

Biodiverse Landscapes Fund (BLF)
Madagascar Landscape
2023 – 2024 Annual Review

Title: Biodiverse Landscapes Fund - Madagascar Fitantanana Maharitra Ho Lovainjafy (Sustainable management for future generations)		
Programme Value £ (full life): £9.82 million		Review date: 15/11/2024
Programme Code: PO010	Start date: Incorporation into BLF business case: 01/04/2021. Grant Agreement signature: 15/09/2021	End date: 15/09/2027

Summary of Programme Performance

Year	2022	2023	2024	2025	2026	2027	2028	2029
Overall Output Score	B	B	A					
Risk Rating								

DevTracker Link to Business Case:	Madagascar Business Case
DevTracker Link to results framework:	Madagascar Logframe

Acronyms:

ALB = Arm's Length Body
AR = Annual Review
BLF = Biodiverse Landscapes Fund
CDP = Community Development Plan
DRR = Disaster Risk Reduction Plan
DWCT = Durrell Wildlife Conservation Trust
EAB = External Advisory Board
FM = Fund Manager
FMH = Fitantanana Maharitra Holovainjafy
GFA = Grant Funding Agreement
GESI = Gender, Equality and Social Inclusion
ICF = International Climate Finance
IndEv = Independent Evaluator
LDP = Lead Delivery Partner
MAVOA = Madagasikara Voakajy
MBG = Missouri Botanic Garden
MEL = Monitoring, Evaluation and Learning
ODA = Official Development Assistance
PwC = Pricewaterhouse Coopers
ToC = Theory of Change
TPF = The Peregrine Fund
RBGK = Royal Botanic Gardens, Kew
SRHR = Sexual and Reproductive Health and Rights
VfM = Value for Money
VSLA = Village Savings and Loans Associations

A. SUMMARY AND OVERVIEW

A1. Description of programme

The Biodiverse Landscapes Fund (BLF) is a UK £100 million Official Development Assistance (ODA) programme which aims to:

- Develop economic opportunities through investment in nature in support of climate adaptation and resilience and poverty reduction.
- Slow, halt or reverse biodiversity loss in six globally significant regions for biodiversity.
- Reduce greenhouse gas emissions and safeguard natural carbon sinks.

The BLF programme covers 18 countries spanning six distinct landscapes. The BLF is designed to generate and respond to evidence and learning, and test whether transboundary and landscape approaches lead to better outcomes.

The Fitantanana Maharitra Holovainjafy (FMH) programme is part of the BLF and aims to reduce deforestation and forest degradation within and around Madagascar's protected area network. It supports communities and regional authorities to monitor and manage natural resources for long-term conservation. It also invests in sustainable farming practices and alternative livelihoods that create new sources of income. By demonstrating proof of concept for successful models of community-based forest management, FMH aims to help communities attract new investment and access market-based opportunities that improve the long-term financial sustainability of the protected area network.

From December 2021 to June 2023, FMH was a standalone programme between Defra and the Royal Botanic Gardens, Kew (RBGK – the 'lead delivery partner' or 'LDP'). RBGK manage a consortium comprising a further five organisations: Durrell Wildlife Conservation Trust (DWCT), Missouri Botanic Garden (MBG), The Peregrine Fund (TPF), CARE International, and Madagasikara Voakajy (MAVOA). Since July 2023, FMH has been managed in the global BLF programme, as a single-country landscape, alongside five other transborder landscapes worldwide.

Delivery of the programme is now managed by PwC who have been contracted by Defra to be the BLF's 'Fund Manager' (the FM). Oxford Policy Management is providing support as the Independent Evaluator ('IndEv') to the BLF, giving independent advice on Monitoring, Evaluation and Learning (MEL). Together, Defra, the Fund Manager and IndEv comprise the 'One Team.' The BLF's first portfolio annual review that covers the progress of the other BLF landscapes is available but does not cover Madagascar. This annual review is the last standalone assessment of the FMH programme. From March 2025, FMH will be reviewed in the BLF's second portfolio annual review.

A2. Summary supporting narrative for the overall score in this review

This is the third FMH programme annual review, covering the period October 2023 to September 2024. Given their temporal proximity, the score from this report will also be used in the upcoming (all portfolio) annual review in Spring 2025. This report was written by the BLF Landscape Lead for Madagascar and the BLF Regional Advisor for Madagascar, with support from the wider BLF team. The primary sources for this review were quarterly reports from the FMH consortium, the programme's logframe, ToC and MEL framework.

As detailed in previous annual reviews, the transition of the programme into the BLF affected its pace and ability to deliver. The FMH programme scored two consecutive 'Bs' in the 2022 and 2023 annual reviews, with the 2023 annual review concluding that significant improvements were necessary. The delivery partners were challenged to scale up delivery, improve financial forecasting, put greater focus on poverty-reduction work packages, and ensure better alignment to the priorities of the Malagasy Government's priorities.

This review has narrowly scored an 'A', reflecting how there have been significant improvements against all four areas over the past year. It does not score higher as achievement against some indicators remain mixed, with slower progress on poverty-reduction workstreams. On average, output indicators achieved 122% of their targets. There is, however, a range across indicators, from 40% to 309%, of milestones meeting their target values.

Output 1 represents foundational work packages that focus on community consultation and the development of sustainability plans and disaster risk reduction plans. Both milestone targets have been met, and the output scored an A.

Output 2 focusses on nature governance, forest management and education. Multiple indicators have significantly overachieved, though several were just below their milestone target. Overall, these indicators represent the core 'nature' focussed workstreams and remain a relatively strong component of the programme. The output has scored an A.

Output 3 focusses on the financial independence of villagers and their reproductive and health rights. It is the output most focused on 'people'. Achievements against milestone targets are mixed, with over and under achievement. Whilst the output has scored an A overall, significant progress is required against several key workstreams.

Output 4 focusses on evidence and engagement. Although the weighting is comparatively low, it remains important for achieving the programme's ambitions. As with other outputs, the output scored an A although not every indicator reached its target. The programme's inability to secure a communications officer has affected this output's success and should be prioritised in the next year.

Overall, the programme scores an A. Considerable progress against each output has been achieved over the last year, with several indicators substantially exceeding their targets. There remains, however, areas where progress is needed over the coming year: i) more consistent achievement of targets across outputs and sites, ii) rapid return to schedule for those workstreams that have underachieved this year and iii) consideration on the viability of certain workstreams and their adaptive potential to secure outcomes, to focus the programme on where it can add most value and where the consortium has the strongest expertise and track record of delivery.

A3. Major lessons and recommendations for the year ahead

Lessons from the last year:

1. BLF programme management requirements exceed those from when the FMH programme was designed as a standalone programme, because UK ODA requirements have evolved, and BLF programme systems are standardised across landscapes. Whilst the quality of the reporting from the FMH programme consortium has improved significantly, Defra recognises maintaining this may require additional support.
2. The FMH programme's transition into the BLF programme strained some relationships. This has been most acutely felt via differing views on MEL, for example outcome methodologies. The impact of this transition is expected to steadily diminish over the remaining programme lifespan.
3. In an already challenging operational context, where 80% of people live in poverty, several risks arose over the last year which affected the FMH programme consortium's ability to deliver across Madagascar. This includes a challenging security environment in some areas. Throughout the year, Defra and RGBK have needed to carefully manage and mitigate risks to stay within risk appetite.
4. Not having a Defra in-country 'landscape coordinator' has made identifying, assessing and responding to emerging risks and issues more difficult than in other BLF landscapes where these positions are in place. Defra is currently recruiting for a landscape coordinator to help address this gap.
5. The GESI self-assessment for FMH is still incomplete, with critical gaps remaining in the analysis needed to support the Sexual and Reproductive Health and Rights (SRHR) workstream. RGBK has hired a Gender, Equality, and Social Inclusion (GESI) consultant to develop a GESI analysis, which is currently underway, due February 2025, and will include a focus on SRHR. Once the analysis is complete, Defra should review the SRHR workstream against its new draft policy position on Sexual and Reproductive Health and Rights (SRHR) to guide decision-making on the SRHR component of FMH.
6. The livelihoods work is coalescing around climate smart agriculture (CSA) as other elements, such as value chain development (VCD), have been commercially unviable. CSA outreach has been successful, but it is still unclear whether CSA adoption will be achieved. Adoption data is expected in the consortium's next annual report in March 2025.

- 7. While integrated into the BLF, the FMH’s programme is focusing on a narrower set of objectives compared to the BLF’s other transborder landscapes. Within FMH, outputs and outcomes are more directly focused on nature and people, than on climate objectives, which should be considered a secondary or co-benefit.
- 8. Madagascar’s endemism and widespread poverty make it a priority country for Defra’s ODA work. This is reflected in several trips and high-level interactions this year from both Defra and high-ranking Malagasy representatives. The FMH programme is an important part of Defra’s ODA portfolio in Madagascar. The Defra team has used this to strengthen UK-Malagasy relations. This will be bolstered by the BLF funding a Technical Assistance position in the Ministry of Environment.

Recommendations for the year ahead:

- 1. **By 31/01/2025:** Defra will take a risk-based approach to managing potential safeguarding, reputational, and delivery risks arising due to insecurity in the Menabe region and the ongoing security operation initiated by the Government of Madagascar, led by the Gendarmes. **[Responsibility: All. Lead: Defra BLF team].**
- 2. **By 31/03/2025:** Defra will consider what, if any changes should be made to the programme’s sexual and reproductive health and rights (SRHR) component, drawing upon RBGK’s updated GESI analysis and Defra’s new policy position on SRHR. **[Responsibility: Defra BLF team].**
- 3. **By 31/03/2025:** The consortium will review the role of Value Chain Development (VCD) in their ToC and discuss the role it plays in their programme of work, with reference to the ‘model’ the programme is trying to design for Outcome 4. **[Responsibility: RBGK.]**
- 4. **By 31/03/2025:** The consortium will set out a SMART plan for how they will bring underperforming activities back on schedule. **[Responsibility: All. Lead: Delivery Partners].**
- 5. **By 31/03/2025:** Defra and FCDO Post to recruit two new positions in Madagascar: a technical assistance position based in the Ministry of Environment and a locally engaged ‘landscape coordinator’ position based in the British Embassy, both funded by the BLF. **[Responsibility: Defra BLF team and FCDO Post].**
- 6. **By 30/09/2025:** Defra should utilise the additional capacity and capability provided by the two new positions to explore the value of a cross-programmatic MOU between Defra and the Malagasy Government on nature. **[Responsibility: Defra, FCDO Post].**
- 7. **By 31/03/2025:** Defra should compare the VFM of the FMH programme with other BLF landscapes to provide a more comprehensive picture of its VFM performance to-date. **[Responsibility: All].**
- 8. **By 31/03/2025:** Defra should evaluate any extra capacity support needs for the consortium regarding GESI and Safeguarding. This evaluation should be integrated into the broader BLF GESI Action Plan, which will be developed in Q4 2024/25. **[Responsibility: Defra, RBGK].**
- 9. **By 30/11/2025:** Defra should work with RBGK to evaluate what additional amendments or adaptations may need to be made to FMH programme design and scope, building off the recommendations in the 2025 Portfolio BLF Annual Review, the IndEv’s ‘interim’ evaluation report and NIRAS’ Mid-Term Review, considering the time remaining on the programme.

B: THEORY OF CHANGE AND PROGRESS TOWARDS OUTCOMES

B1. Summarise the programme’s theory of change, including any changes to outcome and impact indicators from the original business case.

Theory of Change

The BLF aims to deliver triple wins for people, nature and climate (Figure 1). To deliver these outcomes, the BLF seeks to address proximate and underlying drivers of biodiversity and ecosystem loss, and local poverty. There are three levels of interventions which address these drivers.

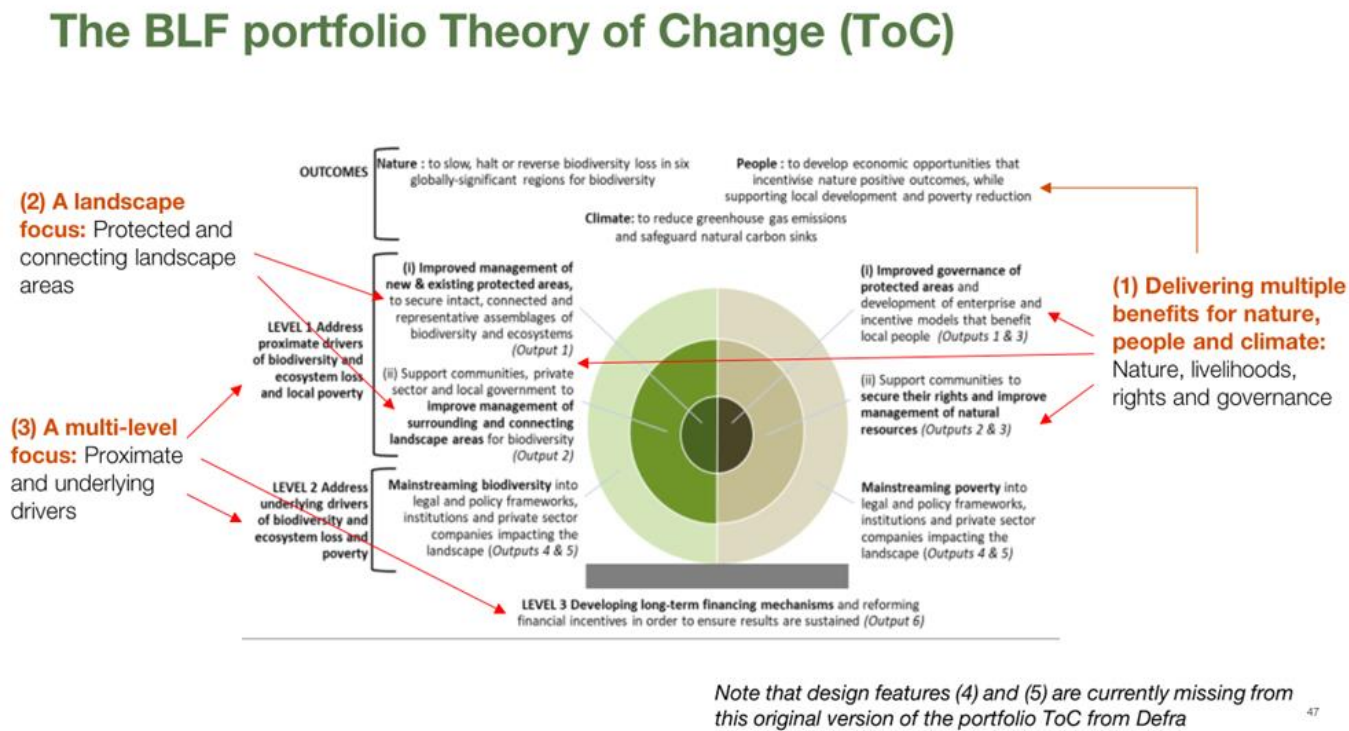


Figure 1: BLF portfolio Theory of Change.

The FMH programme theory of change (ToC), last updated in November 2023 (Figure 2 below), aligns with this overarching framework, particularly on addressing the proximate drivers, e.g., supporting communities and improving the management/governance of protected areas. The FMH programme places local communities as the key to successful landscape management. There are some aspects where the BLF portfolio and the FMH programme ToCs do not fully align. For example, the FMH programme ToC does not focus on mainstreaming biodiversity or poverty into legal or policy frameworks, which is central to addressing underlying drivers in the BLF ToC (Figure 2). The FMH ToC’s underlying assumptions and logic remains relevant and true but could be regarded as representing a subset of the wider BLF portfolio level objectives. Within the FMH programme ToC, outputs and outcomes for nature and people take primacy over climate objectives for example, which are almost a secondary benefit should delivery be successful. Progress to date suggests learning from FMH programme sites can generate evidence and learning to strengthen protected area managed across Madagascar is still achievable by 2027.

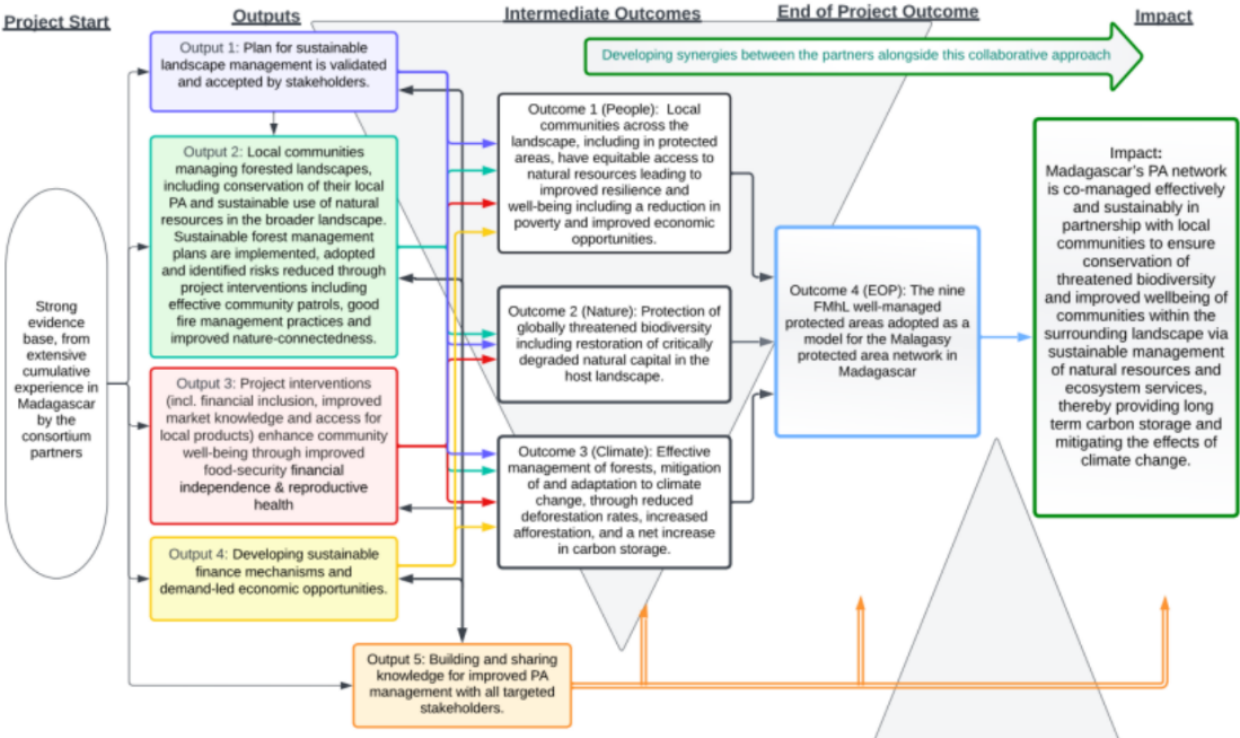


Figure 2: The FMH programme theory of change.

Outcome indicators

The programme's outcome indicators are still being revised and will be thoroughly assessed in the 2025 BLF AR. For now, there has been good progress against those we can score. We do, however, acknowledge the programme is behind where it should be at the halfway point in terms of reporting, given the slow progress in the two previous years. Of the five outcome indicators that have been reported, three are significantly over target (outcome indicator 1.6, outcome indicator 2.2, outcome indicator 3.1), one has met the target (outcome indicator 1.5), and one is moderately under target (outcome indicator 2.3) (Table 1). Whilst significant data gaps remain, initial results indicate strong progress to achieving the programme's desired outcomes and overarching impact. Some degree of caution should be prescribed to outcome indicators 2.2 and 3.1, as the methodology uses counterfactuals which may prove imprecise in future years. Outcome indicator 1.1 is not assessed under the FMH programme

Table 1: The BLF programme outcome indicators, targets for September 2024, and FMH achieved values.

Outcome indicator	Target	Achieved	Comment
1.1 Number of adults with secure land tenure rights.	N/A	N/A	Not used in FMH
1.2 Number of communities with improved participation and power in natural resource management. [Assessment against a seven-rank scale from 1 (passive approaches) to 7 (self-mobilisation).].	Not Assessed Yet	Not Assessed Yet	Data expected March 2026.
1.3 Number of households with improved welfare. [Multi-dimensional poverty index (MPI) as primary metric and Global Person Generated Index (GPCI) as a secondary metric].	Not Assessed Yet	Not Assessed Yet	Data expected March 2025

1.4 Number of households with increasingly resilient and sustainable livelihoods. <i>[ICF KPI 4].</i>	Not Assessed Yet	Not Assessed Yet	Data expected March 2025
1.5 Progress by policymakers in reforming, implementing, enforcing and protecting laws and policies that require improved, inclusive and equitable governance of protected areas and their connecting landscapes, and sustainable natural resource management. <i>[Assessment against a 5-step scale from 1 (Harmful) to 5 (Thriving)].</i>	3/5	3/5	Target Met
1.6 Volume of finance (£) leveraged by the BLF landscape for improved biodiversity and ecosystem management and/or sustainable and resilient local development to which the intervention has contributed.	147,354	1,006,401	Significantly over target
2.1 Population abundance or occupancy of key species. <i>[% of species that meet or exceed their target].</i>	50%	Not Assessed Yet	Data expected March 2025
2.2 Ecosystem Loss Avoided (ha). <i>[ICF KPI 8].</i>	24	639	Significantly over target
2.3 Area under sustainable Management practices as a result of International Climate Finance (ha). <i>[ICF KPI 17].</i>	592	538	Moderately under target
3.1 Tonnes of greenhouse gas emissions reduced or avoided (tCO ₂ e). <i>[ICF KPI 6].</i>	10,250	570,012	Significantly over target

B2. Describe where the programme is on/off track to contribute to the expected outcomes and impact. What action is planned in the year ahead?

The FMH programme is in a better position than a year ago, for two reasons. Firstly, the transition into the BLF programme is complete, enabling the FMH consortium to now focus on delivery. Secondly, FMH can increasingly evidence progress with data, showcasing where the programme is strongest and weakest, better enabling programme adjustments to achieve its goal. Therefore, we have more confidence that the FMH programme will achieve its intended impact.

There are several areas where performance of the FMH programme could be strengthened. Collecting data for the remaining four outcome indicators is critical to demonstrate value for money and that the FMH model is worth replicating more widely (outcome 4). If the FMH programme is to achieve outcome 4 (Figure 2) then significant progress needs to be achieved over the next year in: i) achieving desired outcomes, ii) building this learning into a 'model' iii) effectively communicating this model with impact amongst stakeholders and iv) convincing Malagasy partners to replicate it. Of particular importance to (iii) will be securing a communications expert within the FMH programme consortium in Madagascar.

B3. Justify whether the programme should continue, based on its own merits and in the context of the wider portfolio.

The FMH programme is HMG's largest bilateral ODA investment in Madagascar. It has shown improvements over the last year and delivered meaningful results for people, nature, and the climate.

At output level, 11 achieved or exceeded their targets, 6 achieved 85%-99% of targets, and only 3 indicators reported below 85% achievement. Defra expects that progress against output and outcome indicators will continue to improve now the FMH programme is integrated to the BLF.

C. DETAILED OUTPUT SCORING

Output Title	Improved sustainable landscape planning		
Output number:	1	Output Score:	A <i>Output met expectations</i>
Impact weighting (%):	6%	Weighting revised since last AR?	Yes – decreased

Indicator(s)	Milestone(s) for this review	Progress
1.1 Number of sustainable resource use and development plans co-developed with communities.	7	7 - Met
1.2 Number of new disaster risk reduction plans in place.	8	8 - Met

C1. Briefly describe the output’s activities and provide supporting narrative for the score.

Output 1 represents foundational activities that underpin the programme. The FMH programme has co-designed sustainable land management plans with key stakeholders, including local communities, government, and non-government actors. This collaborative process has been detailed in the previous annual review. These Community Development Plans (CDPs) represent the pathways for sustainable development for each FMH intervention site. The CDPs provide a comprehensive overview of each protected area, including the site’s challenges, before detailing strategies for how to holistically improve various sectors, such as agriculture, within the site. The Disaster Risk Reduction (DRR) plans complement the CDPs, taking a specific focus on mitigating risks which threaten the pathways in the CDPs, such as forest fires and cyclones. DRRs will be delivered to communities by the consortium and implemented via local disaster committees. Every output supports the achievement of each outcome; however, output 1 is particularly instrumental in achieving outcome 1. The strong progress shown here provides some confidence that FMH communities are being actively engaged in the decision-making process and are set to benefit from the work.

Progress against these two indicators over the reporting year has been significant. In the last annual review, no disaster risk reduction plans had been completed, and only one CDP was nearing completion. Both targets are now fully achieved. The programme should consider additional output indicators to reflect the additional work planned for output 1 in subsequent years.

C2. Describe any changes to this output during the past year, and any planned changes as a result of this review.

A comprehensive review of the FMH logframe was undertaken by the BLF One team and RBGK consortium as part of the transition into the BLF. Output 1 saw the following changes:

- The weighting of the output was specified as 6%
- The wording of output indicator 1.1 has changed
- Output indicator 1.2 from the previous annual review has been amalgamated into output 2.2 and has changed wording.
- Output indicator 1.3 from the previous annual review has been amalgamated into output 1.2.
- Output indicator 1.4 from the previous annual review has been amalgamated into output indicator 1.1.
- Output indicator 1.5 from the previous annual review has become output indicator 1.2 and has changed wording.

C3. Progress on recommendations from the previous AR (if completed), lessons learned this year and recommendations for the year ahead.

Recommendations from the previous annual review:

- 1. By February 1st, 2024: RBGK and their consortium will receive training on the e-platform and start using it. **This has been fully achieved.**
- 2. By May 1st, 2024: The FM, IndEv, and Defra will review progress against the Log Frame and incorporated data into quarterly ‘learning cycles’. **This has been fully achieved.**

Recommendations for next year:

- 1. **By 31/03/2025:** The consortium will add a change log to the logframe to aid transparency on how the logframe changes over the programme’s lifecycle. **[Responsibility: RBGK].**
- 2. **By 31/03/2025:** The consortium will agree new indicators for output 1 with the One Team to capture the remaining work planned under Output 1. **[Responsibility: All Lead: RBGK].**

Output Title	Improved local natural resource governance, sustainable timber and fuelwood supply, fire management, and nature connectedness.		
Output number:	2	Output Score:	<i>A Output met expectations</i>
Impact weighting (%):	62	Weighting revised since last AR?	Yes - Increased
Indicator(s)	Milestone(s) for this review	Progress	
2.1 Number of local associations with improved capacity.	71	67– Not Met	
2.2 Number of local associations with increased female membership.	43	39 - Not Met	
2.3 Average distance covered by monthly patrols (km).	2,635	2,591 - Met	
2.4 Area of land planted for timber and fuelwood (ha).	243	206 - Not Met	
2.5 Area of land planted as agroforestry (ha)	85	73 - Not Met	
2.6 Area of land under active restoration (ha).	264	259 - Met	
2.7 Number of households using fuel-efficient cookstoves.	142	309 – Exceeded	
2.8 Number of new protected area fire management plans in place.	0	0 - NA	
2.9 Number of knowledge products developed to support the evidence base for fire, biodiversity, and land management.	1	2 - Exceeded	
2.10 Number of community engagement reports produced.	0	0 - NA	
2.11 Number of communities with nature connectedness activities taking place.	19	24 - Exceeded	

C1. Briefly describe the output’s activities and provide supporting narrative for the score.

This output focuses on nature governance, forest management, and education. Nature governance workstreams focus on improving the efficacy and equality of local associations in each intervention site. Forest management work centres on the expansion of existing forest cover, for varying purposes, and the improving the management of existing forests. The educational workstreams work with local communities to strengthen best practices on issues such as fire management so that FMH intervention sites are more sustainably managed. Whilst output 2 primarily works towards achieving ‘nature’ focussed elements of the ToC it relies heavily on using ‘people’-centric activities such as agriculture to do so.

The output was revised in the reporting year, given a higher overall weighting and the inclusion of more indicators to reflect the range of activities. Milestones for six indicators were made more stretching, as the consortium was over delivering against many of the previous milestones. Two indicators (2.7, 2.11) have exceeded even the uplifted targets. For example, indicator 2.7 (cookstoves) is 325% above the original target and 217% above the uplifted target. The cookstoves are designed and made by poor women in marginalised rural communities, using locally available materials. The cookstoves reduce the time women and children spend collecting firewood, whilst improving indoor air quality and reducing pressure on forests for fuel.

The uplift in annual milestones resulted in some targets that were a little too stretching in the time available. This has meant that the consortium narrowly missed some overly ambitious targets, in large

part due to a challenging operational context. We recognise that the new targets may have been set too high and so have treated those that narrowly missed the indicators (<2%) to have been met. Indicator 2.4 (Area of land planted for timber and fuelwood) is the worst performing element of this output. Whilst the consortium has underachieved against the milestone, there is nothing fundamentally wrong in the indicator that suggests it cannot reach the milestones in future reporting periods.

Overall, progress against the new milestones has narrowly met expectations, with some activities exceeding and some just missing agreed milestones. It scores an A.

Looking ahead, concerns remain on the potential impact of the ongoing suspension of mixed community patrols in Menabe (see Section D), one of DWCT's sites. Patrols in the Menabe region represent 75% of the whole programme's target on distance covered by patrols, without which the milestone will not be reached. Whilst this has not prevented indicator 2.3 being achieved this year, the suspension only started towards the end of the reporting period. Discussions are ongoing to find a proportionate response to the operational challenges in the Menabe region which will minimise impact on the programme's ability to deliver.

C2. Describe any changes to this output during the past year, and any planned changes as a result of this review.

A comprehensive review of the FMH logframe was undertaken as part of the transition into the BLF. The FM and IndEv provided feedback on output and outcome wording, scoring and methodologies, ensuring alignment to the broader BLF portfolio. Output 2 was adjusted as follows:

- The output weighting was specified as 62%.
- Outputs 2.1, 2.2 and 2.3 from the previous annual review have changed wording.
- Output 2.4 from the previous annual review has been removed as it is now covered by outcome indicator 2.1.
- Output 2.5 from the previous annual review has been split into outputs 2.4 (fuelwood) and 2.6 (restoration).
- Output 2.6 from the previous annual review has become output 2.7 and changed wording.
- Output 2.7 from the previous annual review has become output 2.8 and changed wording.
- Output 2.8 from the previous annual review has become output 2.11 and changed wording.
- The current output 2.5 is new and measures the area of cropland under agroforestry.
- The current output 2.9 is new and measures the number of knowledge products relating to fire, land management and biodiversity.
- The current output 2.10 is new and measures the number of community fire engagement reports.

In June 2024, as part of the six-month reporting, it became clear that the FMH programme had already achieved, or was close to achieving, a broad array of output indicator milestones. The FM and Defra asked the consortium to uplift the annual milestones for those outputs that were at least 90% already achieved or above. This affected the following output milestones:

- Output 2.1's milestone was increased from 66 associations to 71 associations (+9%).
- Output 2.3's milestone was increased from 2,433 km to 2,635 km (+8%).
- Output 2.4's milestone was increased from 178 ha to 243 ha (+37%).
- Output 2.6's milestone was increased from 136 ha to 264 ha (+94%).
- Output 2.7's milestone was increased from 95 households to 142 households (+49%).
- Output 2.11's milestone was increased from 11 communities to 19 communities (+73%).

C3. Progress on recommendations from the previous AR (if completed), lessons learned this year and recommendations for the year ahead

Recommendations from last annual review:

- 1) By end of October 2023: Defra, the FM and the IndEv will complete the NIRAS MEL Framework Report review. **This has been fully achieved.**
- 2) By end Q4, 2023: The LDP and consortium will start using the new quarterly reporting template. **This has been fully achieved.**

- 3) By the end of Q3, 2023: Defra to discuss the output and outcome indicator targets with RBGK, the FM and IndEv. **This has been fully achieved.**

Lessons from this year:

1. Output 2 has the highest weighting in the logframe. DWCT currently has the highest targets for almost half of output 2's targets, placing them in a critical position for overall programmatic delivery.
2. The strong weighting towards output 2, which could be regarded as a 'nature' focussed output, provides an insight into the relative importance of 'people', 'nature' and 'climate' ambitions within FMH.
3. The suspension of patrols in Menabe put in place by Defra in June 2024 (see risk section below) did not affect results this year but may affect results next year. Defra should therefore work with RBGK to adjust the logframe to make sure indicators are realistic in the current operating context.

Recommendations for next year:

1. **By 31/03/2025:** The consortium will review the output milestone targets for March 2025 to ensure they remain stretching but achievable. **[Responsibility: All. Lead: RBGK].**
2. **By 31/03/2025:** The consortium will review the weighting of output 2 for March 2025 to ensure the programme's workstreams remain sufficiently balanced. **[Responsibility: All. Lead: RBGK].**

Output Title	Increased adoption of climate smart agriculture, household financial sustainability, and reproductive healthcare access.		
Output number:	3	Output Score:	A <i>Output met expectations</i>
Impact weighting (%):	24	Weighting revised since last AR?	Yes - Increased

Indicator(s)	Milestone(s) for this review	Progress
3.1 Number of farm households practising climate smart agriculture.	1,507	1,702 – Exceeded
3.2 Number of farm households benefitting from improved integration in formal value chains.	67	37 – Not Met
3.3 Number of people participating in VSLAs.	1,414	1,773 – Exceeded
3.4 Number of households with new income sources from alternative livelihoods.	50	Data expected March 2025 – Not Met.
3.5 Couple Years of Protection (CYP) delivered through support to contraception provision.	1,617	5,002 – Exceeded

C1. Briefly describe the output’s activities and provide supporting narrative for the score.

Output 3 focuses on financial independence and the reproductive health and rights of villagers. Much like output 2, the activities within this output span both ‘people’ and ‘nature’ focussed elements of the programme’s ToC. Four of the five indicators (3.1,3.2,3.3,3.4) focus on financial sustainability, primarily through diversifying and strengthening income streams. One indicator (3.5) focusses on reproductive health. As with Output 2, the output has scored an A overall. Three indicators have exceeded their targets considerably, with two that have underperformed.

Throughout 2024 it has been clear that work packages focussing on Value Chain Development (VCD) have struggled. For example, silkworm farming has proven not to be commercially viable at RBGK’s site of Itremo because of its geographical isolation. This has led to the consortium proposing to suspend VCD work at Itremo altogether. Amongst the consortium, RBGK currently have the largest target for VCD. Pivoting away from this work in Itremo would limit VCD work to just two FMH sites. Output 3.4 is strongly correlated to the success of 3.2 and the associated failure to meet this target was not a surprise. FMH would benefit from a comprehensive review of VCD’s role in its ToC, and the role it will play in the programme of work for the final three years. The BLF team should work with other Defra teams that have examined the variable success of value chain and livelihoods interventions in their programmes, including the Biodiversity Challenge Funds, to try to draw out lessons.

Output 3’s other three indicators have been successfully delivered. Whilst different in focus, they each represent a key pillar of FMH’s work: sustainable agriculture, financial independence and reproductive rights. Notably, targets for 3.1 and 3.3 were uplifted in June 2024 and still exceeded. It should be noted that 3.1 and 3.3 relate to ‘reach’ of the output. For example, there is still no data on whether villagers are ‘adopting’ CSA techniques themselves in the longer term. Indeed, the consortium has raised some concern that the financial barriers for villagers make adoption more challenging than expected. The consortium is now trying to address these barriers to ensure CSA adoption is as high as possible at intervention sites.

Output 3.5 was purposefully not uplifted in June 2024, partially explaining why it overachieved by such a degree. This was because Defra is still developing its policy position on Sexual and Reproductive Health and Rights (SRHR), which will help inform the team’s assessment as to whether this component should continue or be adapted or stopped. The GESI analysis RBGK are currently developing should also help with this assessment. The consortium work on SRHR, in close collaboration with Marie Stopes

Madagascar, has highlighted significantly more demand at BLF intervention sites than expected. The consortium provides mobile clinics, providing contraceptive opportunities to women who would otherwise have very limited opportunities. The long-term sustainability of contraceptive provision, and equally its removal should participants wish it, remains a central consideration for the programme. The consortium currently intends to continue this provision after the BLF's culmination; however, there is uncertainty on how secure Marie Stopes Madagascar's collaboration is at some sites.

C2. Describe any changes to this output during the past year, and any planned changes as a result of this review.

A comprehensive review of the FMH logframe was undertaken as part of the transition into the BLF. The FM and IndEv provided feedback on output and outcome wording, scoring and methodologies, ensuring they aligned to the broader BLF portfolio. Output 3 experienced multiple changes as part of this process:

- The output weighting was specified as 24%.
- Outputs 3.1, 3.2 and 3.3 from the previous annual review have changed wording.
- Output 3.4 from the previous annual review has changed wording and become output 3.5.
- Output 3.4 is a new indicator which measures the number of households with new income sources from alternate livelihoods.

In June 2024, as part of the six-month reporting, it became clear that the FMH programme had already achieved, or was close to achieving, a broad array of output indicator milestones. The FM and Defra asked the consortium to uplift the annual milestones for those outputs that were at least 90% already achieved or above. This affected the following output milestones:

- Output 3.1's milestone was increased from 840 households to 1,507 households (+79%).
- Output 3.2's milestone was increased from 67 households to 92 households (+37%).
- Output 3.3's milestone was increased from 1,002 people to 1,414 people (+41%).
- Output 3.4's milestone was increased from 0 households to 50 households.
- Output 3.5's milestone was specifically kept at 1,617 CYP until a longer-term position on contraceptive provision was decided.

C3. Progress on recommendations from the previous AR (if completed), lessons learned this year and recommendations for the year ahead

There were no recommendations on this output from the previous annual review.

Lessons from this year:

1. Scaling back VCD workstreams requires careful consideration. It may make FMH overly reliant on a narrower set of interventions, notably CSA, to cover the financial aspects of the FMH model. This could limit the scope – and therefore relevance and applicability – of the 'model' the programme is trying to build. This in turn would affect the programme's ability to achieve its desired outcomes.

Recommendations for next year:

1. **By 31/03/2025:** Defra should use the new policy position on Sexual and Reproductive Health and Rights (SRHR) to guide decision making on whether or not to continue with the SRHR component of FMH or make any necessary adaptations, drawing on the GESI analysis RBGK is currently developing to help strengthen the GESI self-assessment. **[Responsibility: Defra]**.
2. **By 30/04/2025:** The consortium will review the role of VCD in their ToC and discuss the role it plays in their programme of work, with reference to the 'model' the programme is trying to design for Outcome 4. **[Responsibility: RBGK]**.
3. **By 31/03/2025** Defra to work with Defra's Biodiversity Challenge Funds team to identify common challenges and opportunities facing livelihoods interventions in Defra nature-focused

programmes, and identify any lessons learned that could be applied to the BLF
[Responsibility: Defra].

Output Title	Strengthened conservation evidence base and improved evidence-based policymaking.		
Output number:	4	Output Score:	A <i>Output met expectations</i>
Impact weighting (%):	8	Weighting revised since last AR?	Yes - Decreased

Indicator(s)	Milestone(s) for this review	Progress
4.1 Number of external knowledge products produced and disseminated with key stakeholders.	15	6 – Not Met
4.2 Number of meetings with government to discuss FMH lessons and policy implications.	4	10 – Exceeded

C1. Briefly describe the output’s activities and provide supporting narrative for the score.

This output scores an A. This reflects how the FMH programme and Defra have developed broader and more effective relationships with the Government of Madagascar over the last year.

For the FMH programme specifically, the greater number of meetings this year (indicator 4.2), exceeding the milestone target, reflects a pattern of sustained and more impactful dialogue. In the last year the programme has initiated its External Advisory Board (EAB) which invites members of the Malagasy Government to engage with the programme and help set direction.

FMH has also provided a foundation upon which the UK has deepened its relationships with the Government of Madagascar. In early 2024 the new Minister of the Environment, Max Fontaine, visited the UK, meeting RBGK and Defra ministers and officials. This was followed by a senior UK official delegation, including the UK’s Chief Scientific Officer, visiting Madagascar in June 2024, which further strengthened the working relationship with the Government.

Through this dialogue, Defra agreed to strengthen the UK’s development and nature partnership by funding two new positions. The first is a short-term Technical Assistant funded by the BLF to be based in the Ministry of Environment, focused on implementation of critical reforms. This was a specific request from Minister Fontaine that should help his Ministry unlock substantial climate and nature finance from multilateral sources, including from the International Monetary Fund. The second position is a locally engaged Defra landscape coordinator to be based full time in the British Embassy. This will bring extra capacity to the small embassy team on the FMH programme and wider Defra and UK equities covering nature, poverty and climate, helping to guide future diagnostics and ODA investments.

Despite this broad progress, there is still a critical need for FMH to forge strong working relationships with other key governmental stakeholders, including Madagascar National Parks. Over the next year FMH should nurture those relationships so that when there is a presentable ‘model’ it can be scaled by partners who are eager to collaborate with FMH. This is crucial for achieving the ToC’s outcomes and overarching impact. The forthcoming Political and Economy Analysis (PEA) by the IndEv should support and guide the programme’s ability to work with these stakeholder groups. The programme might also benefit from securing a Memorandum of Understanding with the Malagasy Government, something all other BLF landscapes have. This would formalise and strengthen the programme’s, and Defra’s, strategic relationship with the Malagasy Government, helping to align it more to the Government’s priorities.

By comparison, the programme has not met the milestone for output 4.1 for knowledge products and dissemination, affecting the wider influencing agenda. This is largely due to RBGK’s difficulties recruiting the communications officer role, despite several recruitment campaigns, due to a small candidate pool and potentially an insufficient salary. This position is pivotal for delivering indicator 4.1. At the time of writing the consortium had offered the position to an applicant and were awaiting a formal response. This must be rectified over the coming year. Once in post, the new Defra-funded landscape coordinator should also be helpful for driving the communications and engagement agenda.

C2. Describe any changes to this output during the past year, and any planned changes as a result of this review.

A comprehensive review of the FMH logframe was undertaken as part of the transition into the BLF. The FM and IndEv provided feedback on output and outcome wording, scoring and methodologies, ensuring they aligned to the broader BLF portfolio. Output 4 experienced multiple changes as part of this process:

- The output weighting was specified as 8%, down from the assumed 20% in the previous annual review.
- Output 4.1 from the previous annual review has been amalgamated into output 3.2
- Output 4.2 from the previous annual review has been amalgamated into output 3.2
- Output 4.3 from the previous annual review has been amalgamated into output 3.2
- Output 4.4 from the previous annual review has been amalgamated into output 3.2
- Output 5.1 from the previous annual review has been amalgamated into output 4.1 and changed wording.
- Output 5.2 from the previous annual review has been amalgamated into output 4.1.
- Output 5.3 from the previous annual review has been amalgamated into output 4.2 and changed wording.

In June 2024, as part of the six-month reporting, it became clear that the FMH programme had already achieved, or was close to achieving, a broad array of output indicator milestones. The FM and Defra asked the consortium to uplift the annual milestones for those outputs that were at least 90% already achieved or above. This did not affect output 4.

C3. Progress on recommendations from the previous AR (if completed), lessons learned this year and recommendations for the year ahead

Recommendations from last annual review:

- 1) By the end of 2023: FMH team to have begun their External Advisory Board (EAB), with a finalised set of participants and the inaugural meeting held. **This has been fully achieved.**
- 2) As detailed above, commission a PEA analysis (to be completed by April 2024) to identify challenges and pathways to support achievement of programme outcomes. **This has been commissioned and the first draft of the report was completed in January 2025.**

Lessons from this year:

1. The difficulty in securing an appropriate communications officer has highlighted how limited the pool of suitable candidates is for programmes in Madagascar, in what is a challenging operating environment. The programme has also only recently also secured an in-country MEL lead. This could pose a concern if key staff members were to leave the programme.

Recommendations for next year:

1. **By 31/03/2025:** The consortium should present a realistic plan for getting indicator 4.1. on the creation and dissemination of knowledge products back on track, including recruiting the communication officer position. **[Responsibility: Consortium].**
2. **By 31/03/2025:** Defra and FCDO Post to finalise the recruitment of both the technical assistance and landscape coordinator positions. **[Responsibility: Defra, FCDO Post].**
3. **By 30/09/2025:** Utilise the additional capacity provided by the two new positions to explore the value of securing a cross-programmatic MoU between Defra and the Malagasy Government. **[Responsibility: Defra, FCDO Post].**

D: RISK

Overview of risk management

Managing risk is embedded into the daily management of the BLF. BLF risks are monitored and formally reviewed in landscape and portfolio risk registers at a minimum monthly in landscape working groups. In addition, all new risks, rising risks, high risks, and risks above appetite are monitored and reviewed by the BLF Management Board every six weeks. Risks above appetite are escalated immediately to the programme’s Senior Responsible Officer and discussed at the BLF Quarterly Programme Board, attended by colleagues from the One Team including Defra’s ODA Division Deputy Directors and ODA Hub colleagues. Defra liaises closely and regularly with FCDO Post, based in Antananarivo, on all significant risks, which has proven effective and instrumental in risk management in 2024.

Defra raised the overall risk rating for FMH to ‘high’ in summer 2024. This reflects increases in contextual, safeguarding and reputational risks across Madagascar, which is making delivery harder. The key drivers for these include challenging environmental conditions, with a climate crisis that is worsening poverty and the ability of the natural environment to provide ecosystem services that sustain the livelihood and wellbeing of millions of extremely poor people. This in turn is fuelling domestic migration from the south, which is creating instability in other parts of the country, including criminal activity associated with people smuggling, cattle rustling, and the depletion of natural resources.

Moreover, in some areas, such as the western Menabe region, the security situation has deteriorated and this has been met with a robust response from the Government of Madagascar, via an ‘anti banditry unit’ of the Gendarmes. As a result of allegations of human rights abuses by some elements of the Gendarmes, in June 2024 Defra decided to suspend all BLF activities in Menabe that had direct involvement with the Gendarmes, included mixed patrols and security support for delivery partners. This brought potential safeguarding and reputational risks back into risk appetite. The suspension of these activities may, however, constrain DWCT’s ability to deliver some activities in the next reporting year. Defra will work with RBGK and its partners to assess this and if necessary, we will adjust logframe targets.

The primary risk in last year’s annual review was FMH’s underperformance. As this annual review details, after a difficult start, performance has picked up considerably this year, although there remain several risks and issues that still need to be resolved.

Strategic and contextual [Appetite: Open]:

- The risk of insecurity is increasing. Over 2024 there have been multiple instances of violence, or threatened violence, occurring at FMH intervention sites, including:
- Itremo: At the site managed by RBGK, bandits from the south of Madagascar circulated a 15-minute audio recording threatening to attack three communes and kill all lambamena (local environmental defenders), their families and anyone who intervened. To mitigate the risk, FMH work was suspended for several months until the threat subsided.
 - Menabe: In the region where DWCT work there have been allegations of extra-judicial killings by an anti-banditry unit of the gendarmes. To mitigate this risk, Defra told DWCT to temporarily suspend activities with the gendarmes in Menabe until Defra could carry out a more detailed assessment of the risk and longer-term FCDO Posture. This assessment is ongoing.
 - Analalava: At the site managed by Madagasikara Voakajy (MV), the owner of the house where MV staff reside received a death threat. This risk was mitigated by providing MV staff greater protection and independent means of transport.

These examples highlight the challenging operating environments across Madagascar, which have weighed on the ability of the consortium to deliver. The BLF’s primary mitigation method has been to suspend working in areas, and / or on activities that pose a severe risk, while we fact find and then decide on a proportionate longer-term response. Whilst this approach is rational and brings risks back within risk appetite, inevitably it has knock on effects on delivery partners and their ability to deliver, including their relationships with local stakeholders. Should insecurity deteriorate further, this could seriously threaten long term operations in multiple programme sites, particularly Menabe and Itremo which are vital to the overall achievement of results for the programme. In short, should Itremo and Menabe become too dangerous to deliver full workstreams, the consortium’s overall ability to deliver in Madagascar would be severely hampered.

Programmatic [Appetite: Open]:

Programmatic risks have remained relatively stable throughout the reporting period and are beginning to reduce. As detailed in previous annual reviews, FMH's transition into the BLF took longer than expected and absorbed significant management time. Positively, the FMH programme is now integrated to the BLF, although it was a more difficult lift than we expected, particularly on the MEL alignment, where relationships between BLF MEL partners have at times been strained. These risks have been mitigated through the One Team implementing an open, respectful and adaptive approach with the consortium, with excellent support from the Fund Manager in helping them navigate the transition.

Safeguarding [Appetite: Cautious]:

As described above, safeguarding risks in Menabe associated with an anti-bandit operation have required careful investigation and stakeholder management by Defra and FMH programme partners. The UK has also raised this issue formally with the Government of Madagascar at ministerial and senior official levels and had reassurances from the Government that a lighter touch approach will be taken to bringing about security in the region. We continued to monitor these risks carefully, and associated risks to our delivery partners. We continue to suspend direct support to Gendarmes in Menabe until we assess the risk to have sufficiently subsided. SEAH risks will continue to be closely monitored across the programme, especially with regards to gendarmes should work be reinstated. The BLF's SEAH self-assessment will be reviewed and updated on a regular basis.

Financial and Fiduciary [Appetite: Cautious]:

Financial and fiduciary risks have remained stable throughout the year, with no reported fraud cases. The consortium's financial forecasting has been more accurate over the last year and the underspend has been significantly reduced. There have been no major incidents and existing mitigation measures employed by the consortium are proving effective. The lack of reported fraud cases over the last year may, however, suggest that not all fraud is being picked up and reported on properly. Defra will encourage RGBK and their partners to double their efforts on counter fraud and remind them of our procedures. Defra has updated the fraud risk assessment in 2024. The FM has begun in-country financial monitoring which is adding an additional level of scrutiny to financial interactions and further reducing financial risk in the programme.

Reputational [Appetite: Cautious]:

As with safeguarding risks, reputational risks have risen in parallel with the complexities and sensitivity of the issues in Menabe. HMG, via FCDO Post, have raised the allegations of human rights abuses with the Malagasy Government and received assurances. The FMH consortium, primarily via DWCT, have expressed concern that they are suffering reputational strain from Defra's decision to suspend all direct work with the Gendarmes in Menabe. Defra is mitigating this risk by discussing this risk with other stakeholders, including development partners and the Malagasy Government to decide on a long-term position.

Recommendations:

1. Defra to finalise recruitment of a landscape coordinator to be based in the British Embassy Antananarivo. This position will bolster HMG's ability to assess, monitor and respond to rising contextual and safeguarding risks. Landscape coordinators based in other BLF landscapes have played a critical role in risk management through being embedded in the operating context and developing good relationships with consortium partners.
2. The One Team should frequently communicate Defra's rules on fraud to delivery partners to encourage them to pick up and promptly report fraud cases, including setting how financial monitoring spot checks and audits will detect fraud.
3. The Defra BLF team should finalise a long-term response to the gendarme risk, which has contextual, reputational and safeguarding elements, and share it with other Defra ODA programme teams to ensure a consistent, proportionate approach is taken.

E: PROGRAMME MANAGEMENT: DELIVERY, COMMERCIAL & FINANCIAL PERFORMANCE

Summarise the performance of partners and Defra, notably on commercial and financial issues.

The Independent Evaluator (IndEv)

The IndEv’s role in the five other landscapes of the BLF has changed considerably over the reporting year. However, as the FMH programme in Madagascar was already under implementation the IndEv and FMH underwent a transition phase (rather than an inception phase). This has led the IndEv to hold a less engaged role within the FMH programme, where there has been no formal process of theory of change refinement. However, the IndEv and FMH consortium have managed to align the pre-existing FMH programme outcome indicators with the BLF portfolio outcome indicators, which were themselves being developed in parallel. This was a long and challenging process. However, the transition phase has led to closer alignment of the FMH programme with the BLF portfolio, while retaining unique status in the BLF programme. This approach has benefitted the working relationship within the FMH programme consortium, more clearly delineating roles and responsibilities. The IndEv’s evaluation role now focusses on the interim and endline evaluations. The interim evaluation is expected in Q1 2025 and will assess the FMH programme against the BLF’s five main design features. Additionally, NIRAS, the consortium’s MEL lead, will undertake their mid-term review. This is currently being designed and will be submitted alongside the consortium’s 6-month report in October 2025.

Overall, the IndEv’s performance this year has been satisfactory, although the PEA, a key deliverable from the IndEv has been delayed from April to October and now January 2025. This aligns with feedback on the IndEv across the BLF programme more broadly – that the strong focus on detail has at times been at the detriment of timely deliverables. Despite challenges, the IndEv has formed robust relationships across the One Team and functional relationships with the consortium. A crucial objective for the coming year will be for the IndEv to further strengthen their relationship with the consortium and improve lines of communication. The IndEv’s performance is reviewed on a quarterly basis against a set of contract KPIs, ensuring the quality and efficiency are being upheld against determined criteria.

The Fund Manager (FM)

The FM’s performance has fluctuated since October 2023, significantly affected by high staff turnover, leading to gaps and discontinuity in staffing. This affected the quality and timely delivery of some products such as the BLF website and weekly flash reports. However, following a resourcing ‘reset’ in late 2023, the FM’s performance has improved dramatically and stabilised at a good level, with an excellent team leader and strong team now in place.

In general, the FM has developed good relationships with the One Team and consortium partners, working collaboratively and continuing to seek ways to improve efficiency, streamline requests and promptly and pragmatically resolve any issues. For Madagascar specifically, clarifying roles, responsibilities and lines of communication, particularly in the MEL space, has been challenging as the FMH programme has been integrated within the BLF programme. The FM has played a critical and effective role in navigating and resolving some of these challenges, escalating to Defra where necessary and proposing clear and pragmatic ways forward.

Overall, the FM can be considered a reliable and strong partner for the BLF.

Delivery consortium: RBGK (LDP), Durrell Wildlife Conservation Trust (DWCT), CARE, Missouri Botanical Garden (MBG), The Peregrine Fund (TPF), Madagasikara Voakajy (MAVOA).

Defra’s engagement with the consortium remains primarily with RBGK and DWCT. Direct communication outside of these two organisations has only occurred under exceptional circumstances, for example when exploring the gendarme risk in Menabe. Overall, Defra is content with the consortium’s programme management, with timely reporting, high quality products and proactive dialogue on emerging risks. As previously noted, the consortium’s continued willingness to

demonstrate an adaptive approach to the BLF has been highly appreciated. The consortium has made good progress on their reporting requirements and are now up to date on submissions. Financial reporting has also seen a marked improvement over the last year, with more accurate forecasts and more proportionate quarterly budgets. The GESI self-assessment is the only inception deliverable that hasn't been fully approved, with the latest version currently under review by the FM and Defra, awaiting further information from the GESI analysis the consortium is undertaking. In recognition of ongoing capacity gaps on GESI and Safeguarding, the consortium have procured a GESI consultant to undertake a GESI analysis and are still looking to fill some capacity gaps on GESI and Safeguarding through the recruitment of permanent staff.

E2. Assess the VfM of this output compared to the proposition in the Business Case, based on performance over the past year.

Defra agrees with the FMH programme consortium, and the FM, that the FMH programme is providing value for money. BLF's VFM guidance was completed in July 2024. This is the first time reporting on VfM has been possible for the FMH programme, meaning there are no comparators across time. Equally, given progress in other BLF landscapes lags that of Madagascar, it is not possible to make meaningful comparisons with other BLF landscapes.

Economy:

The FMH programme consortium has provided three metrics to show economy.

- Staff costs as a percentage of total programme delivery cost are 28.4%. This falls within the benchmark range used for the private sector of 25%-35%, proving effective management of staff costs.
- Administrative costs as a percentage of total grant funding are 17.4%. This is under the 20% guidance threshold listed in the programme's original GFA. The FMH programme is continuing to seek further ways to reduce administrative costs. The relatively high value can be attributed to the extensive resources required to transition the FMH programme into the BLF portfolio.
- Procurement for high-value purchases of goods and services remains consistent with LDP policies and, where applicable, best practice for procurement in least-developed countries. For example, obtaining multiple quotes, early market engagement, use of targeted procurement team and multi-tiered approval processes.

Efficiency:

The FMH programme consortium has developed customised efficiency indicators representing primary delivery outputs 1, 2 and 3. The level of detail in the budget has made costing individual activities, such as agroforestry tree planting, very challenging. The FMH programme consortium has therefore grouped similar activities. For example, tree planting across multiple activities has been costed at £647.81/ha. The FMH programme consortium have calculated a generic comparison of £402.39/ha by utilising the best available data. The FMH programme consortium notes that these data do not account for the Malagasy operational context and note that setup and early implementation has perhaps affected the cost to date. Another example is Village Savings and Loans Associations (VSLAs), which are proving to be a highly popular and effective workstream. The FMH programme's VSLAs cost £65.82 per member. The FMH programme consortium have compared this to other programmes which have cited £140 per member. This indicates good value for money so far, with limited additional support and training required by VSLAs despite it still being early on in their implementation. As demonstrated in outcome 1.6, leveraged cofinance has significantly exceeded the target value and is therefore supporting programme efficiency by optimizing resource allocation and streamlining operations. The current cofinance equates to ~20% of current spend, above the programme's target of 10%. The majority of this came from one source of funding.

Effectiveness:

VFM indicators demonstrating effectiveness lack suitable comparators. The FMH programme consortium have presented quantified estimates for: hectares of ecosystem loss avoided (£7,686/ha), hectares under sustainable management (£9,214/ha) and cost per tonne of greenhouse gas emissions avoided (£8.62/tonne).

Equity:

The FMH programme consortium report that to date, 52.78% of beneficiaries from CSA trainings and VSLA membership are women. This calculation only includes direct beneficiaries. Indirect beneficiaries will be calculated in future years. The FMH programme places communities at the core of its ToC, and consequently 100% of the people benefiting from the FMH programme activities are IPLCs. Currently 3,475 people have directly benefited from the FMH programme. The programme's upcoming GESI self-assessment review will support the programme's ability to articulate the impact it is having.

In conclusion, Defra BLF team considers the FMH programme to be delivering VFM but notes that information gaps remain, and few suitable comparators exist to remove some degree of uncertainty. Defra will be able to categorise the VFM in the next annual review, due to start in April 2025. The FMH programme will report a full suite of outcome indicators for the next annual report, due March 2025. Defra proposes that a more comprehensive VFM assessment be undertaken then.

Recommendations for improving VFM in future BLF programme annual reviews.

- 1. **By 31/03/2025:** Compare the VFM of the FMH programme across time and across BLF landscapes to provide a more comprehensive picture of its VFM to-date. **[Responsibility: All]**.
- 2. **By 31/03/2025:** Defra should evaluate any extra capacity support needs for the consortium regarding GESI and Safeguarding. This evaluation should be integrated into the broader BLF GESI Action Plan, which will be developed in Q4 2024/25, **[Responsibility: Defra, RBGK]**.

Date of last narrative financial report	31/10/2024	Date of last audited annual statement	NA
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