global programmes, as well as to carry out the research.

The EU should consider alternative funding modalities to the call for proposals for CSOs if this poses a major administrative and capacity challenge for DG INTPA or EU Delegations. This could for example include:

- Transparent funding models that would allow CSOs to access and manage large scale and longer term programmes, similar to modalities available to pillar assessed organisations
- Requirement to include CSO partners in consortia led by IOs or EU MS agencies in case of indirect management or justify their exclusion
- Long-term funding for diverse CSO actors over the standard three years cycle and follow-up grants to organisations in case of positive project/programme evaluation.

Small granting schemes for local CSOs under each country programme with simplified eligibility
and compliance criteria. We would like to point out that even if Financial Support to Third Parties
(FSTP) provides opportunities for local CSOs to access funding, there is also room for
improvement of this modality, including making sure administrative costs of the sub-grantee and
capacity building costs for the main applicant are systematically taken into account in the budget.

For more information, please see a joint CSO analysis of the funding trends under the NDICI.1

2. Biodiversity finance and support with the implementation of Kunming-Montreal Global Biodiversity Framework (KM GBF)

The landmark commitment to halt and reverse biodiversity loss by 2030 was agreed at the CBD COP15 biodiversity conference in Montreal in 2022. The participating governments also committed to eliminate or reform subsidies harmful to nature and to increase financial support for conservation efforts by 2030, mobilising at least \$US200 billion from all sources per year. Whilst we welcome that the European Commision has increased its biodiversity spending under the NDICI and committed to spend €7bn on biodiversity-related projects during 2021 - 2027, the EU will need to commit to a comprehensive finance and resource mobilisation strategy to generate a significant increase in funding for biodiversity to correspond to the needs, including the resources allocated for the Asia - Pacific RMIP.

Strengthening of capacity will be required at all levels of the partner countries in Asia and Pacific. The EU Delegations should substantially and consistently increase support to partner governments to revise and implement their National Biodiversity Strategies and Action Plans (NBSAPs) to align them with the KM GBF and scale up technical assistance and capacity building to relevant ministries that are responsible for overseeing the sectors that drive biodiversity loss and associated harmful subsidies.

Recommendations for the EU:

- Redirect available financial resources to support EU partner countries, in particular the least developed countries and small island countries in Asia and the Pacific, to implement National Biodiversity Strategies and Action Plans (NBSAPs). EU support can specifically target building capacity for policy and regulatory reforms in the partner countries to unlock domestic resources from the public and private sector. To operationalise this commitment and underpin it with the needed efficiency through increased policy coherence, the EU should support partner countries to develop National Biodiversity Finance Plans (NBFPs) to identify their current flows and finance needs, identify preferred mechanisms to close their national biodiversity finance gaps, including opportunities to eliminate or reform harmful subsidies and ways to leverage international cooperation.
- The revised Asia Pacific RMIP should integrate biodiversity and its multiple values across all external programmes and across all development cooperation sectors, in particular those with significant impacts on biodiversity, and enhance the role of collective conservation actions, including by Indigenous Peoples and community based natural resource management
- Increase financial support for nature based solutions: around 30% of the climate finance budget under Asia Pacific RMIP should be allocated for nature-based solutions (NBS) to contribute to the ODA related financial flows with co-benefits for biodiversity to developing countries. Given the overall Asia Pacific RMIP budget, this would send an important signal to the wider donor community for a comprehensive commitment from all donor countries.

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- Take relevant policy measures to encourage and enable private companies and financial institutions involved in the EU's investment framework for the Asia Pacific region (EFSD+ and Global Gateway containing blending, guarantees, etc) to monitor, assess, and transparently disclose their risks, dependencies and impacts on biodiversity and report on compliance with the KM GBF in order to progressively reduce negative impacts on biodiversity and promote actions to ensure sustainable patterns of production and innovative schemes such as payment for ecosystem services, green bonds, biodiversity offsets and credits, with environmental and social safeguards.
- Given the high population density, land-use change and demand for wildlife as a commodity in most of Asia & the Pacific, which contributes to a high human-wildlife interface, there needs to be considerable focus on addressing human-wildlife conflict management, ecological connectivity, and illegal wildlife use and trade. The EU needs to support in bringing together partners and development actors for these cross-sectoral, integrated landscape, and seascape-level efforts for biodiversity protection and wildlife conservation (especially for key threatened species like tigers, snow leopards, primates, river dolphins, pangolins, marine turtles and Asian elephants). Asia Pacific RMIP should support connectivity conservation efforts to protect, manage, and restore ecological connectivity in large landscapes and seascapes in Asia and the Pacific, thus enabling large-scale wildlife movements and sustaining the benefits they provide for ecosystems and people².
- While strengthening effective management of existing protected areas, conservation efforts need to also focus on increasing effective coverage of protected and conserved areas in the most important sites for biodiversity, such as those represented by Key Biodiversity Areas (KBAs) and areas important for ecological connectivity, and also the extent of Other Effective area-based Conservation Measures (OECMs), especially community conserved areas which have been shown to deliver important outcomes for both biodiversity and people. Beyond area coverage, it is important to ensure that protected areas are protected in more than name, and are effectively managed. Effective site management is crucial in conserving biodiversity; even some of the most well-known sites, including UNESCO World Heritage Sites, are degraded by illegal activities or compromised by inappropriate developments without mitigation measures.

3. Implementation of the EU Deforestation law

The EU approved a landmark deforestation law in May 2023 to stop products made from coffee, beef, soy, palm oil, timber and rubber being placed on the EU market if they are linked to the destruction of the world's forests. The law will require companies that want to sell goods on the European Market to produce a due diligence statement and "verifiable" information proving their goods were not grown on deforested land (risk assessment). The EU is tasked to engage in a coordinated approach with producer countries and they have to develop a "comprehensive EU Strategic Framework" for such an engagement.

The MTR of the Asia-Pacific RMIP is a sizable and timely opportunity to redirect and mobilise technical and financial resources required to support EU partner countries in Asia and Pacific to comply with the new Regulation. The text of the Regulation provides some examples of what this could be, such as structured dialogue, and it mentions that **"relevant EU instruments shall be mobilised"** without stating however, how this is supposed to work. As the legislation will apply to large and medium sized companies

² <u>Wildlife Connect</u>, for example brings together key partners to combat habitat fragmentation, promote improved integrated land-use planning and management to enable wildlife movements, create corridors and ecological networks, strengthen wellbeing of indigenous peoples and local communities through wildlife permeable land-uses, and mainstream biodiversity into key sectors to reduce barriers to movement.

from 30 December 2024 and to small and micro enterprises from 30 June 2025, the Strategic Framework should be finalised as soon as possible to be able to move to its concrete implementation, providing concrete opportunities to stakeholder in producer countries to address challenges at national level.

Recommendations for integration in the Asia-Pacific RMIP:

- Support development of country impact studies for all relevant countries in Asia and the
 Pacific to review the specific situation of the producing countries, potential impact, the level of
 risk for the producing country to comply with the regulation and mitigation/support measures and
 identify the most crucial needs/areas for immediate and long-term support.
- Incorporate the Strategic Framework in the Asia-Pacific RMIP. Sufficient financial and technical resources should be allocated for the implementation of the Strategic Framework to provide tailored technical assistance and funding. Effective Strategic Framework should focus on efforts to inform and raise awareness of the Regulation among key actors including government, small-holder producers and civil society in producer countries and create a space for multi-stakeholder dialogue. It should also set out a broad framework to guide EU action regarding supply-side partnerships to help implement the new Regulation. The Strategic Framework should set out minimum objectives that all supply-side partnerships should aim to achieve, such as:
 - tackle underlying drivers of deforestation and human rights violations, including poor governance and law enforcement, and systemic small farmer and forester poverty in supply chains
 - assist producers to comply with the Regulation on deforestation-free products without creating a two-tier production model
 - support the transition to sustainable agriculture and forestry, including sustainable and resilient livelihoods that builds in nature-based solutions for the farmers and foresters involved.
 - strengthen the position of smallholders so that they are not undermined by the geo-location and traceability requirements.
- If the Regulation is to become the global benchmark in the fight against deforestation, the EU must put effective partnerships that are inclusive of all stakeholders and rights holders, at the heart of its international cooperation. Such partnership agreements must include jointly developed roadmaps that create an enabling environment, improve governance, tackle deforestation and respect rights. Partnerships with producing countries will be the key to unlocking the Regulation's potential, from ensuring smallholders, including local communities and women, don't bear the financial brunt of the Regulation, to supporting producer countries to implement it, and preventing goods produced on deforested land from being sold on markets outside the EU.
- Benchmarking (putting different countries in the low, standard or high risk category). As the Regulation delves into the development of a Strategic Framework that aims to support countries, those countries that will be classified as high risk should have priority to receive support from the Strategic Framework and they should therefore be prioritised for technical assistance under the Asia-Pacific RMIP. The country benchmarking is important and the methodology should be based on scientific criteria and scientific data, which are available e.g.from FAO or Global Forest Watch. The risk assessment and benchmarking processes must adequately assess whether Indigenous Peoples and local communities' tenure rights are being respected.
- More efforts are needed in Asia on strengthening capacity in legal enforcement, (border) control
 and prevention³ to stop illegal wood harvesting and trading and enhance cross-border
 collaboration on criminal offences. Asia Pacific RMIP should also include initiatives that

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³ As an example, see Forests Foresight

strengthen land tenure security of Indigenous people and local communities and prevent aggressive land acquisition for conversion to palm oil or other land-uses.

4. Consider available and transparent processes in rolling out the SWITCH Asia flagship programme

SWITCH Asia is an innovative and relevant flagship initiative with which to de-risk the transition to a sustainable economy. However, given the diversity of the region covered and how these match with EU eligibility requirements and budget lines, some added value is being lost as organisations established in Singapore (a base from which many private sector actors operate across the region) cannot participate in the call for proposal component of the SWITCH grant programme. It would be useful to examine ways in which organisations established in Singapore could be eligible to participate in the SWITCH grant component.

While the substance of the SWITCH programme is relevant, and the use of the call for proposals funding modality is best suited to identifying competitive actors across the range of sectors targeted, the very short delays between the publication of the call for proposals and the deadline for submission of concept notes does not allow for quality consultations towards strong consortium building - especially given the fact that i) SWITCH specifically targets private sector actors who are not familiar with grants; ii) the forthcoming SWITCH call will target a blend of national and regional projects depending on the sector. While CSOs attempted to keep abreast of issues via the SWITCH Asia facility and have attempted to keep their partners interested and involved, the reality is that without the details of the calls for proposals being known, it is difficult to keep engaging with potential consortium partners. To ensure quality applications, it would be useful to consider ways in which it could be transparently communicated to all actors when the call the for proposal was going to be published, and what the specifics of the call were going to cover prior to the publication of the call, given that 6 weeks is too short a timeframe within which to carry out strong multistakeholder consortium negotiations across different sectors and countries with so many unknowns.

5. Develop transboundary yet contextualised responses to combat illegal wildlife trade

Given the international / transboundary nature of wildlife trafficking, Pan-Asia regional coordination and collaboration is important. Asia and the Pacific, like many geographic regions, has a complex and multifaceted role in illegal trafficking of wildlife (including terrestrial, marine and aquatic fauna and flora), including as source, transit and destination country, including routes to the world's largest consumers of wildlife, requiring nuanced, holistic and contextualised responses taking into account the broader governance situation as follows:

- Assistance should be provided to relevant parties in the implementation of relevant multilateral agreements, notably the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the Convention on Biodiversity (CBD), but also the UN Convention Against Corruption and the UN Convention against Transnational Organised Crime. The EU and its Member States should recognise the important role of civil society in this regard, particularly with regard to the significant knowledge and insights possessed by CSOs.
- Countries should be assisted in implementing the International Consortium on Combating Wildlife Crime (ICCWC) Analytic Toolkit, either independently or with assistance from ICCWC partners.
- The participation of local communities, including Indigenous Peoples, should be facilitated in decision making and implementation of multilateral agreements that affect them.

- Strengthening the rule of law is critical for addressing wildlife trafficking in the South Asia
 and Pacific region, and emphasis must be given to promoting access to justice, the right to a fair
 trial, and ensuring accountability and respect for human rights in the administration of justice.
 Enhancing due process in law enforcement and strengthening the judiciary are also important
 requirements.
- Law enforcement should not neglect the role of rangers at a protected area level and concerted
 efforts should be made to further professionalise and resource terrestrial and marine ranger
 teams (including in areas which are locally managed by indigenous peoples and local
 communities). To foster harmonised approaches, Asia Pacific RMIP should support
 implementation of the Universal Rangers Support Alliance's Action plan, critical outputs of
 which include: a ranger's code of conduct, welfare standards, and standards of competences.
- Support to prosecutorial authorities, e.g., for ensuring integrity in crime scene management
 and gathering of forensic evidence. For example, expansion and support for ShellBank transnational marine turtle traceability toolkit and global database of DNA used for conservation
 research and forensic law enforcement and the expansion of such programmes to other key
 traded species.
- Invest in Social Norms and Behavioural Change Approaches, including, for example, with regard to demand reduction, addressing corruption and changing attitudes to living alongside wildlife in order to enhance human/wildlife coexistence (e.g. reduce human / wildlife conflict)⁴.
- Strengthen public private partnerships, including for example with i) financial institutions to
 address money laundering and other wildlife-related financial crimes, ii) the transport sector
 including maritime, air and land transport, iii) online and social media platforms used for
 advertising, sale and purchase of wildlife, and so forth.
- Assist countries in the implementation of holistic and integrated anti-IWT strategies⁵
- Ensure, to the greatest extent possible, that gender considerations are integrated into
 programmes to prevent or counter illegal wildlife trade, recognizing that social and economic
 structures that promote gender equality are also prerequisites for environmental sustainability:
 inclusive decision-making and participation, acknowledgement of the positive effects of diversity,
 engaged and empowered citizenry, acknowledgement of universal human rights.
- Encourage and facilitate engagement of conservation actors with civil society organisations, local
 community members including Indigenous Peoples, to enable meaningful participation,
 integrating social and environmental justice into wildlife conservation practice, ensuring
 that environmental burdens are not disproportionately borne by marginalised communities.
- Support wildlife monitoring, reporting and communication (including into the role of small scale fisheries and marine IWT) which are important for monitoring impact and for influencing national, regional and international policy and to inform where targeted action is required.
- Support efforts undertaken by CSOs to tackle abandoned, lost and discarded fishing gear
 across Asia and the Pacific that entangle migratory species such as marine turtles, whales
 and dolphins and sharks critical for maintaining healthy functioning marine ecosystems. This can
 best be achieved through funding scalable collection and recovery programs that support
 communities through embracing circular economy opportunities across priority countries in Asia
 and the Pacific.

⁵ For example the 'Zero Poaching Framework' adopted by Nepal and which has resulted in an increase in tigers. This framework encompasses 6 pillars, extending beyond just field-based interventions: assessment, communities, capacity, technology, prosecution, and cooperation.

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⁴ This includes building on efforts undertaken by WWF in the Coral Triangle through the EU funded <u>PEUMP program</u> in the Pacific to understand extinction risks for marine turtles as well as turtle use and provide support and resources to assist in expanding the programs and strengthening management and conservation within developing nations, particularly Pacific SIDS.

- Based on the ASEAN Plan of Action for ASEAN Cooperation on CITES and Wildlife Law Enforcement (2021-2025), the EU should strengthen collaboration with ASEAN⁶ and integrate a more robust working relationship between <u>UNITE</u> or similar EU interagency wildlife or environmental task forces, with ASEAN's WG CITES-WE.
- At the ASEAN level, Asia Pacific RMIP should better integrate One Health approach across its areas of focus for support⁷, including building landscape immunity by addressing the ecological drivers of spillover, addressing unsafe wildlife trade, pathogen early warning systems for both wildlife, livestock and people, preventive medicine and behaviour change campaigns,to reduce demand for high-risk wildlife products. WWF has developed tools to identify high-risk wildlife trade conditions and risks from wildlife markets in the Asia-Pacific region, as well as guidance on how to implement One-Health approaches at the landscape levelWhile One Health is not a new concept, it should be strengthened in Asia Pacific RMIP to encompass the full scope of the environment and its implementation faces multiple challenges: the lack of political support, financing, capacity building, monitoring, and evaluation as well as surveillance. Moreover, a strengthened collaboration between all relevant disciplines and actors, and at all levels is required to ensure impactful application of One Health concept in Asia and the Pacific and effective contributions to the 2030 Agenda for Sustainable Development.

6. Enhance the focus on freshwater

We welcome the focus of the Asia - Pacific RMIP on ocean governance and management (coastal and marine) given a global target to protect 30% of the planet for nature by 2030 (known as '30x30') agreed in the Kunming-Montreal Global Biodiversity Framework (KM GBF).

In acknowledgement that Inland Waters are now part of the KM GBF framework⁸, we recommend to enhance focus on fresh water by rewording the Asia-Pacific RMIP Specific Objectives; for example, SO 3 for South East Asia: as 'on land, Inland Waters, and in the ocean" (...) "forest management and deforestation free supply chains, resilient freshwater ecosystems that support livelihoods".

Furthermore, we recommend:

- Rivers and wetlands (including coastal wetlands) are the frontlines of the climate crisis, particularly in Asia. Ability of the Asian and Pacific countries to adapt to increasing droughts and floods is fundamentally underpinned by the resilience of these freshwater systems and how they are managed. Asia Pacific RMIP should include concrete 30x30 commitments to nature restoration (KM GBF Target 2) and increased focus on restoring wetlands, enhancing river connectivity, and addressing upstream processes.
- Include sustainable, climate resilient freshwater fisheries activities: In South-East Asia, freshwater fisheries are a major livelihood activity and source of food. For example, fish in the Mekong River are fundamental to diets and economies in the region, with 80 percent of the 60 million inhabitants relying directly on the river for their food and livelihoods⁹. Additionally, the

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⁶ Implemented by the ASEAN Working Group on CITES and Wildlife Enforcement (AWG CITES-WE)

⁷ With ASEAN, USAID, the ASEAN Centre for Biodiversity (ACB) and the World Organization for Animal Health (WOAH), WWF also supported the development of the new ASEAN Regional Strategy for Preventing Transmission of Zoonotic Diseases from Wildlife Trade, aligned with the latest ASEAN Leader Declaration on One Health Initiative issued at the ASEAN Leaders' Meeting in Labuan Bajo in May 2023.

⁸ Target 2: "Ensure that by 2030 at least 30 percent of areas of degraded terrestrial, **inland water**, and coastal and marine ecosystems are under effective restoration..." and Target 3: "Ensure and Enable that by 2030 at least 30 percent of terrestrial, **inland water**, and of coastal and marine areas....are effectively conserved and managed..."

⁹ Mekong dams could rob millions of their primary protein source

- Mekong is second only to the mighty Amazon in terms of fish biodiversity. However unsustainable fishing practices are a major threat to freshwater fisheries and freshwater biodiversity¹⁰.
- Together with unsustainable water abstraction, intensive farming, loss of sediment as a result of upstream hydropower dams, unsustainable and unregulated sand mining, and the increasing impacts of climate change (extreme heat, weather events, and sea level rise) Asia's deltas face a bleak future¹¹. It is critical that the role of Deltas (the Indus, Ganges, Mekong, Ayeyarwady, Chao Phraya, Pearl deltas) in food production, as habitats for wildlife and buffers against climate change impacts are recognised and valued. The Asia Pacific RMIP should support integrated approaches with a range of partners and financing modalities to ensure the protection of the Asian deltas such as:
 - Support farmers and communities to develop nature-based solutions that can be deployed at scale allowing them to work with floods, rather than against them
 - Work with governments and businesses to develop annual sand budgets which would allow for sustainable levels of sand mining and the resilience of the Mekong and Ayeyarwady deltas, and ideally their basins
 - With governments and businesses introduce the full range of water stewardship responsibilities, to help reduce risks to people, nature and livelihoods from delta decline
- Investors, banks and private companies are investing heavily in water-related infrastructure and they are hungry to invest in more sustainable water projects in Asia, but there is no pipeline of viable projects. The EU should focus on the development of a pipeline of investable or 'Bankable Projects' and to ensure that these are delivering against a broader landscape finance plan to support the development of more climate resilient and sustainable landscapes and economies.

¹⁰ Protecting The Mekong River Ecoregion

¹¹ Please see WWF's <u>Resilient Asian Deltas initiative</u> which aims to build programmes across all of Asia's great deltas.