BLF ANNUAL REVIEW FY23/24

Title: The Biodiverse Landscapes Fund		
Programme Value £ (full life): 100m		**Review date:** August 2024
Programme Code: GB-GOV-7-BLF	**Start date:** April 2021	**End date:** 2031

Summary of Programme Performance

Year	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Overall Output Score	B							
Risk Rating	High							

DevTracker Link to Business Case:	DevTracker Programme GB-GOV-7-BLF (fcdo.gov.uk)
DevTracker Link to results framework:	In development

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

The BLF supports consortia predominantly led by International Non-Governmental Organisations and comprising other international and local organisations, who are working with national and local governments, local and park authorities, Indigenous People and Local Communities (IPLCs), to deliver activities tackling drivers of poverty, environmental degradation and climate change in six biodiversity hotspots (see Table 1). The BLF is designed to generate and respond to evidence and learning, and test whether transboundary and landscape approaches lead to better outcomes.

Table 1: Targeted landscapes

Landscape	Countries Covered
Andes/Amazon (AA)	Ecuador, Peru
Kavango Zambezi Transfrontier Conservation Area (KAZA)	Angola, Botswana, Namibia, Zambia, Zimbabwe
Lower Mekong (LM)	Cambodia, Laos, Vietnam
Western Congo Basin (WCB)	Cameroon, Gabon, Republic of Congo
Mesoamerica (MA)	Belize, El Salvador, Guatemala, Honduras
Madagascar (MDG)	Madagascar

Defra has contracted a Fund Manager (FM), PwC, to administer BLF funds and manage Lead Delivery Partners (LDPs) in each landscape, and an Independent Evaluator (known as the 'IndEv'), Oxford Policy Management and ITAD, to develop a portfolio-level Monitoring Evaluation and Learning (MEL) framework and conduct evaluations through regular 'learning cycles'. Defra, the FM, and the IndEv work together as a global 'One Team' and support LDPs to ensure the BLF is delivering on time and within budget, assess impact and value for money, and to share learning across landscapes and with the wider development and conservation communities so that, in time, effective interventions might be scaled and/or replicated, including by other development partners.

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

This Annual Review (AR) was conducted by Defra's BLF Team and Ecosystem Protection and Restoration Evidence Team, drawing on annual reports from BLF delivery partners including the FM, IndEv, and LDPs, as well as experience delivering and engaging on the BLF throughout FY 23/24 and in previous years. It has been reviewed by Defra's ODA Annual Review Board and approved by Defra's Senior Responsible Officer for the BLF, the Head of the Ecosystem Protection and Restoration Team, and Defra's Deputy Director for ODA and International Biodiversity Funds.

The AR covers the period from April 2023 to June 2024 and reflects on the overall performance of the BLF, particularly lessons learned through the design, procurement, and inception phases. These lessons will help inform early implementation in the next reporting year. As we are currently working with LDPs to finalise landscape activities and associated

logframes, which will feed into the BLF's portfolio outcomes, this AR uses process-based milestones to assess progress, rather than results indicators, so can achieve a maximum score of a B. It covers all BLF landscapes except Madagascar, which began as a separate programme in 2021 and was integrated into the BLF programme management system and MEL framework as far as possible in 2023. The BLF's Madagascar programme will have a separate results-based AR completed by the end of 2024.

Thereafter we intend to cover Madagascar in next year's BLF portfolio AR, bringing all landscapes into one portfolio assessment. Next year's AR will, as far as possible, be results-based, and assess the focus areas for each landscape set out in Annex A.

<u>This AR has scored a B.</u> This reflects how there has been excellent progress in the development and approval of five landscape business cases, which were praised by Defra's Investment Committee. Defra along with the FM and IndEv has also worked tirelessly to procure, commission and assess due diligence, and then contract and mobilise five separate LDPs, on top of establishing relationships and ways of working with the FM and IndEv. Significant time and effort were needed to manage eight (including Madagascar) separate delivery partners.

The One Team have also worked to build relationships with LDPs, develop portfolio inception deliverables (such as portfolio outcomes) and support LDPs to develop landscape inception deliverables (such as workplans, logframes), and better align the BLF's work with the priorities of partner governments, to make it demand-responsive. Again, there are lessons for Defra in taking on the challenge of delivering a large development programme in 18 countries simultaneously, especially given Defra's largely UK-based operational model. This AR notes that Defra's decision to recruit five Landscape Coordinators based in five of the landscapes (not in Madagascar) was prudent; they, alongside FCDO posts, have played a vital role guiding the programme in the landscapes and building relationships with key stakeholders. Further staff capacity in some landscapes may be needed, and a larger travel budget is needed so that the UK-based Defra team can offer more in-person support to Landscape Coordinators and deepen engagement with FCDO colleagues and stakeholders in partner countries. This will help the BLF navigate challenging political economies so that its interventions are effective and enduring, with clear exit strategies.

There have though been challenges. Four stand out:

1. **Integrating Defra's tightened ODA requirements into pre-existing programme systems and structures has been challenging for the BLF's delivery partners**. There has been strong pushback from some LDPs who have complained 'the rules of the game' have unfairly changed from when they submitted their bids. Capacity in some LDPs to meet these standards, particularly on financial management and developing core ODA documents like logframes, has been lower than we expected from LDP bids and due diligence assessments. Defra will need to offer capacity building and support to several of the BLF's LDPs over the next reporting year, raising our administrative costs. This also suggests our due diligence assessments may have missed some important analysis on the effectiveness of core management functions. Defra should also reflect on whether high-level communications and sustained relationship management with our core ODA delivery partners would have helped to improve their understanding and buy in to these tightened ODA rules. This friction within the BLF relationships has weighed on its external reputation. The Defra ODA Partners' Day is a good step to addressing this and could be complemented by more sustained relationship management with key ODA suppliers.

2. **The challenges of cohering portfolio and landscape-level approaches and MEL frameworks into a single programme with common outcomes.** The One Team has done a good job balancing coherence around a core Theory of Change for the BLF, with

common outcomes, and the autonomy and heterogeneity of approaches that LDPs have demanded in their landscapes. This has taken significant effort and has not been without friction, as some LDPs have not always welcomed the challenge from the One Team on their proposals. We should get better impact by encouraging LDPs to innovate and take more risk, and it is important that the BLF coheres around common outcomes. We should also recognise the strong experience and expertise LDPs bring and accommodate flexibility in the ways they achieve the BLF common outcomes.

3. **Contextual issues in BLF partner countries have affected pace of mobilisation.** The BLF global team has needed to navigate factors such as political turmoil, violence, and purges; climate crises; and a regular churn of ministers and senior officials. These all affected our partnerships and disrupted continuity. There have also been instances of partner governments making requests that cannot be satisfied, such as for budget support or projects that are not in scope for the BLF, or that would be poor Value for Money (VfM). Some partner governments have made reasonable requests for technical assistance to build their capacity and for the BLF to better align with their priorities. We discuss this in more detail below. There have also been unforeseen issues, such as Vietnam's requirement for Defra to pay for an independent consultancy to screen the BLF proposal before their ministers approve it. This came in the context of Vietnam's anti-corruption drive, which has seen detailed scrutiny of all development partners' work. This has, however, already caused a 12-month delay and remains unresolved. Collectively, factors such as these have delayed mobilisation in all landscapes.

4. **Finally, Defra's decision to add a separate Madagascar programme into the BLF has been challenging to manage.** Although Madagascar will be covered in a separate AR, this portfolio AR recognises that this has absorbed significant staff time in both the One Team and the Madagascar LDP, the Royal Botanical Gardens Kew, given the huge technical and operational challenge. This has affected the pace and quality of delivery. While there are some VfM advantages to having Madagascar in the BLF portfolio (see VfM section), keeping it separate might have been a better decision.

A3. Major lessons and recommendations for the year ahead

Lessons:

1. **Defra should reflect on whether a more streamlined delivery approach should have been taken**, such as having a single global delivery partner, with their own MEL capability. That would have provided more delivery and operational clarity, allowing for greater control in executing the programme's vision. While we expect the management load on the Defra team to reduce as the BLF starts implementing, the BLF will continue to require a larger civil servant management team than some similarly sized programmes in the FCDO which opted for a single or fewer suppliers, such as Forests, Governance, Markets and Climate (FGMC) or Partnerships 4 Forests (P4F).

2. **While generating and responding to learning is central to the BLF's approach, we should be cautious describing the BLF as an 'intentional', 'adaptive' and 'transformational' programme.** Decisions by Defra to procure LDPs through five separate landscape competitions has brought advantages, including strong contextual knowledge and expertise. However, this heterogeneity has made it challenging for the One Team to cohere the programme around a singular approach. Each LDP and their consortia have different approaches and capabilities, including to factors such as risk, learning and adapting. Political and practical limitations have also impacted the global coherence of the programme, particularly links between landscape and portfolio MEL frameworks, affecting our ability to compare results across landscapes. This has affected the intentionality of what the BLF wants to achieve globally, although through careful and sometimes painstaking work, we have retained common outcomes across the

landscape. Taking forward a large variety of approaches also makes it difficult to achieve impact at scale, affecting the BLF's ability to drive transformational change, where scale arguably matters. Some LDPs have also found it challenging to pivot quickly to challenges, opportunities and learning, as a truly adaptive programme would. Defra should continue to be ambitious for the BLF and encourage LDPs to innovate and test, allowing flexibility of approach whilst cohering to programme outcomes. We should though be careful in our framing of the BLF, which is better characterised as a 'learning programme', rather than an adaptive programme, and which can make some important *contributions* to wider transformational change.

3. **Some BLF LDPs have struggled to meet the requirements of UK ODA rules, in particular as Defra's approach to implementation and oversight of these has matured.** This has strained LDPs' relationships with Defra and the FM, particularly as the BLF is one of the first Defra ODA programmes to implement these rules, creating an inaccurate perception amongst LDPs that the BLF is more demanding than other Defra ODA programmes. LDPs have asked Defra for better communication on why expectations have changed, with greater lead times, and more support to help them plan and to build their capacity. Of these factors, accurate financial budgeting and forecasting has been the biggest significant challenge across all landscapes, with lack of LDP capacity and / or 'optimism bias' in their financial reporting. This has been compounded by delays in the inception phases and challenges navigating political risks in the landscapes. Instances of poor coordination of engagement and feedback across the One Team has exacerbated these issues.

4. **Partner governments have varied expectations and steers on levels of engagement, finance, and governance, as well as capacity to engage with the BLF.** There is a high demand from partner governments for Technical Assistance (TA) to ministries and/or agencies, and from other partner country stakeholders for wider enabling environment support. However, the BLF's design and structure of contracts, and the underlying business cases, does not easily facilitate this, despite the significant opportunity it could contribute to improving the enabling conditions and partnerships for many of the BLF's interventions.

5. **The extent to which the BLF can take a genuinely transboundary approach also varies depending on regional geopolitical cooperation and operational structures**. Some partner governments do not want us to establish transborder governance structures. This may affect some the transboundary elements of the BLF, and it is a less efficient approach, requiring more staff time to liaise with individual partner country mechanisms.

6. **The BLF operates in challenging landscapes that have high contextual, financial and fiduciary, and safeguarding risks.** In some countries these risks have been compounded by ongoing political and civil unrest. Having five Defra Landscape Coordinators on the ground has been invaluable to build relationships and problem solve with LDP consortia and partner governments, and to anticipate and rapidly respond to risks and partner government requests. Nevertheless, our abilities to navigate issues and events in so many countries that have complex political economies has sometimes been stretched. This has been made harder by having only limited FCDO presence in many of the BLF geographies and no permanent UK diplomatic presence in the Republic of Congo. These risks have contributed to delays in the start of implementation in all BLF landscapes. The time allocated to set up a programme of the BLF's complexity proved insufficient, including the 4 to 6-month inception phases for each landscape. Furthermore, mobilising all BLF landscapes at the same time, rather than taking a phased approach, would not be the preferred approach if doing this again. It has required the team to manage a high volume of risks, requests, and new requirements at once, including managing safeguarding and security incidents, urgent partner government requests, and new HMG ODA requirements. Positively, this has stress

tested and improved BLF risk management. Given these factors, the BLF team should consider taking a phased and more nuanced approach in landscapes, reflecting factors such as risks, levels of demand and quality of partnerships with partner countries. Over time, this may mean the BLF having a more 'variable geometry', with more intensive activities and relationships in some countries than others, and possibly working in fewer countries.

Recommendations:

1. Defra, with the support of the IndEv and FM, should **undertake a stocktake and lessons learned exercise** before the next AR so that improvements can be made. LDPs should be part of this stocktake exercise to feedback on their experience so far and to help identify where they need more support, particularly on financial management and MEL. Defra, with the support of the IndEv and FM, should also consider where it might be possible to increase flexibility on how outcomes are delivered and the associated MEL approach, within the framework of the BLF's common outcomes. Defra should consider reviewing BLF budget lines to identify efficiencies and reallocate funding to administrative areas where additional investment is needed during early implementation.

2. The FM, with the support of the IndEv, should work with LDPs to **develop appropriate logframe outputs** which will help LDPs and programme managers to understand progress, performance, and pivot points across the portfolio, and which will improve coherence across the portfolio, building on the IndEv lead portfolio inception report due in October 2024.

3. Defra, the FM, and the IndEv should **improve internal coordination and streamline their engagement** to ensure LDPs receive manageable volumes of information and targeted support which harnesses and builds on the expertise in their consortia. As part of this, they should continue to refine roles and responsibilities and ensure adequate resourcing and budget is agreed with Defra to support these, as the BLF enters implementation.

4. Defra should **plan and budget for more frequent engagement with partner governments and stakeholders in person.** This will build relationships and ensure the BLF supports their priorities and help to communicate results. BLF partner governments would like to use the programme to help deepen our bilateral partnerships on nature, which provides good opportunities for the UK's wider diplomatic engagement and strong foundations for future Defra ODA programming. This requires more sustained and in person engagement, and strategic use of senior officials and ministers when appropriate and possible.

5. Defra should **explore providing TA to partner governments** before the next Spending Review to better develop the enabling conditions for BLF interventions and respond better to partner countries' asks. This would help improve the 'enabling environment' for the BLF's interventions and make it a more demonstrably demand-led. This was a gap in the original design. Consideration of further funding for this could be part of a future spending review bid.

6. Defra should **work with FCDO Posts in BLF countries to adapt landscape governance structures** and engagement plans to geopolitical realities over the first year of programme delivery in each landscape, including separating by country or even area as needed, whilst maintaining transboundary approach to operations as far as possible.

7. **LDPs should stagger implementation of activities**, **taking a risk-based approach**. This means starting with low-risk interventions in locations familiar to consortiums and

Posts, building out to higher risk interventions and more remote locations once we have assurance operations are delivering good VfM

8. **Defra and the FM should assess the risk that workplans will not be fully implemented before the end of the programme** before the next AR in countries where implementation is stalled/slowed due to political challenges or because risks above appetite have emerged.

9. Defra should **develop a Gender Equality and Social Inclusion (GESI) strategy** before the next AR**.** This should set out how we can build on the 'GESI sensitive' level over time. This could include working with LDPs to incorporate better tracking of GESI outcomes within logframes, and/or building capacity of LDPs on GESI where the approach could be strengthened.

10. Defra should **finalise a Defra policy position on Sexual and Reproductive Health and Rights (SRHR) interventions** in relation to conservation and biodiversity programming before the next AR; and use this to make an informed decision on whether to proceed with the health components of the Western Congo Basin 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 takes a theory-driven approach to deliver triple wins for people, nature and climate (Fig. 1). In order 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.

Level 1 includes interventions to improve landscape management for people and biodiversity, by improving the management and governance of new and existing protected areas as well as supporting communities to secure their rights and improve their management of natural resources. Interventions also support communities, the private sector and local government to improve management of areas surrounding Protected Areas to connect landscape areas for biodiversity.

Level 2 interventions mainstream biodiversity, ecosystem and poverty considerations into legal and policy frameworks institutions and private sector companies operating in or affecting the landscape, to address the systemic underlying drivers.

Level 3 interventions develop long-term financing mechanisms and reform financial incentives to ensure results are sustained.

Figure 1. BLF portfolio Theory of Change
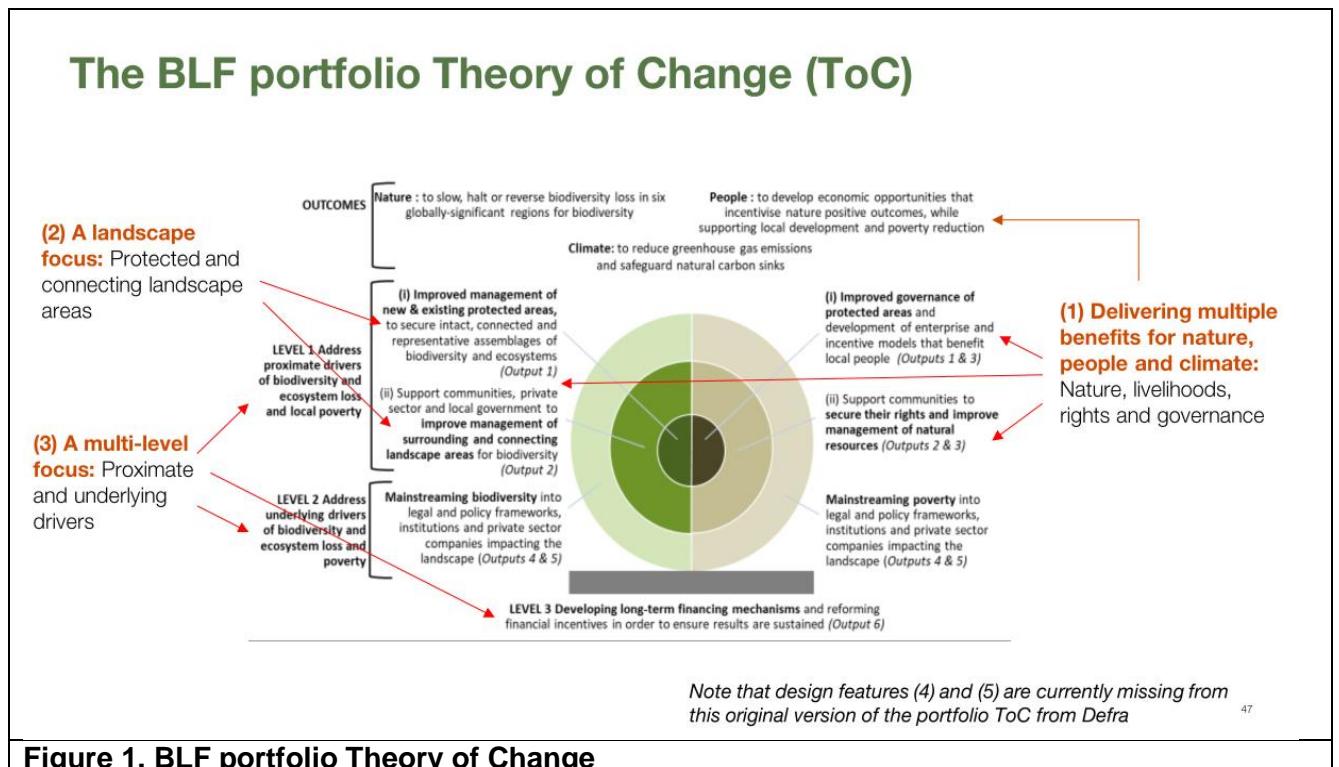
The IndEv has also identified five 'design features' from the BLF programme level business case (Fig 2 below). These are delivering multiple benefits for nature, people and climate (see above Fig. 1.1); a landscape focus (Fig. 1.2); a multi-level focus (Fig 1.3); a contribution to transformational change; and adaptive programming. The last two design features are not explicitly within the Theory of Change (ToC) but can be found within the portfolio level

business case and will be assessed whether to feature in the revision of the ToC following inception.
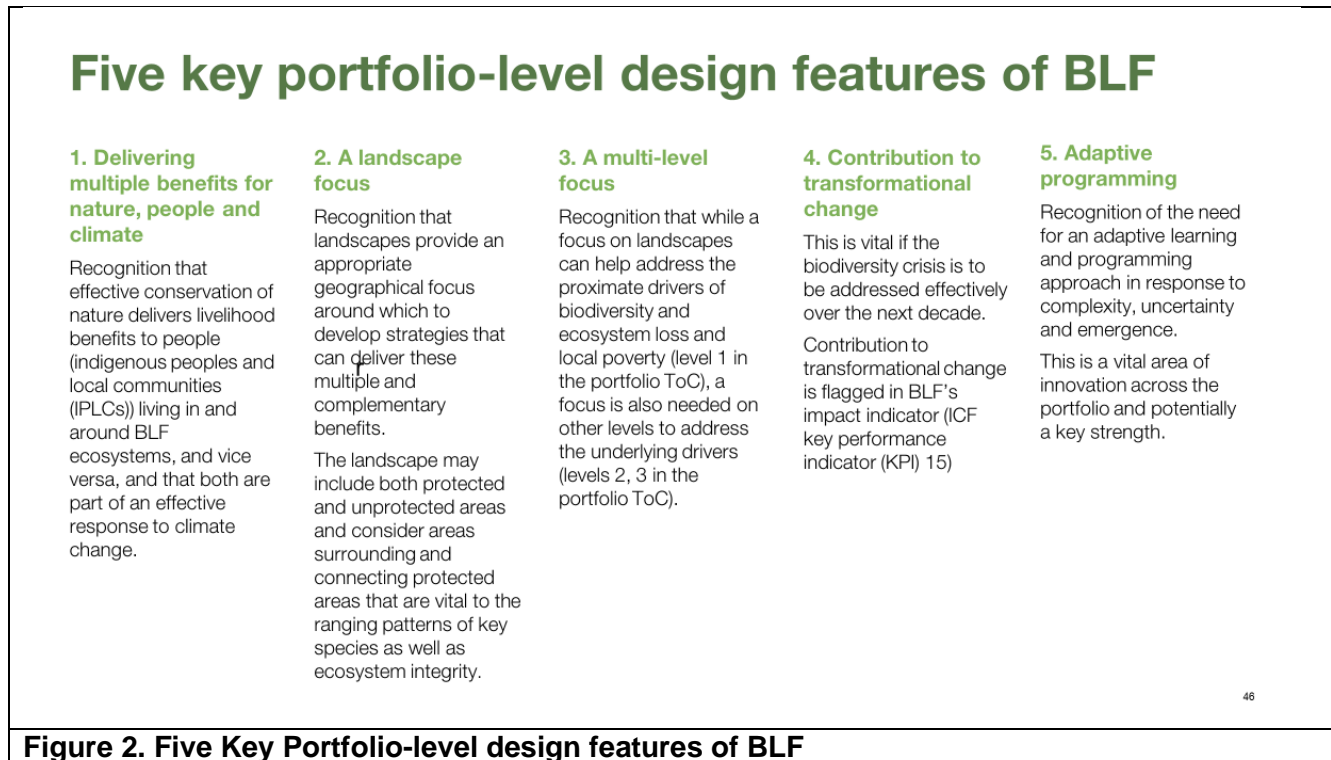

Five key portfolio-level design features of BLF

1. Delivering multiple benefits for nature, people and climate

Recognition that effective conservation of nature delivers livelihood benefits to people (indigenous peoples and local communities (IPLCs)) living in and around BLF ecosystems, and vice versa, and that both are part of an effective response to climate change.

2. A landscape focus

Recognition that landscapes provide an appropriate geographical focus around which to develop strategies that can deliver these multiple and complementary benefits.

The landscape may include both protected and unprotected areas and consider areas surrounding and connecting protected areas that are vital to the ranging patterns of key species as well as ecosystem integrity.

3. A multi-level focus

Recognition that while a focus on landscapes can help address the proximate drivers of biodiversity and ecosystem loss and local poverty (level 1 in the portfolio ToC), a focus is also needed on other levels to address the underlying drivers (levels 2, 3 in the portfolio ToC).

4. Contribution to transformational change

This is vital if the biodiversity crisis is to be addressed effectively over the next decade.

Contribution to transformational change is flagged in BLF's impact indicator (ICF key performance indicator (KPI) 15)

5. Adaptive programming

Recognition of the need for an adaptive learning and programming approach in response to complexity, uncertainty and emergence.

This is a vital area of innovation across the portfolio and potentially a key strength.

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Figure 2. Five Key Portfolio-level design features of BLF

During inception the IndEv has also supported the development of systemic ToCs for each landscape. Utilising system mapping these landscape ToCs align to the portfolio ToC and provide insights into the causal mechanisms and assumptions and help summarise complex systems of interest for an iterative process of monitoring, feedback, learning and decision making. Landscape ToCs are still being developed and finalised.

Changes to outcome and impact indicators from the Business Case

The IndEv carried out an analysis of the BLF outcome indicators between August 2022 and October 2023 in consultation with Defra and the FM. The analysis included a review of five available landscape logframes. As a result of this analysis a number of changes were made to the outcome indicators across the portfolio and landscape logframes (Annex B) which remained in line with the portfolio ToC outcomes (see Fig. 1 and ToC section above).

In summary the following broad types of changes were made:
- o Where an outcome was measuring multiple concepts one indicator was assigned for each concept (e.g. the original indicator 1.1: 'Number of people/villages with improved land or natural resource management rights' was split into two new indicators as this mixed two concepts - land rights and natural resource management rights).
- o An additional indicator was included to cover governance (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).
- o Outcome indicators were aligned to International Climate Finance Key Performance Indicators (KPIs) where possible (e.g. Nature indicator 2.3: 'Change in ecosystem integrity, accounting for habitat loss, degradation and fragmentation' overlapped with ICF KPI 8 as this indicator is disaggregated by ecosystem type and cover, ecosystem condition, ecosystem pressure removed and countries and was replaced with new indicator 2.2: 'ICF KPI 8 Ecosystem Loss Avoided').

The transformational change impact indicator is still in development as is the potential to include another indicator focussed on land cover change.

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?

In September 2023, we had anticipated that all landscapes would have completed their 6-month inception periods, including finalising their landscape logframes, and that implementation would have begun in all landscapes. For this Annual Review we would have expected early reporting on outputs in their logframes but would not have expected reporting on outcomes or impact for this annual review.

However, the inception period has been delayed and extended in LM, WCB and MA with a considerable pre-inception phase in AA leading to significant delays. The lead delivery partner in one landscape, KAZA is yet to sign the grant funding agreement as Defra and the LDP address issues identified within the due diligence process. Additional support is needed to help improve the LDPs' overall capacities to design, develop and deliver MEL inception deliverables (landscape ToCs, MEL frameworks, Baseline Data Collection Plans, logframes) to ensure they are aligned to ODA rules and that we have confidence in the results being reported.

The plan for the year ahead is for the One-Team to continue to provide additional support to LDPs and their consortiums, as well as strengthening the quality of relationships, to ensure that we have sufficient MEL outputs so that all LDPs can begin implementation, delivering outputs that contribute to the outcomes and impact that we want in future years.

The IndEv is developing a transformational change indicator aligned to ICF KPI 15 'Likelihood that the intervention will achieve transformation change'. This indicator will have five dimensions which include:
  - Relevance
  - Systemic change
  - Speed
  - Scale
  - Adaptive sustainability

While these five dimensions are well aligned to the BLF's design features, we are cautious about the extent to which the BLF will contribute to these dimensions, particularly on adaptive sustainability and systemic change, given factors described above (under the 'lessons learned' section). As described above, the heterogeneity of design approaches and varying capabilities and delivery postures of LDPs and their consortia at landscape levels constrains the BLF's overall ambition to drive systemic change and adapt at pace.

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

Despite the considerable challenges and delays, some of which are due to design flaws and optimism bias, others due to events beyond our control, we are making steady progress to mobilise the BLF on sound footings. We are undertaking critical work to support our delivery partners to be more compliant with ODA rules and to improve their systems to ensure robust reporting to inform learning and accountability. We are also supporting partners to develop comprehensive landscape MEL frameworks to enable collection of meaningful results and facilitate adjustments to workplans and approaches which increase impact in future.

We are starting to see the benefits of this work. LDPs are more often and more rapidly reporting on risks and proactive mitigation strategies, and the quality of quarterly reports is improving, suggesting programme management systems are bedding in well. The work on landscape and portfolio ToCs and integration of landscape log-frames with portfolio-level

outcomes provides a strong framework for learning. We better understand partner government priorities and engagement preferences. Relationships with partners and ways of working have been stress-tested and improved. We are confident that with these foundations in place, and by progressing the recommendations in section A3 above, the BLF has the potential to score an A at the next Annual Review. This will also give us the opportunity to take stock in future annual reviews and the midterm evaluation to reflect on what learning we can take from implementation at those points and ultimately whether the programme should continue in the longer term.

C. OUTPUT SCORING

Portfolio Level

Output Title	Portfolio MEL		
Output number:	1	Output Score:	A
Impact weighting (%):	16.6%	Weighting revised since last AR	N/A

Indicator(s)	Milestone(s) for this review	Score and progress
Revise portfolio MEL framework	1.1 Refine the portfolio ToC and logframe	A+ The IndEv and FM have supported LDPs to revise their ToC and Logframes during inception (see 2.1). This process has contributed to a portfolio assessment that will inform a revision of the portfolio ToC, which draws on landscape systems maps and will contribute to a strategic stocktake of the BLF. An assessment on how landscapes are planning to engage with policies, markets and financial flows is due in September 2024 and is currently on track The IndEv finalised outcome indicators which allow for portfolio aggregation and have provided extensive guidance methodologies for LDPs in October 2023, using the ICF framework and following Defra GESI requirements. They will also assist the development of Defra's Development Indicators. Impact and output indicators will be developed once all landscapes have complete inception, although some drafting has already taken place.
	1.2 Develop and finalise Evaluation Questions (EQs) and evaluation approach / methodology	A With a minor delay the IndEv developed an evaluation matrix using the key design features and sought feedback from across the Evaluation Steering Group. They finalised evaluation questions and a high-level method to answer them has been put forward using a bricolage approach (multiple methodologies), using systems thinking, drawing on contribution analysis, realist approaches and political economic analysis and learning histories. An in-depth proposal of methodologies will be provided as part of the IndEv portfolio inception report due at the end of the year and are on track. The baseline (2024-2025), mid (2026-2027), and end-term evaluations (currently 2030 but looking to change due to staggered GFA's) were introduced in the draft portfolio inception report (January 2023) and have been retained as a key feature of IndEv's focus on evaluation of impact, process, and value for money. Some of the key materials that will guide these evaluations have already been developed: • Evaluation questions. • Guidance on political economy analysis. • Baseline evaluation report outline. Additional guidance currently under development includes the following: • Evaluation question protocol and supporting methodologies.

			• Baseline evaluation protocol. • Measurement of transformational change. All the above guidance documents, including relevant links, will be referenced in the final portfolio inception report.
		1.3 Develop and finalise the VfM framework	A The One Team has developed bespoke VfM indicators and guidance for LDPs, including standardised VfM indicators which can be aggregated at the BLF portfolio level using FCDO's Economy, Effectiveness and Equity categories. Bespoke VfM indicators will need to be developed for each landscape and submitted alongside the other inception deliverables. We will not be able to aggregate efficiency indicators at the portfolio level, but we will be able to track these through time. Defra is exploring the option of updating the programme level Benefit Cost Ratios (BCRs). We will receive baseline data 12 months after grant signature and outcome data at annual learning cycles due April – June. With this data we will translate the findings into monetised benefits using established values (such as Defra Ecosystems Services Valuation Database and DESNZ Carbon Values) to inform future BLF and wider ODA investments. We will also be able to use this data to track the Return on Public Sector Cost (RPSC) or return on ODA following the Defra 2024 VfM Framework.
		1.4 Develop the reporting and learning processes and cycles	A The One Team have developed reporting processes and learning cycles over an extended inception period for our suppliers (FM and IndEv). Roles and responsibilities across the FM, IndEv, Defra and LDPs within the learning cycles (occurring every 6 and 12 months) have been agreed and aligned with other reporting workstreams including annual reviews and ICF reporting. The FM has developed templates for LDP quarterly, six monthly and annual reporting following development of the grant handbook. However further guidance to assist LDPs has been required in some areas. Recommendations have been made to undertake work to fully understand and address LDP capacity gaps, The LDP reporting framework via the e-platform has been delayed in development due to linked dependencies of developing and finalising outcome indicator methodologies with LDPs, clarifications on ODA requirements and delays in the procurement process. However, it is in the final stages of development and due to be ready for the first learning cycle which requires monitoring data to be submitted to the FM.
		1.5 Finalise and sign MOA between Defra, FM and IndEv	B The One Team drafted Terms of Reference (ToR) for a Memorandum of Agreement (MoA) between January and June 2022. Agreeing roles and responsibilities, as well as review by legal departments from all suppliers took longer than expected and the MoA was signed in August 2023.

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

Developing and finalising the MEL framework took longer than expected due to ambitious and complex objectives at both landscape and portfolio levels, and coordination challenges across the One Team. However, this collaboration has resulted in high-quality, and best practice MEL deliverables which can track progress and evaluate and evidence outcomes at the portfolio level and will allow the fund to place a large focus and priority on learning.

Defra's guidance on implementing GESI and other ODA requirements have also been in development and taken time to be built into the of the BLF's MEL approach.

Applying a complex and rigorous MEL framework has been challenging for some LDPs, and highlighted gaps in their capacity, which has put pressure on both LDP and One Team resources and been a point of friction. Some LDPs have complained that the BLF's MEL requirements are too onerous compared to their business-as-usual systems; however, our judgement is that their systems need to be strengthened, and we have offered to support to do this.

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

N/A.

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

Recommendations
  o Defra, with the support of the FM and IndEv, should identify where they can support LDPs to finalise MEL inception deliverables including ToC, logframes, MEL framework and baseline plan.
  o The FM, with the support of the IndEv, should work with LDPs to develop appropriate logframe outputs which will help LDPs and programme managers to understand progress, performance, and pivot points across the portfolio, and which improve coherence across the portfolio, building on the IndEv lead portfolio inception report due in October 2024.
  o Defra, the FM, and the IndEv should continue to refine their roles and responsibilities and ensure adequate resourcing and budget is agreed with Defra to support these, as the BLF enters implementation.

Output Title	Actionable Learning and Dissemination		
Output number:	2	Output Score:	A
Impact weighting (%):	16.6%	Weighting revised since last AR	N/A

Indicator(s)	Milestone(s) for this review	Progress
Generate and use learning that can guide future action within the programme	2.1 Design and implement participatory Inception workshops with LDPs	A Fund Manager (FM) Following grant signature, the FM designed and delivered a series of workshops for LDPs, covering critical topics from the Grant Handbook (see Output 3.1 below). Sessions were participatory, with space for discussion, to help build capacity of LDPs to deliver high quality inception products. 36 inception workshops were delivered in total; 9 in each of the following landscapes: Mesoamerica, Lower Mekong, Western Congo Basin and Andes Amazon. Workshops for the KAZA landscape will be delivered following grant signature. The FM has provided follow up support to LDPs on ad hoc queries regarding the workshops and inception products. A challenge on workshop participation was the delay in some LDPs recruitment of key positions, such as Team Leader and MEL Managers. In response to this, LDPs brought in central team to provide cover, sessions were recorded to share onwards, and some sessions postponed to once key positions were filled. Independent Evaluator (IndEv) The IndEv also designed and delivered a set of inception workshops for LDPs to support them with the preparation and submission of inception deliverables to the FM, including on ToC, systems mapping, and logframe indicators. These workshops were participatory, using interactive online software and bi-lingual translators for the system maps. The products and tools developed by the IndEv were high quality and required in-depth review of LDP proposals and deliverables. Feedback from some LDPs, however, indicated the approach was too resource-intensive and some initial landscapes indicated the IndEv did not sufficiently recognise the expertise the landscape consortia held. IndEv consequently adapted their approach, prioritising feedback for LDPs only to key elements of the proposal. There was also sometimes insufficient oversight of which workshops (both FM and IndEv) were taking place and when, which led to unaligned timelines and poor communication.
	2.2 Provide opportunity of strategic thinking, feedback and / adaptation	A BLF LDPs provided regular feedback through quarterly reports and monthly landscape working groups as well as ad hoc through meetings with Defra. LDPs also provided feedback through inception workshops and during the review of inception deliverables. The FM and IndEv provided regular feedback through quarterly reports and weekly management meetings as well as ad hoc through meetings between Defra seniors and their FM and IndEv

		counterparts. The BLF annual survey collected feedback from the FM and IndEv to inform contract reviews and strategic planning. To date, delivery partners have openly and proactively shared comprehensive, constructive, and sometimes critical feedback with Defra. This feedback has informed the One Team's approach, including increasing flexibility where possible within HMG rules and the BLF model, which has helped to improve relationships with LDPs. However, it has also highlighted significant differences in expectations and capabilities across BLF delivery partners.
Develop website	2.3 Design BLF website	<u>B</u> The FM appointed an internal team for the BLF website's development. Early in 2023, they presented a draft 17-page website handbook for feedback. However, design discussions paused until early 2024 due to Defra's limited capacity to engage with this, and our decision to prioritise other critical workstreams. Additionally, special approval was required for hosting the website outside the gov.uk domain, which took some time to secure. Following a series of meetings between FM, design team and Defra, an updated website handbook was produced and reviewed in May 2024, leading to significant design advancements. Throughout June, progress was showcased in regular meetings, with ongoing feedback from Defra shaping further updates. PwC is developing a draft whistleblowing policy, curated stock images for the landscape pages, and revised website text. Updates to the text were significantly delayed due to the FM's capacity, but they have brought in additional resource to support on this. Despite the delay to website development, active progress is being made towards its completion. The website is due to be complete by the end of September (Q2 24/25), with a launch date expected in October.

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

Participatory inception workshops were of a high quality and involved an in-depth review of LDP proposals and supported LDPs to meet the requirements in the BLF Grant Handbook and develop their MEL products, in line with the BLF's learning-focused approach. However, some FM workshops were held before some core LDP staff had been recruited. Moreover, there were instances of poor coordination between the FM and IndEv, resulting in feedback from some LDPs that workshops were too resource-intensive and did not recognise the expertise in their consortia. The IndEv responded by prioritising its feedback to key elements of LDP proposals.

The volume and nature of feedback from delivery partners throughout the inception phase suggests there are sufficient feedback mechanisms built into the BLF model to inform strategic thinking and refinements to approaches. However, it also highlighted that the broad scope of the BLF design, structure of BLF contracts, and BLF delivery partner capability and appetite are limiting the extent to which the BLF can deliver on Business Case aspirations to take an intentional, adaptive, and transformative programming approach. It is also clear that delivery partners have different interpretations of the BLF model and expectations, and levels of capacity to integrate HMG ODA rules and the BLF MEL approach into their projects. Further work is needed over the next year to interrogate these issues and develop a plan to address them.

The BLF website has been slow to develop. This has been a conscious decision, largely due to Defra reprioritisation and time needed for approvals. Development has sped up since May 2024.

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

N/A.

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

Recommendations:
1. Defra, the FM and IndEv should improve coordination and ensure they are agreed and clear on approaches, feedback and offers of support before communicating with LDPs.
2. The IndEv should streamline its feedback to LDPs to improve clarity and calibrate the information provided according to the varying capacity of the LDPs. Collaboration should harness and build on the expertise in the consortia, rather than dictate, unless it is regarding mandatory ODA rules.
3. As with Output 1, Defra, with the support of the FM and IndEv, should undertake a stocktake and lessons learned exercise to assess which aspects of the programme are not working as well than expected and identify where improvements can be made within existing BLF structure and context, as well as where aspirations need to be tempered. As part of the stocktake, Defra should conduct in depth engagement with LDPs to get feedback on their experience so far and better understand their capacity gaps.

Output Title	Management Systems		
Output number:	3	Output Score:	A
Impact weighting (%):	16.6%	Weighting revised since last AR?	N/A

Indicator(s)	Milestone(s) for this review	Progress
Comply with ODA standards and requirements	3.1 Develop grant handbook for LDP guidance	A The FM, in collaboration with Defra and the IndEv, developed a grant recipient handbook for LDPs, to set out guidance and templates on their grant funding agreements, ODA and MEL requirements, as well as further detail on the inception period. Eight associated workshops were also delivered to LDPs in relation to the handbook and inception products. The handbook was improved throughout 2023 and was shared with LDPs alongside the Grant Funding Agreements ahead of signature. It was then redrafted in January 2024 to simplify, and to update requirements in line with new rules and guidance developed by Defra's ODA Hub. LDPs have found adapting to rapidly evolving ODA requirements challenging. The FM have supported by providing clarifications, and Defra will host a delivery partner day in September 2024 to outline the new requirements in more detail, to aid delivery partners in the purpose and understanding.
	3.2 Refine risk appetite and management processes	A BLF risk appetite and management processes were refined and approved for all risk categories at the start of inception in January 2024 and integrated into the Grant Handbook, in line with Defra's latest risk guidance. Please see the risk section below for more detail on risk management and trends.
	3.3 Update BLF safeguarding approach	A Defra contracted a safeguarding expert through the FM to review the BLF's safeguarding approach and ensure robust safeguarding approaches are in place throughout the whole BLF delivery chain. We have also provided expert support to LDPs on safeguarding where Delivery Partner Reviews identified improvements were needed. Defra has completed a detailed safeguarding self-assessment for the BLF which looks at overall approach and commitment, governance structures, risk management processes, code of conduct, recruitment practices, and complaints and whistleblowing across all delivery partners to assess safeguarding risk. The overall risk rating following mitigations for all delivery partners was low, except for one delivery partner, who Defra has provided with additional support on safeguarding.
	3.4 Assess where BLF is on Gender and Social Inclusion (GESI)	A As part of the package of inception products, each landscape was required to produce a GESI self-assessment, which includes (i) a GESI analysis of the landscape; and (ii) an assessment of the extent to which the programme, as designed, is at least 'GESI sensitive' (a minimum requirement for Defra ODA programming).

		As of 18 July 24, these had been received for Lower Mekong, Mesoamerica and Western Congo Basin. GESI self-assessments for the remaining two landscapes will be received in 2024 in month 6 of inception. All components of each of the above landscapes have been assessed as at least 'GESI sensitive,' with some components rated as 'GESI empowering' and one component in Western Congo Basin assessed as 'GESI transformative' (although that is subject to review on whether it should go ahead). The BLF in Western Congo Basin (by exception) includes an SRHR component. Further evidence to support this intervention was requested via the GESI self-assessment and upcoming ToC review and will be assessed to ensure the intervention is well evidenced and taking a rights-based approach ahead of implementation.

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

This output is broadly on track, with progress to refine management systems within the BLF having met expectations. However, there is a need for ongoing support and messaging to LDPs to integrate tightened ODA requirements, which Defra's upcoming Delivery Partner Day should help provide. Some LDPs have found ODA rules on the BLF to be more exacting than on previous Defra ODA grants, driving a perception amongst some that the BLF is a challenging programme, with some of the blame for this unfairly falling on the One Team. Defra has worked over in the last six months to explain the reasons why Defra's application of the ODA rules has tightened and the importance we attach to compliance.

Risk management and assessment processes have been strengthened including on safeguarding; the overall risk in relation to LDPs' approach to safeguarding has been assessed as low. However, given the contextual risks and their implications for safeguarding across the BLF landscapes remain high, the One Team will need to maintain careful risk management as implementation begins, including that any safeguarding incidents are reported and addressed promptly and appropriately.

BLF has so far met the minimum Defra requirement to be 'GESI sensitive'; with some components judged as 'GESI empowering' and one scored as potentially 'GESI transformative.' However, regarding the latter, further evidence is needed to support implementation of the SRHR component in Western Congo Basin, to ensure the approach being taken is rights-based and founded on best practice.

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

N/A.

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

Recommendations:
1. Defra with the support of the One Team should identify where they can increase flexibility for LDPs whilst meeting mandatory HMG ODA requirements, as well as where they can support LDPs to build their capacity, including by supporting the development and delivery of the upcoming Defra ODA Delivery Partner Day.

2. Defra should finalise a Defra policy position on Sexual and Reproductive Health and Rights (SRHR) interventions in relation to conservation and biodiversity programming; and use this to make an informed decision on whether to proceed with the health component of the Western Congo Basin programme.

Landscape Level

Output Title	BLF Landscape Design		
Output number:	4	Output Score:	A
Impact weighting (%):	16.6%	Weighting revised since last AR	N/A

Indicator(s)	Milestone(s) for this review	Progress
Complete preparatory landscape design	4.1 Develop and approve Business Cases responding to key drivers identified by PETA analysis	Lower Mekong = A Mesoamerica = A Western Congo Basin = A Andes Amazon = A KAZA = A All Business Cases have been approved and uploaded onto DevTracker except for KAZA. The KAZA BC was well received by Defra's Investment Committee but needs redrafting pending the submission of a revised proposal from the LDP due August 2024.
Sign Grant Funding Agreements	4.2 Design, carry out and evaluate the grant competition through to signature of Grant Funding Agreements (GFAs)	Lower Mekong = B The LM GFA was signed on18/09/23, following several months' delay due to the need to negotiate grant handbook conditions, a lengthy coordination among consortium partners, and LDP being very stretched during contract negotiations. Mesoamerica = B The MESO GFA was signed on 25/09/23, following a 6 month delay due to the extended timeframe it took to complete the DPR and the need to negotiate a special condition for Guatemala. Western Congo Basin = B The WCB GFA was signed on 29/11/23, following a 3-month delay due to sensitivities between the Republic of Congo focal Ministry and one of the consortium partners which needed to be resolved, and further delays during the due diligence process (please see Output 4.3) and negotiation of special conditions. Andes Amazon = B The AA GFA was signed in December 2023, following a 2-month delay caused by proposal negotiations. KAZA = C The KAZA GFA is yet to be signed, as market conditions have meant it has taken a year longer than other landscapes to find and appoint a suitable delivery partner. KAZA partner states also requested an MoU with Defra additional to the agreed letter of intent, which is now being drafted with the aim to have it signed by September 2024.
	4.3 Carry out DPR on potential grantees	Lower Mekong = A DPR finalised and actions completed. Mesoamerica = A Two follow-up actions outstanding. Western Congo Basin = B

		Substantial reworking to provide Defra assurance, one DPR action outstanding. Two special conditions were incorporated into the grant funding agreement to mitigate risks of low geographical presence in the Republic of Congo, and the ability to operate in Gabon post the coup in 2023. Andes Amazon = A A few DPR actions outstanding. KAZA = A Plan for follow-up actions developed with LDP.

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

Business cases have been developed for all landscapes building on the political economy and technical analyses, and the successful bids submitted by LDPs. Once approved, business cases were published on DevTracker. The KAZA full business case will need to be updated with information on the new LDP and then published.

Grant agreements have been signed and DPRs for all landscapes apart from KAZA. There remains some DPR follow-up actions to be completed for some landscapes.

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

N/A.

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

Recommendations:
1. Defra should carefully vet contractors to ensure quality and consistency of DPRs.
2. Defra should place greater emphasis on delivery partner presence and networks local to programme activities in future DPRs.
3. Defra has developed a budget reallocation plan in response to progress against the landscape design output indicators (4.1-4.3) and various country risks across the programme.

Output Title	Mobilisation and Inception		
Output number:	5	Output Score:	B
Impact weighting (%):	16.6%	Weighting revised since last AR?	N/A

Indicator(s)	Milestone(s) for this review	Progress
Deliver high quality inception products	5.1 Develop inception deliverables of sufficient quality and on time	<u>Lower Mekong = B</u> The LDP has submitted all inception deliverables. 11 deliverables are now RAG rated Green. Three remain amber (Logframe, Baseline Data Collection Plan, MEL Framework) to reflect a number of outstanding recommendations. This is reflective of the significant team that the LDP now has in place and the considerable effort that they have put into the inception period. Pending approval on licence to operate prevents the programme to specify project locations which poses questions related to sampling and geographies; that need to be precisely resolving before signing off of the MEL products. The work plan and budget also need to be significantly reworked to align with other updates. Further MEL support will be needed from the One Team. <u>Mesoamerica = B</u> The LDP has submitted final versions of all six-month inception deliverables. All deliverables are now RAG rated green, except for four deliverables which are still pending approval (MEL framework, baseline data collection plan, log frame, and theory of change). The workplan and budget have been RAG rated green provisionally given pending changes to the workplan and log frame. The products have been of reasonable quality. However, the workplan and budget were submitted on 24 May against an original deadline of 19 March. <u>Western Congo Basin = B</u> The LDP has submitted non-MEL deliverables or inception products. These are all RAG rated green except for the delivery chain risk map which is still pending. This will be developed further and submitted alongside the log frame, work plan, MEL framework, and baseline data collection plan after the logframe workshop is held in September 2024 <u>Andes Amazon = B</u> The LDP submitted final versions of all inception deliverables in the August. The theory of change, MEL framework, base line data collection plan, and log frame need some further work. The work plan, budget, risk and issues log, delivery chain risk map and GESI self-assessment were rated amber. The stakeholder engagement and communications plan, asset register, IATI declaration and safeguarding assessment were rated green. <u>KAZA = N/A</u> KAZA Landscape is yet to begin the inception phase.
Start initial / preparatory activities	5.2 Implement initial / preparatory activities	<u>Lower Mekong = B</u> The consortium has started preparatory activities in all three countries, but as we are still awaiting full host governmental approval their ability to do this is highly restricted. Securing full host governmental approval is outside of the consortium's control. <u>Mesoamerica = A</u> The consortium is implementing initial activities in all four countries. BLF event launches have been held in Belize (July 2024), Guatemala

		and Honduras Trifinio Region (April 2024), El Salvador and Mosquitia, Honduras (August 2024).
		Western Congo Basin = N/A Preparatory activities have not yet begun in any of the countries in the landscape.
		Andes Amazon = B On May 2024, the consortium organised two events, one in Quito, Ecuador, and one in Lima Peru to present officially the final technical proposal of the BLF AA to external stakeholders. The events were attended by more than 60 people each, included government high level officers. The LDP started implementation of activities in both countries on June 21$^{st.}$ 2024.
		KAZA = N/A Preparatory activities have not yet begun in the landscape.
	5.3 Forecast spend accurately	Forecasting has been a major issue across all landscapes, largely due to: (1) challenges in some countries getting partner government buy in to go ahead, (2) extensions to the inception period, (3) LDPs providing overly optimistic forecasts and (4) LDP and downstream partner financial capacity on forecasting spend.
		Lower Mekong = B Overall variance for FY2324 between forecasted and actual spend was £77,343 (18%).
		Mesoamerica = C Overall variance for FY2324 between forecasted and actual spend was £822,105 (59%).
		Western Congo Basin = C Overall variance for FY2324 between forecasted and actual spend was £351,743 (52%).
		Andes Amazon = C Overall variance for FY2324 between forecasted and actual spend was £515,022 (77%).
		KAZA = N/A Grant agreement has not been signed so no spend in the landscape yet.

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

The mobilisation and inception period has presented significant difficulties for the BLF, impacting various performance indicators under this output. The One Team significantly underestimated the amount of time and effort needed for rolling out inception periods across five landscapes in 17 countries simultaneously, and all five landscapes have required extensions. Several factors contributed to this. First, there was an overestimation of the LDPs' understanding of the ODA requirements. This overestimation stemmed partly from generally positive assessments of LDPs capacity in DPRs, and from some of the LDPs viewing the ODA rules and requirements as unnecessary or as an administrative burden. Second, LDPs faced limitations in getting grants up and running promptly, including establishing systems and processes in place within the required timeframe. Third, this was further complicated by external contextual factors largely beyond Defra's control, such as safeguarding issues affecting prospective delivery partners, political instability, and

challenging requests from partner governments that the BLF could not fulfil under our ODA rules (including requests for budget support).

Most inception deliverables have been received across the five landscapes, (with all five active landscapes having submitted their month four inception products, and three landscapes having also submitted their month six products). However, many of these were submitted late, and additional effort has been required in most landscapes from the One Team to elevate these deliverables to the standard needed for implementation. The Andes Amazon bid required some reformulation and tightening following discussions with partner governments and FCDO Posts. Whilst this led to delays, positively this has also led to the development of a stronger proposal which has the buy-in of key stakeholders, including partner governments. The KAZA landscape is the furthest behind, having not yet entered the inception phase, as market conditions meant it took longer to assess and appoint a delivery partner.

Overarching MOUs with host governments were agreed and signed on time across all BLF Landscapes. Delays were subsequently experienced due to the reasons noted above. Some initial and preparatory activities have begun in Lower Mekong and Mesoamerica, though progress in Lower Mekong is significantly hindered until full government approval is obtained in Vietnam and Laos.

Financial forecasting has been a considerable challenge across all landscapes, with most LDPs managing significant and unacceptable variances. This is attributed to a range of factors, including difficult contextual factors extensions to the inception period, optimism bias and capacity issues on the part of the LDPs.

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

N/A.

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

Defra should plan for longer inception periods for similar programmes in future, and consider a staggered inception approach to roll out, starting with one or two locations first with others to follow, to reduce risks, reduce the pressure on staff, and allow for learn lessons to be learned. Recommendations:
1. Defra with the support of the One Team should identify where they can support LDPs to improve financial forecasting, as a priority.

2. Defra should assess the risk that workplans will not be fully implemented before the end of the programme in countries where implementation is stalled due to political challenges or because risks above appetite have emerged.

Output Title	Engagement with Partner Governments		
Output number:	6	**Output Score:**	B
Impact weighting (%):	16.7%	**Weighting revised since last AR**	N/A

Indicator(s)	Milestone(s) for this review	Progress
Gain support and buy-in from partner governments	6.1 Secure political support from partner governments	<u>Lower Mekong = A</u> Memoranda of Understanding (MoUs) were signed between Defra and all three partner governments in 2023. <u>Mesoamerica = A</u> MoUs were signed with the Governments of El Salvador, Honduras, and Belize in 2023. Explicit written support from the Government of Guatemala was received via NV late August 2024. <u>Western Congo Basin = B</u> A Letter of Intent was signed with the government of Cameroon in December 2023, and wider UK Roadmaps have been used in Gabon and RoC. The Roadmap for Gabon was signed in March 2023, however, the validity of this is in question following the August 2023 Coup d'état. In Republic of Congo, the existing forests road map is under review with the Government. The LDP is seeking a separate letter of support from the Committee of Central African Forests (COMIFAC) as an additional higher-level support for Gabon and Republic of Congo. <u>Andes Amazon = B</u> For Ecuador a protocolar signature was agreed during COP15 in Canada, Dec 2022. The official signature was on 7 September 2023. The process with Peru took more than one year and several stakeholders needed to be engaged to get political support. The signature was agreed October 11, 2023. <u>KAZA = C</u> A Letter of Intent to Cooperate on the BLF was signed on 27 March 2023. An MoU, to be signed with the KAZA Secretariat on behalf of the Partner Governments, has been drafted and is under review.
Start initial / preparatory activities	6.2 Engage and get buy-in for project plans from partner governments through inception	<u>Lower Mekong = B</u> Partner governments are currently reviewing the LDP's proposed workplans. Defra expects full approval in Cambodia by August 2024 and full approval from Laos and Vietnam by October 2024. <u>Mesoamerica = B</u> The LDP is currently reviewing/ readjusting the workplan, log frame and budget with support from the FM. The workplan draft was shared with the government of Belize during the sub landscape committee meeting held on 16 July 2024. The LDP will deliver presentations to the governments of El Salvador, Guatemala, and Honduras during the sub landscape committees once the adjustments to the workplan, log frame and budget have been finalised. <u>Western Congo Basin = B</u> The LDP had initially presented their high-level proposal for the BLF to host governments. In Cameroon, a host government engagement workshop was held in March 2024. Detailed project plans have not

		been shared as the workplan, budget and other key inception products are still being finalised. The LDP is continuing to engage with host governments in close collaboration with Defra and Post, including developing a plan to get communicate and get buy-in once inception products are finalised. Andes Amazon = B The inception phase and buy in was a difficult process for the LDP, as both the governments of Ecuador and Peru had substantive feedback on the proposal from the LDP Practical Action. Defra decided to pause the inception phase for 6 weeks and carry out a "pre inception" process to improve the quality of the documents and deliverables, bringing in expertise from the FM. Engagement with both governments has been more positive as they can more clearly see how the BLF aligns with their priorities. KAZA = C KAZA Partner States are yet to be consulted on the proposed plans for the BLF in the Landscape.
	6.3 Agree governance with LDPs and partner governments	Lower Mekong = B In-country workshops have been held with each partner government. Initial feedback has been received on their preferred governance. A final and agreed framework is still under discussion. Mesoamerica = B The ToR for the sub landscape technical committees have been drafted for all four sub landscapes taking into consideration inputs from Host Governments and delivery partners. For Belize, the ToR were approved in July 2024, through the sub landscape technical committee. Approval of the ToR in El Salvador and Honduras will be sought when the first sub landscape technical committee meetings are held. Approval of the ToR with the Government of Guatemala will be sought after securing the written support for the overall programme. Western Congo Basin = B All three governments are aware of the BLF governance asks and have shared initial thoughts. However, the structure for the landscape has not been agreed. A coup in Gabon in 2023 complicated matters. Andes Amazon = B Due to the delays in the inception phase, the governance structure negotiation will start in August 2024. The LDP together with Defra's Landscape Coordinator based in Quito are setting the ToR and different bodies to then socialise with host governments and posts. At least one high level and one technical board are expected this financial year. KAZA = B The BLF governance structure in currently in discussion and will be refined once the MoU is signed.

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

Partner governments have different expectations and views on engagement, finance, and governance, and varying levels of capacity to engage with the BLF. These factors have impacted Defra's ability to secure agreement to proceed with the BLF at the pace we had planned. Other factors beyond our control have also weighed heavily on the programme, including political turbulence in several countries that has meant significant discontinuity in relationships. The extent to which the BLF can take a transboundary approach to

governance and delivery also varies depending on regional geopolitical cooperation and operational structures. We have made more progress bilaterally than regionally and will need to factor that into the BLF's governance approach.

Agreeing written support with partner governments (through MoUs, Letters of Intent, or similar) is an important first step of an ongoing process to get partner government buy-in. This has required sustained engagement between Defra, LDPs, FCDO posts and partner governments. Defra made excellent progress on this; however, after signing MOUs/letters, some countries have subsequently asked for additional levels of control over the BLF's direction and resources, which has been challenging to accommodate and required careful and patient diplomacy to resolve – often in countries where the UK has a limited presence.

Having Defra landscape coordinators on the ground, based in FCDO posts, has been invaluable in building relationships with partner governments and consortia, securing political support for activities, and anticipating and rapidly responding to risks, partner government requests, and consortium concerns.

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

No changes to this output were made during the past year and no changes are planned.

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

Recommendations:
1. Defra should plan and budget for frequent engagement with partner government ministers and officials in person as well as virtually to secure and maintain partnerships and adapt to their priorities and timelines, considering the timing of elections.
2. Defra should continue to work with FCDO Posts in BLF countries to adapt landscape governance structures and engagement approach to regional geopolitical contexts, including separating by country or area as needed, whilst maintaining transboundary approach to operations as far as possible.

D: RISK

Overview of risk management

BLF Risks are monitored and reviewed in landscape and portfolio risk registers at a minimum monthly in landscape working groups, and all new risks, rising risks, high risks, and risks above appetite monitored and reviewed by the Defra 's 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 seniors and experts from Defra, the FM, and the IndEv.

The overall risk rating of the BLF is high. Launching all BLF landscapes together has required the team to manage a high volume of risks above appetite, some of which have materialised as safeguarding and security incidents, unexpected partner government requests, and tightened HMG ODA requirements. This has stress tested and improved BLF risk and ensured programme management systems are in line with latest Defra standards and guidance.

The main trends in BLF risks above appetite and mitigation strategies in FY 23/24 were:

- Strategic and contextual (appetite Open): Challenging and sometimes volatile environments, compounded in some countries by increasing political and civil unrest and / or limited HMG presence and networks, delayed or even prevented delivery of the BLF in FY 23/24 in several landscapes. We mitigated this risk by working closely with FCDO Posts through our landscape coordinators to monitor and respond to local economic, political, and social developments, developing Overseas Security and Justice Assessments, and investing heavily in our relationships with delivery consortiums, host governments and local communities. Where necessary we paused or stopped activities in high-risk locations. Following the coup in Gabon in March 2023, we halted rollout of the BLF for 6 months until diplomatic relations could be reestablished. In Cameroon, we held back SRHR activities in WCB whilst Defra develops a SRHR policy. In Madagascar, we halted patrols in locations where the security context has deteriorated (to be reviewed in the Madagascar AR).

- Programme (appetite Open): Achieving formal agreement with partner governments to proceed was not straightforward. Negotiations with partner governments were often lengthy, compounded by high ministerial and official turnover, and political turbulence, including one coup. This delayed programme delivery in some countries. We mitigated this risk through intensive engagement at partner government official level (where there is less churn) and by using UK Ministerial and senior official calls and visits to unblock issues – all advised and supported by FCDO Posts. Our landscape coordinators adapted BLF governance, engagement approaches, and delivery timelines to respond to partner government requests and new contextual realities. Where support is still pending, we wrote special conditions into LDP contracts setting out how they should proceed with delivery whilst seeking partner government support. In this way the programme navigated well the political turbulence of operating in 18 countries.

- Programme (appetite Open): Some BLF delivery partners were not resourced or equipped to aligned with Defra ODA and MEL requirements and guidance introduced in FY23/24. This resulted in delays to development of workplans, budgets and MEL frameworks, changes to budget lines as partners divert additional resources towards administration and strained relationships as Defra's demands were seen by LDPs as going beyond fair expectations and what they thought they bid for. This was a challenging dynamic to manage. We mitigated this risk by extending timelines to give partners time to integrate requirements and applying flexibility where possible, while stressing that mandatory ODA (which are not 'BLF rules', as some LDPs have stated

to us) must be met. However, further work is required to assess capacity gaps and determine appropriate support to fill them. There is learning here about the robustness of the DPR process, which failed to identify how most of the LDPs did not have the core capabilities to meet the UK Government's ODA rules.

- SEAH Safeguarding (appetite Cautious): BLF delivery partners work directly with communities, Indigenous People and Local Communities (IPLCs), and vulnerable groups in geographies where Sexual Exploitation Abuse and Harassment (SEAH) data is limited and baselines challenging to establish. Delivery Partner Reviews conducted through FY 23/24 identified some improvements were needed in LDP safeguarding policies and systems. Activities such as patrols have the potential to increase safeguarding risks if not closely monitored and well managed. We tried to mitigate this risk by ensuring robust safeguarding systems are in place throughout the whole BLF delivery chain, providing downstream partners access to expert support on safeguarding, and facilitating cross-landscape exchange of safeguarding best practice. We mitigated this risk by working closely with Posts through our landscape coordinators to monitor and quickly respond to emerging safeguarding risks.

- Financial and Fiduciary (appetite Cautious): To date the main BLF financial risk, a trend which has continued into FY 23/24 without improvement, is underestimation of key administrative areas of spend and timelines, including the costs of travel and engagement to secure licenses to operate, extended timelines, and additional support required by LDPs. We mitigated this risk by reallocating budget lines and identifying efficiencies in our ways of working. However, as the BLF begins implementation in contexts where fraud and corruption are prevalent, through long and complex delivery chains, we expect financial and fiduciary risks to increase. To date, delivery partners have not reported any cases of fraud, and although delivery has been slower than expected, this is lower than expected, suggesting not all fraud is being picked up and reported. We will mitigate financial and fiduciary risk with regular financial monitoring spot checks and audits conducted by local experts selected and contracted by the FM, regular Fraud Risk Assessments for each landscape, strict Value for Money requirements, and regular, clear communications on HMG's zero tolerance for improper use or management of funds or assets.

Recommendations:
1. The One Team should frequently communicate Defra's position and expectations 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.
2. Defra should review the BLF's risk appetite and risk management processes annually at a minimum, and more often when risks are regularly being escalated above appetite.
3. LDPs should stagger implementation of activities, starting with low-risk interventions in locations familiar to consortiums and Posts, and building out to higher risk interventions and remote locations.

E: PROGRAMME MANAGEMENT: DELIVERY, COMMERCIAL & FINANCIAL PERFORMANCE

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

The Independent Evaluator

Delivery against contract KPIs, and Terms and Conditions:
The IndEv have produced several key products that are forming part of the MEL framework. All products that the IndEv have delivered have been good quality and been important in driving the BLF's strategic approach and coherence across the portfolio. However, this strong focus on detail and has also meant that quite a few outputs have been delivered late, and there has occasionally been misunderstanding around priorities and deadlines. The IndEv has responded to feedback from Defra and the FM on this and is now focusing more on balancing quality with proportionality and timeliness. This notwithstanding, the relationship with Defra is strong and we are pleased that the IndEv and the FM have generally worked well together.

No concerns have been raised around safeguarding or payments to subcontractors.

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. Each deliverable will be scored against Evaluation standards within a Quality Assurance template. The Evaluation Steering Group has also been established to both provide advisory component to the design and development of the evaluation and MEL approach, but also to perform Quality Assurance on key deliverables, the first being the IndEv's portfolio inception report (due in Q3 2024).

The IndEv demonstrated an effective working relationship with the LDPs across landscapes and its value in maintaining the overall professional and constructive tone of the One Team relationship through difficult periods. The IndEv's relationships with some LDPs was strained as a result of difficulties in the ToC workshops and in the context of wider LDP concerns about the ODA rules and their application through the BLF. However, improvements have been made in the IndEv's approach. Some of the issues LDPs have raised about the IndEv reflect the difficulties the IndEv faces in needing to balance the need for 'top-down' consistency and coherence across the global BLF portfolio and the bottom-up diversity and heterogeneity that the LDPs bring. They have also sought to build trusting 'critical friend' relationships with the LDPs, which is a new dynamic for many of the LDPs, and takes time to settle, particularly when the ODA and MEL ruleset has been made more exacting. The IndEv has had to navigate being both a critical friend and rule setter, alongside the FM, which has not always been a straightforward dynamic to manage. As part of a recent reprioritisation exercise the IndEv have reduced the amount of resource and focus on the Developmental Evaluation approach[1], prioritising on assisting LDPs to finalise fundamental MEL inception deliverables and maintaining focus on the IndEv's own baseline evaluation and Impact Evaluation approach.

Navigating these kinds of challenges – as well as opportunities for co-innovation – has required high levels of reflective practice, ongoing learning and micro-adaptations across the

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[1] Developmental Evaluation is an approach to evaluation that is designed for adaptive and emergent interventions, such as social change initiatives or projects operating in complex and uncertain environments (for more information see https://www.betterevaluation.org/methods-approaches/approaches/developmental-evaluation).

IndEv team as well as trialling new methods to record these learning outcomes. This will be of benefit for how we apply this learning across the portfolio.

<u>Quality and timeliness of reporting and forecasting:</u> The IndEv have underspent (~£242k in Y1 and ~£153k in Y2, exclusive of VAT) due to delays in contracting LDPs and inception activities. The IndEv have shown lower utilisation of 'hub leads' based in the landscapes but extensively higher than expected utilisation of the senior programme leadership team[2]. The IndEv continues to improve their governance and ways of working, utilising individuals across the programme leadership team, however utilisation of hub leads will remain relatively low due to lowering the scope of the Developmental Evaluation approach in the recent reprioritisation exercise.

The IndEv highlighted the significant and unplanned levels of level of effort investment during the extended inception period would result in shortfalls during the remaining implementation years. More could have been done by the IndEv to manage and communicate this more effectively with Defra, being clear on what and where the limitations to their resource and capacity were. We are currently concluding discussions with the InDev on areas they should prioritise and scale back or drop. This has needed to factor in Defra's ongoing concerns around capacity gaps in the LDPs in finalising MEL inception deliverables, where we will need the IndEv to support.

<u>Risk management</u>: The IndEv continues to provide risk and issue updates on a quarterly basis, and/or raising directly to Defra via programme boards (in collaboration with the FM) or MEL working groups.

The Fund Manager

The FM signed four grant agreements with LDPs in FY2324 (with KAZA due to sign this financial year, FY2425) and are now managing these grant agreements, including finance, risk and monitoring reports, as well as MEL and communications products. They have also delivered additional products such as a review of the BLF's safeguarding approach.

The FM's performance has fluctuated over the reporting year, significantly affected by high staff turnover, leading to gaps and discontinuity. This affected the quality and timely delivery of some products such as the BLF website and flash reports, and relationships with some LDPs. Defra raised this through regular KPI meetings and via escalation to PwC Partner level. 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, despite significant challenges, the FM has developed good relationships with the One Team and LDPs, working collaboratively and continuing to seek ways to improve efficiency and streamline requests. We have received critical feedback from some LDPs about the FM, although this is largely regarding the FM's application of the UK Government's ODA rules rather than the FM itself. Some LDPs have, however, noted that there have been instances of unfair deadlines set. We have raised these issues with the FM, while noting that LDP performance has sometimes been challenging for the FM to manage, with varying levels of capability across the LDPs on core tenets of reporting. The FM has sometimes had to take a robust but necessary approach with LDPs on maintaining compliance with ODA rules.

Financial performance

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[2] Lower utilisation of hub leads was due to their remit being more focussed on the developmental evaluation approach particularly during implementation. However, the delayed and prolonged inception has meant higher utilisation of the senior programme team operating at higher costs whose remit was focussed on finalising the MEL framework throughout inception.

The programme has underspent to date due to delays in reaching implementation across landscapes. The overall variance for FY2324 between forecasted landscape spend and actual landscape spend was £1.8m (38%). Whilst the programme is underspending overall, administrative costs have increased due to:

- Need for more travel and engagement in landscapes than anticipated to build relationships and ensure the BLF responds to requests and aligns with priorities of partner governments. The original budget line for travel was too low and should be amended.
- Supplementary costs to account for longer inception phases during which the FM's workload was higher than in other programme phases, as well as additional work such as the review of the safeguarding approach.

Defra should review budget lines to identify efficiencies and reallocate funding to administrative areas where additional investment during early implementation is required to set the BLF up for success, learning from where we have had to increase funding to date.

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

The BLF has just entered the implementation phase and there are no tangible results and therefore a lack of latest information to comment on progress, conduct a Benefit-Cost Ratio (BCR) or calculate Return on ODA. the One Team BLF has developed bespoke VfM indictors and VfM framework which will allow these calculations to be completed for the next BLF AR. VfM assessments on all landscape proposals were undertaken in the landscape level business cases and will be reconsidered once we have results over the next year and thus there is a lack of initial VfM analysis to compare against. There is nothing to suggest that the overall positive VfM assessment has deviated from the analysis in the original business case. This section will provide a brief overview of VfM in relation to procurement, planning and inception phases compared to the proposition in the portfolio business case using the FCDO 4Es VfM analysis.

Economy

Defra ran a competitive procurement process for the FM and IndEv. Both were awarded in line with the relevant framework agreement, the evaluation used was the MEAT model (Most Economically Advantageous Tender) with a 60/40 split between technical and commercial envelopes. Technical evaluation was carried out against a total of 16 questions to assess each bidder's technical competence. The success of bids was weighted against cost, ability to meet deliverables and answers to evaluation questions.

Using the same model and having the same ODA and MEL requirements for all landscapes, supported by a central FM and IndEv, has allowed for managerial economies of scale and supported the BLF to apply learning from the most advanced landscapes across the portfolio, resulting in clearer steers and answers to questions from LDPs, fewer delays, and stronger relationships with LDPs overall during inception phases.

Efficiency

The BLF is underbudget on programme delivery in landscapes due to delays, and poor budgeting and forecasting by LDPs. The BLF has spent as expected on administration, FM activities (inception workshops, landscape working groups and onboarding). We expect efficiency to improve as landscapes proceed with implementation given greater streamlining of roles and managerial economies of scale as internal networks are established between the One Team and LDPs. These will be measured with landscape-specific VfM indicators.

Effectiveness

To ensure effectiveness in procurement, landscapes were selected using an evidence-based assessment of their importance to global biodiversity, potential to act as carbon sinks, and the economic livelihood needs of their resilient populations, all landscapes had to meet the following criteria:

- Internationally recognised as being rich in biodiversity
- Offering the opportunity for Defra to deliver against its strategic objectives.
- Vulnerable to climate change
- In countries whose partner government priorities align with BLF priorities.

Defra decided to bring the 'Madagascar Terrestrial Forests Programme' into the BLF portfolio as part of the Autumn 2020 Spending review. The rationale for this was twofold: its objectives broadly matched the BLF, and considerable effort had already been invested to establish and mobilise the programme. The Madagascar landscape will have a separate results-based Annual Review later in the year.

Equity

The BLF has promoted equitable benefit sharing mechanisms at both the programme and landscape level including through the development of LDP GESI self-assessments.

The landscape level GESI self-assessments (received for all landscapes except Andes Amazon and KAZA) have assessed all programme components to be at least 'GESI sensitive'. This means they are set up to address the basic needs and vulnerabilities of women and marginalised groups, and to do no harm. Some programme components go beyond this and are 'GESI empowering' with one programme component in WCB assessed as 'GESI transformative.'

A strategy for building on the BLF's 'GESI sensitive' assessment is recommended before the next AR, which could include working with LDPs to incorporate better tracking of GESI outcomes within logframes, and/or building capacity of LDPs on GESI where the approach could be strengthened.

A suite of 'equity' indicators has been developed as part of the VfM Guidance, which include monitoring the % of beneficiaries who are women and IPLCs; these will help inform our assessment of the programme's equity in future Annual Reviews.

Cost-effectiveness (Conclusion)

We still expect the costs to be within the parameters of the original business case. However, if the risks stated are not addressed, we may expect that benefits may be incurred later than planned, creating an argument that VfM is currently weaker than predicted for this stage in the BLF's lifespan given social time preferences. Also, risks such as the BLF not delivering its planned outputs in the full timescale would impact the overall VfM at the conclusion of the project. Therefore, the VfM story for the BLF will depend on the materialization of the risks stated in this Annual Review. There remains to be seen how VfM changes amongst individual landscapes as the BLF moves into implementation.

Date of last narrative financial report		Date of last audited annual statement	

F: ANNEX A: BLF AREAS OF FOCUS

The BLF aims to tackle the interrelated biodiversity, climate, and poverty crises by:

1. Developing economic opportunities through investment in nature in support of climate adaptation and resilience and poverty reduction.
2. Slowing, halting or reversing biodiversity loss in six globally significant regions for biodiversity.
3. Reducing greenhouse gas emissions and safeguarding natural carbon sinks.

In the **Andes Amazon** landscape, the BLF will focus on:
1. Strengthening the conservation of biodiversity, connectivity and territories of life. This includes providing technical support for Latin America's first transboundary conservation area between Ecuador and Peru. Additionally, supporting IPLCs to improve the management of IPLC conservation areas ('Territories of Life') in both countries.
2. Strengthening Indigenous Peoples organisations for the protection of their rights and governance of their territories. This will involve protecting environmental defenders, developing women's programmes and supporting Indigenous peoples monitoring systems.
3. Strengthening banana and bio-business value chains in the landscape. This includes forest restoration of areas affected by the expansion of agricultural activities that are the basis of the local economy. Also, connecting local producers to national and international markets.

In the **Kavango Zambezi** landscape, the BLF will focus on:
1. Creating space for people and nature by deconflicting land use and restoring wildlife corridors to promote human-wildlife co-existence.
2. Cementing connectivity gains by supporting climate-resilient food systems and implementing agroecology initiatives, such as capacity building of smallholder farmers, conducting exchange visits between farmers, supporting farmers with input support and engagement with agro-dealers and linking farmers to markets.
3. Identifying opportunities, developing markets and improving awareness of local challenges and possible solutions, to sustainably improve livelihoods, mitigate climate change and empower women.

In the **Lower Mekong** landscape, the BLF will focus on:

1. Supporting sustainable livelihoods by creating community-based natural resource management models, including (where appropriate) improved land rights and tenure over natural resources.
2. Creating market chain links and improve economic opportunities for IPLCs through training and support to local businesses.
3. Protecting the landscape from unsustainable development by leveraging the conservation status of intervention areas, training policymakers and integrating sustainable practices into policy instruments.
4. Attracting and enabling sustainable finance flows from ecotourism by creating sustainable tourism policies at six sites and strengthening local businesses.
5. Strengthening protected area management through close collaboration with IPLCs by training local rangers and reducing illegal incidents

In the **Madagascar** landscape, the BLF aims to develop a new model for the integrated management of protected areas in Madagascar. To date, it has achieved this by:

1. Improving sustainable landscape planning.
2. Improving resource governance, fire management and nature connectedness, for example, through increasing the capacity of local planning associations, increasing patrol areas, improving fire management and encouraging the uptake of agroforestry.
3. Increasing climate smart agriculture implementation, sexual and reproductive health and microfinance services.
4. Improving evidence - based policy making (through the production and dissemination of knowledge products outlining programme learning).

In the **Mesoamerica** landscape, the BLF will focus on:

1. Prosperous and resilient communities: Supporting IPLCs to secure land and resource rights and strive towards greater inclusion of women through meaningful engagement and capacity building workshops and training. Diversifying access to sustainable livelihoods, such as apiculture, handicrafts, and tourism activities; and building their capacities for improved natural resource governance.
2. Protected areas and species protection: Ensuring well-governed conservation areas (state-managed as well as IPLC-managed areas) through forest patrolling, field operations, and fire prevention. In addition, the BLF implements targeted protection activities for critical species, for example in scarlet macaw nesting sites, as well as actions to reduce wildlife trafficking. Women will be actively included in community workshops and trainings, including those focused on capacity building, and biodiversity monitoring and conservation workshops.
3. Enabling policy and financing mechanisms: Ensuring collaboration with civil society, communities, and government to achieve institutional and policy reforms, helping leverage new financing mechanisms, including national forest incentive programs, jurisdictional REDD+, and private sector investment in forest protection and rural livelihoods.
4. Learning and adaptive management: Implementing a monitoring and evaluation framework as a core component to evaluate impact and guide decision-making.

In the **Western Congo Basin** landscape, the BLF will focus on:

1. Supporting Landscape Governance by establishing and strengthening governance structures, strategies, policies, frameworks, and capacity building of institutions.
2. Promoting inclusive Forest Management by improving forestry and agriculture concession management.
3. Improving community health by improving nutrition access and increasing access to health care.
4. Reducing human-wildlife conflict and support effective and equitable management of protected areas.
5. Increasing sustainable revenue streams by contributing to sustainable financing of conservation activities across the landscape.
6. Enhancing biodiversity-aligned livelihoods with a specific focus on women.
7. Reducing the illegal wildlife trade by strengthening forest-to-courtroom processes, wildlife trade enforcement, and decriminalizing local communities.

G: ANNEX B: CHANGES TO OUTCOME INDICATORS FROM BUSINESS CASE

Section B1 summarises the broad changes to outcome indicators and below we set out the detail on changes for each indicator, with an explanation for the change.

The original people indicator 1.1: 'Number of people/villages with improved land or natural resource management rights' was split into two new indicators as this mixed two concepts - land rights and natural resource management rights. Therefore, two new indicators were developed, a new 1.1 indicator: 'Number of adults with secure tenure rights to land, with (a) legally recognised documentation; and (b) who perceive their rights to land as secure'[3] and new indicator 1.2: 'Number of communities with improved participation and power in natural resource management'.

The original people indicator 1.2: 'Number of people or villages with improved incomes or other direct benefits as a consequence of local businesses that are linked to sustainable management of natural resources' was also split into two new indicators, as again the original indicator mixed concepts around improved incomes with links to sustainable management of natural resources. Therefore, a new indicator 1.3: 'Number of households with improved welfare' which is measured by the Multi-Dimensional Poverty Index and a new indicator 1.4: 'Number of households with increasingly resilient and sustainable livelihoods'[4] which focussed on resilient and sustainable livelihoods were developed.

A new people indicator was also developed, indicator 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 (policy progress measured in rubrics)'. This was added because a governance indicator was missing from the original set of indicators.

The original people indicator 1.3: 'Volume of finance (public or private) leveraged by the programme intervention for improved biodiversity and ecosystem management or local development' was updated to emphasise links to BLF efforts at landscape/portfolio levels. The new indicator 1.6 now reads: 'Volume of finance (public or private) leveraged by the BLF portfolio / landscape for improved biodiversity and ecosystem management and/or sustainable and resilient local development to which the intervention has contributed'.

Nature indicator 2.1: 'Presence of globally threatened target species in the landscape' was removed from the logframe. This was due to the challenges of measuring presence/absence species in a standardised way.

Nature indicator 2.2: 'Abundance or rates of occurrence of globally threatened species / key populations and / or indicator species' was updated to new indicator 2.1: 'Population abundance or occupancy of key (indicator) species' to improve the wording.

Nature indicator 2.3: 'Change in ecosystem integrity, accounting for habitat loss, degradation and fragmentation' overlapped with ICF KPI 8 as this indicator is disaggregated by ecosystem type and cover, ecosystem condition, ecosystem pressure removed and countries. It was replaced with new indicator 2.2: 'ICF KPI 8 Ecosystem Loss Avoided (hectares)'.

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[3] This indicator can report into the Defra ODA Results Framework (DI) KPI 8 "People with increased tenure or access rights".

[4] This indicator can report into the Defra ODA Results Framework (DI) KPI 7 "People with livelihoods supported or protected"

Climate indicator 3.3: 'ICF KPI 17: Hectares of land that have received sustainable land management practices as a result of ICF' was changed to a nature outcome indicator and updated to reflect ICF KPI 17 update and is now nature indicator 2.3: 'ICF KPI 17 Area under Sustainable Management Practices as a result of International Climate Finance'.

Nature indicator 2.4: 'Change in area and connectivity of new or existing protected areas / key biodiversity areas that is under improved management for biodiversity and natural resources, by governments, private sector or local communities, disaggregated by ecosystem type' bundled more than one measure, area and connectivity and improved management which is captured by new indicator 2.3: 'ICF KPI 17'. As connectivity is complex and a highly specialist measure which includes spatial connectivity, structural connectivity and genetic connectivity it is now a new optional indicator 2.4: 'Change in ecosystem structural connectivity (change in connectivity measured in rubrics based on four quantitative sub-measures: 2.4a: Mean natural habitat patch size; 2.4b: Core area of natural habitat size; 2.4c: Core area of natural habitat index; 2.4d: Proximity index of natural habitat patches with respect to the biggest patch in the landscape).

Climate indicator 3.1: 'Change in deforestation rate' is replaced by new nature indicator 2.2: 'ICF KPI 8' as this is a broader measure of ecosystem loss.

Climate indicator 3.2: 'ICF KPI 6 GHG emissions reduced or avoided as a result of intervention / or ICF KPI 8: Deforestation avoided' is replaced by new indicator 3.1: 'ICF KPI 6 Tonnes of greenhouse gas emissions reduced or avoided' as ICF KPI 8 is now nature indicator 2.2 and ICF KPI 6 becomes the only climate outcome indicator.

List of Acronyms:

AA = Andes Amazon

AR = Annual Review

BCR = Benefit-Cost Ratio

BLF = Biodiverse Landscapes Fund

DPR = Delivery Partner Review (Due Diligence)

FGMC = Forests, Governance, Markets and Climate

FM = Fund Manager

GESI = Gender Equality and Social Inclusion

GHG = Green House Gas

HMG = His Majesty's Government

ICF = International Climate Finance

IE = Impact Evaluation

IndEv = Independent Evaluator

IPLCs = Indigenous People and Local Communities

KAZA = Kavango-Zambezi

KPI = Key Performance Indicator

LDP = Lead Delivery Partner

LM = Lower Mekong

MEL = Monitoring, Evaluation and Learning

MA = Mesoamerica

MOU = Memorandum of Understanding

ODA = Official Development Assistance

P4F = Partnerships 4 Forests

SEAH = Sexual Exploitation Abuse and Harassment

SRHR = Sexual and Reproductive Health and Rights

ToC = Theory of Change

WCB = Western Congo Basin

VfM = Value for Money