Biodiverse Landscapes Fund (BLF)
Madagascar Landscape
2022 – 2023 Annual Review

Title: Biodiverse Landscapes Fund - Madagascar Fitantanana Maharitra Ho Lovainjafy (Sustainable management for future generations)	

Programme Value £ (full life): £9.82 million		**Review date:** 15/11/2023
Programme Code: PO010	**Start date:** Incorporation into BLF business case: 01/04/2021. Grant Agreement signature: 15/09/2021	**End date:** 15/09/2027

Summary of Programme Performance

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

DevTracker Link to Business Case:	Business case will be redacted and then uploaded to DevTracker by 31/12/2023.
DevTracker Link to results framework:	Log Frame will be updated by 31/01/2024 and uploaded to DevTracker.

Acronyms:

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

A. SUMMARY AND OVERVIEW

A1. Description of programme

The Fitantanana Maharitra Holovainjafy (FMH) project[1], which is part of the UK's Biodiverse Landscape Fund (BLF) programme, aims to reduce deforestation and forest degradation within Madagascar's national park network. It aims to support communities and regional authorities to monitor and manage natural resources for long-term conservation by investing in sustainable farming practices and alternative livelihoods that create new sources of income. By demonstrating proof of concept for successful models of community-based forest management that can be replicated, FMH aims to help communities attract new investment and access market-based opportunities that improve the long-term financial sustainability of the protected area network.

From December 2021 to June 2023, FMH was a standalone project between Defra and the Royal Botanic Gardens, Kew (RBGK – the 'lead delivery partner' or 'LDP'). RBGK manage a consortium comprising a further five organisations: Durrell Wildlife Conservation Trust (DWCT), Missouri Botanic Garden (MBG), The Peregrine Fund (TPF), CARE International, and Madagasikara Voakajy (MAVOA). Since July 2023, FMH has been managed as part of the BLF programme, as a distinct country landscape, alongside five other transborder landscapes worldwide. Delivery of the project is now managed by PWC who have been contracted by Defra to act as the BLF's 'Fund Manager' (the FM). Oxford Policy Management is providing support as the Independent Evaluator ('IndEv') to the BLF, giving independent advice on Monitoring, Evaluation and Learning (MEL). Because of this transition to the BLF portfolio, FMH has re-entered an inception phase to make sure the FMH project aligns with and is embedded in the broader BLF objectives and systems before full implementation re-starts in December 2023.

This annual review is the second on the FMH project. Although the project has been operational since December 2021, the structural changes to the project described above have significantly affected its pace and ability to deliver. This annual review takes these factors into account and its recommendations identify lessons and improvements that can be made to the project now that it is part of the BLF. As the project has scored two consecutive Bs, significant improvement is required in the third year of the project.

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

Overall, the programme has scored a 'B' for the second year running.

The transition of FMH from a standalone project into the BLF has required significant management time from Defra, FMH project partners, and the BLF's FM and IndEv. The process took much longer than anticipated, in part due to delays operationalising the wider BLF programme, which will work across 18 countries worldwide. Changes to governance structures, reporting requirements, and staff have also affected the pace of implementation and quality of some reporting products. The operating environment in Madagascar is also challenging.

In this context, the FMH team has still made some progress, most notably on the biodiversity components. For example, they have strengthened relationships with the Malagasy Government and secured community buy in across protected areas, which provide some good foundations for future work. All nine protected areas have community development plans that are either completed or almost complete, on which future work can be anchored. Important results have also been achieved. For example, in the final quarter of this year, over 336,000 seedlings were produced, distributed, and planted from nursery stock across 75 ha (equivalent to 140 football pitches).

However, improvements are required in several areas. Most activities undertaken relate to the early roll out of training or laying the groundwork for future activities. This is behind what would be expected on a project that has just completed its second year of six, and more substantive delivery was expected. Furthermore, delivery is behind for the more poverty-reduction focused outputs, such as

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[1] Fitantanana Maharitra Holovainjafy translates as 'sustainable management for future generations.'

value chain analyses, and the project's focus on poverty reduction, and the evidential basis underpinning its interventions, should be strengthened. Ensuring the project has adequate focus – and makes progress on – poverty reduction is a critical area for next year, and that the project learns from wider evidence on good development interventions. Further, it is not clear that the project is sufficiently aligned with the Government of Madagascar's priorities or that it is engaging effectively and cohering with the wider donor landscape.

There is also room for improvement in RBGK's financial management and quality of reporting.

As the project has scored a 'B' for the second year running it is vital that performance improves quickly in the third year . Now the project is integrated into the BLF there is the opportunity to improve financial management and reporting and to engage more on questions of substance, to understand the barriers to delivery, rather than being dominated by questions of process, as has been the case to date. It will also be important to re-test the programme's Theory of Change (ToC) and Log Frame through a second inception phase - including a political economy analysis which was not done originally - and embed strengthened governance and programme management systems. For example, greater confidence and assurance are also needed that activities such as Voluntary Savings and Loans Schemes (VSLAs) and voluntary family planning are the right interventions in the Madagascar context, and that they are or will be implemented properly.

A3. Major lessons and recommendations for the year ahead.

Lessons:
1. Embedding FMH into the BLF portfolio took longer than planned, due to delays operationalising the wider BLF portfolio. All parties underestimated how lengthy and complicated a process this would be. Governance arrangements were further complicated by the transfer of the Grant Agreement (GA) from Defra to the FM. This has absorbed too much management attention, taking it away from focusing on delivery.
2. The project did not undertake a political economy analysis at the design stage. This would have helped shape both the programme content and the approach.
3. Gender equality and social inclusion (GESI) analysis was not completed at project design or inception phases. A GESI audit in 2023 on the BLF portfolio made useful recommendations on strengthening gender sensitivity in the Madagascar log-frame and better articulating poverty benefits, which the programme should take forward next year.
4. Poverty-focused outputs are more off track than nature-focused outputs. The second inception and PEA process provide good opportunities to refocus on poverty reduction aims of the project, and to re-test whether core poverty reduction interventions like voluntary family planning and VSLAs (which have a mixed evidence base – see below) are appropriate in this context.
5. The project is ambitious given the challenging operating environment in Madagascar and covers a lot of different areas. We should test the realism of plans and indicators, to make sure they are both stretching and realistic.
6. The project does not have any strategy or metrics against which Value for Money (VFM) can be robustly and objectively assessed. Assessing VFM in this Annual Review has been challenging.

Recommendations:
1. **By 01/05/2024: Fully embed FMH into the BLF learning cycles and ways of working [Responsibility: all, Lead: Defra]**. This will enable lessons and good practice to be shared across landscapes in the BLF portfolio.
2. **By 31/10/2023: Agree clear roles and responsibilities between RBGK and their consortium, the FM, IndEv, and the Defra team [Responsibility: all, Lead: FM].** Clearer governance and reporting arrangements will improve communication and build trust. The roles of NIRAS (MEL specialist within the RBGK's consortium) and the BLF's Independent Evaluator (IndEv) need to be clarified to avoid duplication and maximise Value for Money (VfM).
3. **By 31/01/2024: Improve quarterly reporting [Responsibility: FMH consortium and FM].** Narrative reporting must clearly explain progress against the workplan and milestones, risk management, and issues.
4. **By 31/01/2024: Improve accuracy of financial reporting [Responsibility: FMH consortium and FM].** The inception period will include a budget review to set a realistic financial profile. RBGK needs to avoid optimism bias and Defra and the FM should robustly challenge forecasts to avoid further underspend and reduce optimism bias.

5. **By 31/01/2024: Deepen the project's partnership with the Malagasy government [Responsibility: FMH consortium & Defra].** Initiate the External Advisory Board (EAB[1]), prioritising better understanding of 'entry points' for collaboration across HMG-funded programmes.

6. **By 31/03/2024**: **Assess how Defra's portfolio of programmes in Madagascar can better work together to achieve collective goals [Responsibility: Defra].** This will need a better understanding of the political-economy context and engagement across the International Biodiversity & Climate Division.

7. **By 31/03/2024: Assess the need for additional in-country capacity to support FMH programme management and engagement with stakeholders [Responsibility: Defra].** Madagascar is unique in the BLF in not having a landscape coordinator to support with tasks such as government engagement. As the project matures this becomes an increasingly pivotal workstream and one where added capacity may be required.

8. **By 31/01/2024: Thoroughly review the programme's Theory of Change [Responsibility: all]** testing whether it adequately captures the links between nature loss and poverty; the impacts of people on nature; and how the proposed interventions will improve the adaptation and resilience of target communities.

9. **By 30/04/2024: IndEv to complete a thorough Political Economy Analysis on the programme [Responsibility: IndEv].** The ToC, logframe, interventions, and broader engagement approach can then be reassessed using this tool.

10. **By 31/01/2024: We will also work with partners to assess the realism of project plans and where necessary amend logframe targets [Responsibility: all]** given the operational constraints, to avoid optimism bias in what is an ambitious project. We should ensure that targets in a revised logframe for 2024 are both stretching and realistic.

11. **By 31/01/2024: A GESI review will be conducted [Responsibility: FMH consortium, FM and Defra]** in collaboration with Defra GESI experts (see Section C, Output 3, learning objective 1), with a particular focus on integrating the work of DWCT and CARE international into the wider programme, and ensuring sensitive implementation of work on sexual and reproductive health and rights (SRHR), and testing whether the evidence support this intervention.

12. **By 28/02/24: A comprehensive VFM strategy is needed [Responsibility: Defra and IndEv].** This should be embedded within a wider VFM approach for the BLF.

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1. The EAB is an amalgamation of the BLF's proposed 'Technical Board' and 'Advisory Committee'. It consists of around 10 members who span NGOs, academia and government. It is envisaged that the EAB will be a key mechanism with which to engage with the Malagasy Government on BLF issues.

B: THEORY OF CHANGE AND PROGRESS TOWARDS OUTCOMES

B1. Summarise the programme's <u>theory of change</u>, including any changes to outcome and impact indicators from the original business case.

This project works with local communities to help strengthen their co-management of Madagascar's protected area network, protect threatened biodiversity, improve their wellbeing and livelihoods, and secure long-term carbon storage (Figure 1).

With the integration of FMH into the BLF, a comprehensive review of the ToC and Log Frame will be undertaken during the inception phase, with regular reviews thereafter. This will include an examination whether the underlying pressures, such as climate-aggravated migration, are being adequately addressed, and test whether the ToC adequately captures the links between nature loss and poverty; the impacts of people on nature; and how the proposed interventions will improve the adaptation and resilience of target communities. These factors are not currently expressed strongly in the existing ToC.
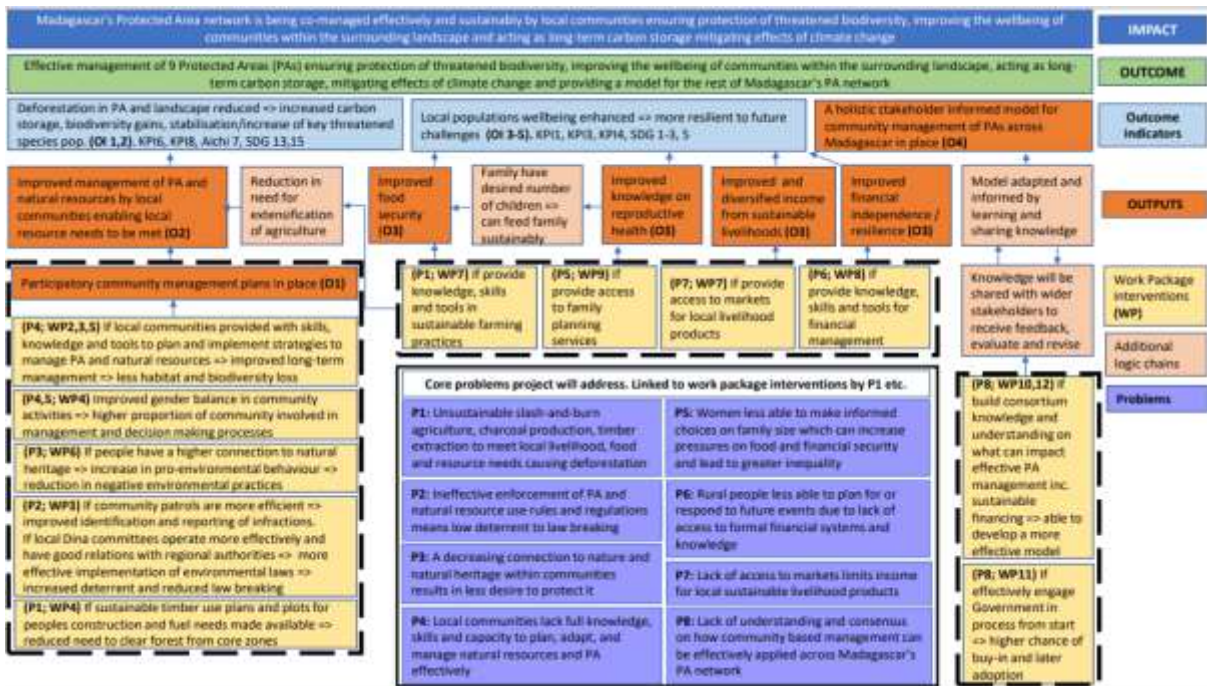
Figure 1: *FMH's ToC addresses eight core problems that affect the project's PAs and achieve positive outcomes for people, nature, and climate.*

FMH's primary stakeholder group are Malagasy beneficiaries, who have been consulted widely on the design of shared protected area management plans. For example, within the Makirovana-Tsihomanaomby community, 1630 people were engaged in creating their community development plan. A full communication strategy for both the landscape and the entire BLF portfolio are also being developed which will focus on the Malagasy and other beneficiaries.

Project data is disaggregated by gender within quarterly reports where possible and throughout the Log Frame indicators. The data shows some progress has been made on gender equality, for example, through female leadership in VSLAs. A Gender equality and social inclusion (GESI) analysis was undertaken in 2023 for the overarching BLF portfolio, which made useful recommendations on strengthening gender sensitivity in the Madagascar log-frame and better articulating poverty benefits, which the programme will take forward as a priority next year.

A Monitoring, Evaluation and Learning (MEL) framework report was finalised in April 2023 which emphasises BLF's adaptive learning approach. This will be supported by the wider BLF 'learning cycles', which happen on a six-monthly schedule, and act as the mechanism with which management is assessed and adapted to become more effective.

There are nine International Climate Fund (ICF) Key Performance Indicators (KPIs) of direct relevance to the FMH project (KPIs: 1,3,4,6,8,10,11,12 and 15). Each of these relate to several FMH-specific KPIs, e.g., ICF KPI 3 is "Number of forest-dependent people whose livelihoods were protected or improved due to ICF projects". This could be argued to align to this project's Log Frame indicators: 2.1, 2.2, 3.1, 3.3, 3.4 and 4.1. A full mapping of ICF KPIs and the project's KPIs will be undertaken in the next 12 months.

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?

There has been insufficient progress in terms of delivery against outputs and progress towards the intended outcome. Given the project is now well behind schedule, the risk of the project not delivering as expected has grown and must be considered high. The pace and quality of delivery must increase significantly next year to justify the project continuing into a fourth year.

This annual review sets out a range of lessons learned and remedial actions that must be undertaken to turn around the project. More intensive engagement, partnership and scrutiny from the BLF's FM and IndEv can support this, alongside the Defra team. The planned PEA analysis, programme baselining - both of which ideally should have been undertaken at project design/inception phase - will help to ground the project and test core assumptions and pathways, including whether any adjustments need to be taken to outputs.

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

While there are several valid mitigating factors for the slow progress made, and a patient and careful development approach is needed in a challenging operating context in Madagascar, the project has now scored two consecutive Bs and performance must improve significantly to justify the project continuing. Positively, the transition into the BLF is now well underway. The RGBK team and consortium should be encouraged to focus on the future and to redouble their efforts to speed up delivery and engage in constructive partnership with the FM, IndEv and Defra to get the project back on track, enacting the recommendations in this report.

C. DETAILED OUTPUT SCORING

Output Title	Plan for sustainable landscape management is validated and accepted by stakeholders		
Output number:	1	Output Score:	**B**
Impact weighting (%):	20	Weighting revised since last AR?	No

Indicator(s)	Milestone(s) for this review	Progress
1.1 Knowledge on local community resource use needs, the socio-economic context of a community and identification of under-represented/vulnerable groups within communities at all 9 PAs developed, shared, and fully understood by all stakeholders	**Milestone 1:** Natural resource use mapped; socio-economic and vulnerable groups assessed in communities across all 9 Protected Areas by end Yr1 (Aug 22).	Not Met. Whilst not all Community Development Plans (CDPs) are finalised, the analysis has been completed.
1.2 Gender-disaggregated data on decision-making roles and membership within key local associations.	**Milestone 1:** Gender strategy developed for communities at 9 PAs by mid Yr2 (Feb 23)	Not Met. Gender has been incorporated into the CDPs; however, specific gender action plans for each community are still under development.
1.3 Risks relating to community management are effectively addressed	**Milestone 1:** Plans to address identified community management risks at 9 PAs developed by mid Yr2 (Feb 23).	Met. These are incorporated into the CDPs.
1.4 Sustainable natural resource use management plans developed with input from all key stakeholders and validated by the community for all 9 protected areas.	**Milestone 1:** Participatory planning (disaggregated by gender, households) sessions held within communities at all 9 PAs by end Yr1 (Aug 22).	Met. Whilst not all CDPs are finalised, the participatory planning has been completed.
1.5 Disaster risk identification, mitigation, and response plans developed and implemented in communities at all 9 protected areas.	**Milestone 1:** Identification of community specific disaster risks identified by end Yr2 (Aug 23).	Not Met. This process is still underway as there are no complete Disaster Risk Management Plans (DRMPs).

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

Headlines:

- Output 1 is off track and so scores a 'B'.
- Good progress has been made with community engagement and the analysis and development of plans for more sustainable development.
- There are some important elements, for example, finalised Community Development Plans and gender strategies, which are not yet complete though, which they should be at this stage on the project.

The FMH project has engaged and co-designed sustainable land management plans with key stakeholders, including local communities, government, and non-government actors. Over 50 inclusive workshops have been held nationwide, covering topics from community health to the impacts of climate change on the landscape. Participatory analyses by the consortium's gender team assessed the vulnerability and capacity of communities to climate change through a targeted gender-based perspective (indicator 1.2). CARE International led needs assessments, which consisted of training on key concepts such as gender principles, food security and livelihoods, mobilisation of communities through at least three meetings using participatory assessment methodologies and formulating draft community development plans.

These workshops have guided the co-creation of community development plans (indicators 1.1, 1.4 & 1.5), which will underpin the sustainable management of protected areas. The scale of engagement has been extensive, for example at Makirovana-Tsihomanaomby alone, 1630 people participated (36% women), spanning 25 fokotany (villages) over 30 meetings.

Additional training was provided to enable participants to train other consortium members on Village Savings and Loan Associations (VSLAs). VSLAs help households to generate funds to expand their production, provide security to invest in new types of crops and income activities, and offer a forum for learning and sharing experiences and leveraging collective power (e.g., as buyers or sellers). Majority female membership can improve women's social status, with women well-represented in senior positions, ensuring their voices are heard in decision-making. VSLAs were established in 11 villages this year.

Despite this significant groundwork, Output 1 is behind schedule. Just one community development plan (Menabe Antimena) has been finished and the remaining eight are still under development. Three are at final draft stage, including the Itremo community's, which sets out the socio-economic context (indicator 1.1), alongside community objectives, risks (indicator 1.3) and solutions. To address some of the knowledge gaps, additional research has been started. Survey work on topics such as voluntary family planning and nutrition covered almost 1000 individuals across 6 fokotany, monitoring plots for flora and lemurs were established and drones used to collect aerial imagery.

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

No specific changes are intended because of this review.

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

There were no recommendations from the previous AR for this output.

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

Learning aims:
1. FM and Defra to discuss the high-level findings of each development plan and feed into learning cycles (indicator 1.4).
2. RBGK to ensure that gender-disaggregated data (indicator 1.2) are being consistently collected and integrated into decision-making, planning and reporting.

3. RBGK to ensure that risks and mitigations (indicator 1.3 & 1.5) are addressed in reports, including post-funding.

C. DETAILED OUTPUT SCORING

Output Title	Local communities managing forested landscapes, including conservation of their local PA and sustainable use of natural resources in the broader landscape. Sustainable forest management plans are implemented, adopted and identified risks reduced through project interventions including effective community patrols, good fire management practices and improved nature-connectedness		
Output number:	2	Output Score:	B
Impact weighting (%):	20	Weighting revised since last AR?	No

Indicator(s)	Milestone(s) for this review	Progress
2.1 Increased skills capacity of 54 local associations achieved through training (disaggregated by gender)	**NA**	NA
2.2 Increased governance efficiency of communities and membership of 54 local associations (disaggregated by gender)	**NA**	NA
2.3 Efficiency and membership of community patrols in covering protected area and reporting infractions (disaggregated by PA) increased	**Milestone 1:** Increase in patrol coverage and efficiency (distance covered, time on patrol, infractions reported) at each site cf. Yr1 baselines	Met. Patrol distance and time have increased significantly since Yr1, e.g., 15,992 km in Yr1 compared to 26,981km in Yr2.
2.4 Area of land planted for timber and fuel wood resources increased and being well maintained	**Milestone 1:** At least 30 new nurseries established, and 100 (50% women) local people trained as nursery technicians by end Yr2 (Aug 23)	Partially met. 36 nurseries (120% of target) have been created; however, only 64 staff trained (64% of target).
2.5 Fire management plans in place and being actively implemented leading to a reduced number of uncontrolled fires	**Milestone 1:** Fire management plans in place and being actively implemented at 9 PAs by end Yr2 (Aug 23)	Not met. Only one site has a finalised fire management plan.
2.6 Nature connectedness and pro-environmental behaviours of target communities.	**NA**	NA

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

Headlines:
- Most milestones under Output 2 have not been met, and as such the Output scores a B.
- Despite this, several key work packages have demonstrated progress in Yr2: patrols, reforestation and fire management.

The efficacy of patrols (organised walks undertaken by designated community members to monitor the PAs) has been demonstrated this year (Indicator 2.3). For example, over 540 patrols, covering 6145km within Menabe-Antimena have resulted in the number of observed pressures (e.g., poaching and logging) on the site reducing by 35%. Additionally, 188 patrols covering 925km in Ambondrobe led to observed pressures on the protected area dropping by more than 70%. The patrols are successfully bringing together local community members with law enforcement officers and security officers, so they have the authority to arrest illegal activity. For example, in Ambadira, three people were arrested for illegal felling and crop cultivation in Q3. In total, throughout Yr2 there have been 3,839 patrols covering 26,182 km.

For indicator 2.4 (area of land planted for timber) 36 nurseries have been established across the project sites, employing 44 new people in Yr2. In this reporting year, over half a million trees have been grown at these nurseries, with c175,000 trees planted. This planting is carried out by a wide group of local stakeholders, e.g., 107 people helped plant over 3000 trees spanning 13 native species at Tanamboan alone.

Fire management capability within the communities (Indicator 2.5) is developing quickly. An operational fire management system is now in place at Menabe-Antimena. Working in partnership with the US Forestry Service and using satellite-based fire alerts means that 95% of the declared fires were brought under control by the communities within six hours of the alert. Several workshops have also been held with local communities to demonstrate the benefits of fire management, with 400 people attending these meetings at Bemanevika alone.

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

No specific changes are intended because of this review.

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

There were no recommendations from the previous AR for this output.

Lessons:
1. The project needs to track metrics more accurately, such as the number of people trained in workshops, and ensure they are updated quarterly.
2. The consortium needs to compile a single coherent narrative report from all partners. At present, it is difficult to understand whether planned activities have been completed.
3. Targets need reviewing to ensure they are both stretching but achievable in the challenging operational context of Madagascar, and that they are more precise in what is being measured.

Recommendations:
1. By end of October 2023: Defra, the FM and the IndEv will complete the NIRAS MEL Framework Report review.
2. By end Q4, 2023: The LDP and consortium will start using the new quarterly reporting template.
3. By the end of Q3, 2023: Defra to discuss the output and outcome indicator targets with RBGK, the FM and IndEv.

Learning:
1. Assign a date to Milestone 1 of Indicator 2.3.

C. DETAILED OUTPUT SCORING

Output Title	*Project interventions (including financial inclusion, improved market knowledge and access for local products) enhance community well-being through improved food-security, financial independence and reproductive health.*		
Output number:	3	Output Score:	B
Impact weighting (%):	20	Weighting revised since last AR?	No

Indicator(s)	Milestone(s) for this review	Progress
3.1 Area of cropland under sustainable agriculture and associated crop diversity, yields and incomes.	**Milestone 1:** At least 150Ha under sustainable agriculture with increased crop diversity, yields and income by end Yr2 cf. baseline (land disaggregated by community, household, gender)	Partially met. 133ha (89%) is now under sustainable agriculture. Crops are diversified, yields increased, and incomes improved (see narrative below).
3.2 Number and makeup of VSLA groups established and participation rates increased	**Milestone 1:** Feasibility of establishing VSLA groups in each target community by end Y2 (Aug 23)	Met.
3.3 Number of viable (assessed by net income received) value chains and access to markets for local products and income-generating activities implemented	**Milestone 1:** Value chains and access to markets for local livelihood products assessed for 9 PAs by end of Yr2 (Aug 23)	Not met. While planning is underway for this in most sites, only two sites have had a value chain analysis completed.
3.4 Number of women being able to access regular reproductive health clinics and are aware of contraceptive choices and where to access them	**Milestone 1:** Community Health Volunteer Training Program (CHV) has been launched in at least 4 PAs, with the first volunteers promoted by communities in Yr2	Not Met. Only one site has CHVs trained and operational. Most sites are planned for launch in Yr3.

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

Headlines:
- While there has been some progress against several indicators, as with Outputs 1 and 2, progress has been much slower than would be expected at this stage in the project. As such this output also scores a B.
- There has been better progress on the rollout of VSLAs, a financing mechanism that can help communities to diversify and increase their income streams.

Regarding Indicator 3.1 (area of cropland under sustainable agriculture) the project has focused on training local community members. Over the last year, multiple field schools have been created, training 832 people. They focus on climate-smart agricultural training, for instance on minimum tillage and agroforestry techniques. They also provide members with materials and agricultural inputs, including demonstrate the effectiveness of new approaches, as showcased at the research plot in Analalava. The project has also been providing training in beekeeping and hives. At Ambrondrobe alone, 106 beekeepers produced 3,800 litres of honey. Around 50 people were also trained in the sustainable production of vanilla, a high-value commodity crop. Training has also been provided in diversification of farming approaches and crops, such as yams, silkworm farming, coffee, and fruits. Yams, a RBGK specialism, are proving especially effective, where an 870kg harvest was received from just two demonstration plots. Improved yields of existing crops have also been reported for rice and peanuts, by as much as 43%. In summary, whilst the milestone has not been fully met, there has been good progress this year.

Regarding Indicator 3.2, VSLAs have been presented to fokotany across the project's protected areas and there are now 57 VSLAs in total, with participants now engaging in financial literacy training. These VSLAs now cover each of the six FMH sites.

Work on value chains (Indicator 3.3) is still at an early stage. Whilst there is one prominent value chain (vanilla) this workstream is waiting to see the results from sustainable agriculture trials (Indicator 3.1) before exploring in more depth and coming to conclusions.

The accessibility of reproductive health for women (Indicator 3.4) is also at an early stage. Survey work continues across the project area to carefully assess the perceptions and appropriateness of reproductive health, voluntary family planning and nutrition. In total, several thousand people have been surveyed for their opinions using a mixed-method approach.

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

No specific changes are intended because of this review.

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

There were no recommendations from the previous AR in relation to this output.

Lessons:
1. VSLAs can play an effective role in improving independent and sustainable communities, although as the FCDO 'Best Buys' note, the global evidence on VSLAs (and micro finance more generally) is mixed, and heavily context dependent. Progress this year has been in terms of assessing feasibility of establishing VSLAs across each target community. Yr3 will see rollout of VSLAs across the landscape. Ahead of that, it would benefit the project team to have a greater understanding of their structure and operational workings, and the context in which VSLAs will operate including gender dynamics. The planned PEA should help inform this.
2. The evidential basis for VSLAs should also be unpacked and appropriate indicators should be agreed to measure their efficacy.
3. A discussion is required on the details of each output's milestones and targets, but particularly output 3 – notably the end targets and whether they are still realistic and achievable.

Learning aims:
1. Information on Indicator 3.4 has been limited in quarterly reports to-date. As a potentially contentious issue, it would benefit the FMH project team to have a better understanding on the broader context surrounding this indicator, the sensitivities and ambition.

C. DETAILED OUTPUT SCORING

Output Title	*Developing sustainable finance mechanisms and demand-led economic opportunities.*		
Output number:	4	Output Score:	N/A
Impact weighting (%):	20	Weighting revised since last AR?	No

Indicator(s)	Milestone(s) for this review	Progress
4.1 Number of sustainable finance mechanisms developed for supporting PA management	NA [Milestones begin Yr3]	NA
4.2 At least one long-term financing pathway identified, and approach developed for each Protected Area.	NA [Milestones begin Yr3]	NA
4.3 Net profits of products and/or quantity traded with demand side market actors increased.	NA [Milestones begin Yr3]	NA

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

There were no planned activities for this output over the last year and as such the expectations have been met (see Figure 2).

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

There have been no changes to Output 4 over the last year. No specific changes are intended as a consequence of this review; however, a comprehensive review of the project's theory of change and Log Frame will occur at least once over the next year.

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

There were no lessons or recommendations from the previous annual review. As no work has yet started on this output there are no lessons learned from this year or recommendations for the year ahead.

C. DETAILED OUTPUT SCORING

Output Title		*Building and sharing knowledge for improved PA management with all targeted stakeholders.*	
Output number:	5	Output Score:	B
Impact weighting (%):	20	Weighting revised since last AR?	No

Indicator(s)	Milestone(s) for this review	Progress
5.1 Reviewed document summarising relevant policies and legislation including recommendations for updates and amendments	**Milestone 1:** All relevant policies and legislation identified within first year (Aug 22) **Milestone 2:** All relevant policies and legislation reviewed within second year (Aug 23)	Not Met. Initial scoping has started but the finalised dossier has not been finished.
5.2 The project will engage with the Madagascan government throughout the project. Government stakeholders will be included on the advisory panel.	**Milestone 1:** Bi-annual advisory board meetings held including Government officials from Yr1	Not met. Semi-regular meetings have been held between FMH staff and Government officials.
5.3 Evidence base for effective community management of Protected Areas in Madagascar shared with and made available wider practitioners and stakeholders outside the government	**Milestone 1:** Annual workshops to share knowledge with non-consortium members from Yr2	Met.

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

Headlines:
- This output scores a B. Some early steps have been taken to lay the groundwork with key stakeholders. However, as with other outputs, given the project has completed year 2, this is behind where we would have expected it to be.

Output 5 is focused on sharing programme learning with critical stakeholders, including local communities and the Madagascan government to inform and influence policies (including Madagascar's National Biodiversity Strategies and Action Plan) and approaches to conservation management. The bulk of the activities on this workstream have not yet begun. Outreach has been largely focused on awareness raising and building core relationships that will be essential to the project in the longer term. This means that it is not clear that the project is sufficiently aligned with the Government of Madagascar's priorities or that it is engaging effectively and cohering with the wider the donor landscape.

 Defra has commissioned a PEA, to be completed in early 2024, to test and ground the project's approach. We will also deepen our engagement with FCDO post in Madagascar and build stronger links with other development partners and key stakeholders. Finally, Defra aims to take a more coherent approach to all its ODA programme equities in Madagascar, with stronger coordination between programme teams and more senior oversight of operations. This should improve the quality of engagement and programming in Madagascar over time.

RBGK has been continuing their engagement with national government and has been finalising the external advisory board (EAB), although it has not yet met. Additionally, for Indicator 5.3, workshops were held to share best practice on firefighting, vanilla inventory techniques, patrolling and SMART techniques. Although these workshops have so far been primarily oriented at consortium partners, the intention is to broaden these to external stakeholders such as other NGOs and CSOs.

RBGK has finalised a communication plan from FMH which will guide communications with key stakeholder groups, including government and NGOs etc. RBGK can also leverage its excellent relations and networks with key stakeholders, developed through its long history of operating in Madagascar.

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

No specific changes are intended because of this review.

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

There were no recommendations from the previous AR in relation to this output.

This workstream is critical to the long-term sustainability of the BLF in Madagascar but is one of the hardest to do in practice, and progress has been limited. A clear workplan for sharing knowledge and engaging key government stakeholders is needed to ensure the evidence form the BLF can shape and inform wider policy making in Madagascar. The PEA will help to guide this. Defra and FCDO post can support this policy engagement, alongside the FM's Country Monitors and IndEv Hub Lead. The new landscape-level communication plan will also be a useful tool to accelerate this work.

Recommendations

1. By the end of 2023: FMH team to have begun their External Advisory Board (EAB), with a finalised set of participants and the inaugural meeting held.
2. As detailed above, commission a PEA analysis (to be completed by April 2024) is needed to identify challenges and pathways to support achievement of programme outcomes.

D: RISK

Overall, given the challenges faced in the last reporting year and the score of two consecutive Bs, we have increased the programme's risk rating to **'High'.** Given the programme has now scored two consecutive Bs in annual reviews, **there will need to be significant and rapid improvement in its delivery to justify its continuation beyond a third year**. For this reason, the programme is deemed to have exceeded the 'Cautious' appetite for the Delivery and Operational risk category. This has been raised to the BLF programme's Senior Responsible Owner and will be discussed at the Programme Board to make sure appropriate mitigation measures are in place.

Defra manages a project level risk register for the FMH project and reviews it monthly. This risk register feeds into a BLF portfolio-wide risk register, also reviewed monthly. Risk analysis is included in RGBK's quarterly reporting and discussed in delivery partner meetings. Going forward, managing existing and emerging risks will be the responsibility of both Defra and the FM.

As the first BLF landscape to become operational, and after two years as a standalone project, the main risks trends are around delivering in a challenging country context (less developed country, poor infrastructure),; operational risks, as FMH transitions to the BLF (affecting partnership management, roles and responsibilities, and absorbing significant amounts of management time over the past year, contributing to the delays); and fiduciary – the most significant risk - concerning continued underspend by the consortium given the slow pace of delivery.

Despite the RBGK consortium having decades of experience operating in Madagascar, it is a challenging country to deliver ODA programming, with practical constraints that make delivery difficult, particularly during the rainy season, and a complex and dynamic political economy. This has affected the pace of delivery.. We plan to mitigate some of this risk in 2024 through a thorough political economy analysis. . We will also work with partners to assess the realism of project plans given the operational constraints, to avoid optimism bias in what is an ambitious project. It is important that targets are both stretching and realistic.

Madagascar is also unique in the BLF in that there is no 'Landscape Coordinator' (locally-based Defra project staff based in the UK mission), due to space constraints on the UK embassy platformAdditional resourcing should be considered by Defra and FCDO post, as the programme develops, and engagement requirements increase. It will also be vital that the BLF partners work effectively with FCDO post.

Operational risks, particularly the transition of the project from Defra to the FM, have also had a considerable impact on the programme. These operational risks should be better managed in 2024 as the FMH programme becomes embedded into the BLF, with close management by the FM. This should improve the programme's ability to deliver over the coming year.

On fiduciary risk, as this review has set out, there has been a pattern of large underspends over the past two years, which partly reflects both the contextual and operational risks above affecting delivery pace. We will work with the FM and RGBK to set more realistic forecasts and unpack delivery issues which are slowing delivery against the workplan. We also expect clearer financial and narrative reporting from RGBK to allow for more accurate budgeting and forecasting.

Overall, the risk trend has gradually increased as the performance issues have continued. Additionally, new risks are emerging, notably political instability in the run-up to the general elections in November (Strategic and Contextual). This remains within the risk appetite of 'Open' but is being monitored closely. There are also potential coherence and VFM inefficiencies across Defra's portfolio of ODA programmes in Madagascar. Programme coherence and coordination should be strengthened to avoid duplication and ensure maximum impact (discussed above).

Finally, a recent Defra GESI audit highlighted the need to better integrate safeguarding and gender issues into the FMH project. A GESI review will be conducted in 2024 through the inception period in collaboration with Defra GESI experts (see Section C, Output 3, learning objective 1), with a particular focus on integrating the work of DWCT and CARE international into the wider programme, and ensuring sensitive implementation of work on sexual and reproductive health and rights (SRHR), and testing whether the evidence support this intervention.

Risk Category	Residual Risk Exposure
Strategic and Contextual	Open
Delivery and Operational	Cautious
Safeguarding	Cautious
Reputational	Cautious
Financial and Fiduciary	Cautious
Programme/Portfolio	Open

E: PROGRAMME MANAGEMENT: DELIVERY, COMMERCIAL & FINANCIAL PERFORMANCE

Due to the complex governance arrangements of FMH and the BLF, this section will be broken down by organisation.

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

RBGK is an arms-length-body (ALB) of Defra. The overall relationship with Defra's BLF team is good. Narrative reporting has generally been on time, although as identified above, improvements are needed in some areas. Quality and accuracy of financial reporting has been challenging, with over optimism in forecasts. This feedback has been regularly relayed to Defra's RBGK focal point to discuss with RBGK and we will continue to use this relationship to escalate issues. There has been one instance of late quarterly reporting, but this was primarily because consortium partners were late in sending their inputs to RBGK. There are no contract specific KPIs for RBGK as the LDP in the Grant Agreement. Kew reports progress to their own project board on a quarterly basis.

Representatives from Durrell Wildlife Conservation Trust (DWCT) are now in regular communication with Defra and an in-country Defra field trip held in July 2023 helped build relationships with the broader consortium. The FM and IE have not yet been introduced to the wider consortium.

BLF Fund Manager - PWC

PwC's role is to lead the management of the whole BLF programme. This entails coordinating delivery partners, meetings, reporting and adhering to deadlines. PwC and RGBK signed the Grant Agreement in July, 2023. The FM is engaging closely with RGBK as the project now transitions to the BLF. PWC's performance as the FM will be assessed in the BLF portfolio annual review and via KPIs directly with Defra.

PwC have sub-contracted BioTope to act as Country Monitors in Madagascar. Their intended role is to provide on-the-ground knowledge and support to RGBK. BioTope have not yet become fully operational and are still establishing their role and responsibilities within the project. These will need to be mapped across to the separate roles and responsibilities of NIRAS and the IndEv's Hub Lead.

Independent Evaluators - OPM & ITAD

A kick-off meeting between Defra and the IndEv was held in February 2023 to introduce the IndEv team to the FMH staff in Madagascar. Since then, the IndEv has held several meetings with the consortium and Defra to review the project's MEL approach. The IndEv has also employed a 'Hub Lead' who is based in Madagascar and will provide tailored support to Madagascar on MEL – e.g., reviewing the consortium's approach to creating impact across the landscape. The IndEv have provided an advisory role to FMH whilst developing the wider BLF portfolio MEL framework.

The IndEv and the FM have continued to refine and develop the MEL framework and are now looking to identify how and when the Madagascar landscape feeds into this and to what extent, taking into consideration of already established methods, processes, and approaches.

IndEv have met the contractual KPIs and we judge they have performed well with regards to the contractual situation with the Madagascar grant and misaligned timelines with the wider Fund.

Defra (Funder)

The Defra programme team has needed to play a more active role managing the FMH project than we had originally envisioned. This is due to the transition of the project into the BLF and the time it has taken to finalise the new grant agreements between the Fund Manager (PWC) and RBGK. Defra staff changes in late 2022/early 2023 affected continuity. This issue is now resolved with a full time UK-based Defra Landscape Lead in place. Since the FM has signed the Grant Agreement with RBGK, the Defra team intends to have a more strategic role, focused on increased engagement with

the Government of Madagascar, other development partners and other Defra teams with programmes operating in Madagascar to drive coherence, share lessons and evidence, and inform policy actions.

As noted earlier in the review, unlike other BLF landscapes there is no Defra country-based 'landscape coordinator' staff at post in Madagascar to help drive implementation on the ground and engage with key stakeholders. The UK-based Defra 'landscape lead' will therefore continue to have an active role in the project's delivery and engagement.

Towards the end of Yr3, Defra will collect feedback from project partners on Defra's role within FMH with the aim of improving our management of the project. To date, feedback has been generally positive, although there has been some frustration from delivery partners related to the integration of the project into the BLF portfolio. Defra recognises this has been a challenging process and that it has had an impact on quality and timeliness of delivery in the reporting period.

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

Baselining of outputs and outcomes was delayed and has just started. A VfM methodology is currently in development by the IndEv and a VfM analysis will be added to the baseline report in Q3 FY23/24. One of the recommendations from this review is for a full VFM strategy and metrics to be developed for this project, embedded within the BLF.

The FMH project level business case does not include a detailed VfM approach or metrics, but several qualitative examples of VfM can be identified. Despite a formal framework not yet being in place, the consortium is demonstrating a commitment to deliver good VfM. For example, delegating work amongst the consortium (economy – see Figure 2) utilising a predominantly Malagasy team (efficiency and effectiveness), embedding gender into the Log Frame (equity). A more comprehensive VfM analysis will be included in the Yr3 AR – alongside much more comprehensive MEL data showcasing progress against Outputs.

Date of last narrative financial report	28/04/2023	Date of last audited annual statement	NA