

**BIOCARBON
FUND
INITIATIVE
FOR
SUSTAINABLE
FOREST
LANDSCAPES**

CONTENTS

Boxes, Figures, and Tables	2
Abbreviations and Acronyms	3
Letter from the Fund Manager	5
Highlights from Fiscal Year 2020	6
Overall ISFL Progress to Date.....	7
1. Global Context	8
2. The ISFL Approach.....	10
2.1 Key Design Elements	11
2.2 Funding Instruments	13
2.3 Theory of Change	15
3. Thematic Pillars of the ISFL.....	16
3.1 Private Sector Engagement.....	18
3.2 Gender and Social Inclusion	22
3.3 Technical Capacity Building for Greenhouse Gas Accounting	25
3.4 Strengthening Program Design	27
4. Country Program Progress	28
4.1 Colombia	30
4.2 Ethiopia	38
4.3 Indonesia.....	44
4.4 Mexico	51
4.5 Zambia	56
5. Looking Ahead	62
Appendixes	64
Appendix A – ISFL Logframe	65
Appendix B – Financial Reports for Fiscal Year 2020	70

BOXES, FIGURES, AND TABLES

Boxes

Box 3.1: Strategizing at Multiple Levels for Private Sector Engagement	18
Box 3.2: Partnering with Nespresso to Drive Sustainability in Ethiopia's Coffee Value Chain	19
Box 3.3: Incentivizing Sustainability in the Private Sector Through Finance and Technology	20
Box 3.4: Developing the Sustainable Agricultural Banking Program	21
Box 3.5: Engaging with Stakeholders and Prioritizing Local Ownership	23
Box 3.6: Identifying Gaps in Gender Programming	23
Box 3.7: Benefit Sharing at Scale: Good Practices for Results-Based Land-Use Programs	24
Box 3.8: Bolstering the FAO's Geospatial Toolkit with Planet Satellites	25
Box 3.9: Revising Livestock Baselines to Incentivize Emission Reductions	26
Box 3.10: Partnering with SilvaCarbon	27
Box 4.1: Supporting Agribusiness in Orinoquia	32
Box 4.2: Colombia's Action Plan for Risk Mitigation	34
Box 4.3: Unlocking Nature-based Economies: How to Crack the Nut in Colombia	35
Box 4.4: Sustainable Cattle Ranching Pays Off for Colombian Farmers	35
Box 4.5: Physical, Not Social, Distancing in Ethiopia	40
Box 4.6: Revitalizing Ethiopia's Forests	41
Box 4.7: Validating the Oromia Forested Landscape Program	41
Box 4.8: Knowledge Sharing in the Age of COVID-19	47
Box 4.9: Getting the Incentives Right on Forest Protection	57
Box 4.10: Private Sector Engagement in Zambia's Eastern Province	58

Figures

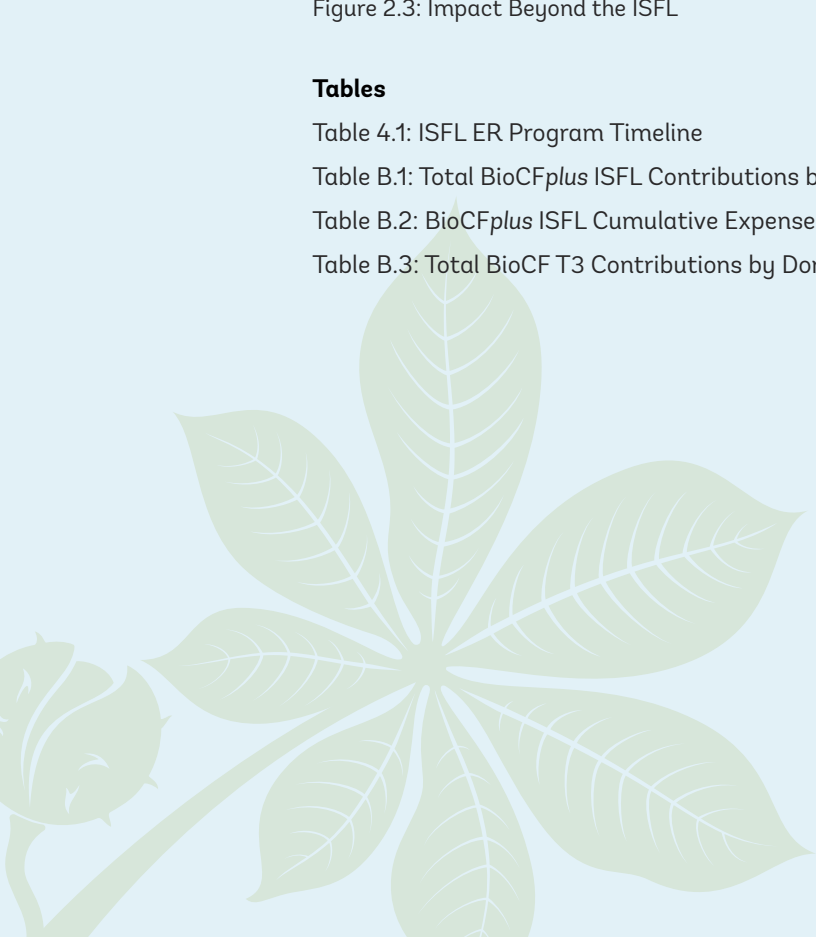
Figure 2.1: Key Design Elements for the ISFL	12
Figure 2.2: BioCFplus ISFL and T3 Funding Instruments	13
Figure 2.3: Impact Beyond the ISFL	14

Tables

Table 4.1: ISFL ER Program Timeline	29
Table B.1: Total BioCFplus ISFL Contributions by Donor	70
Table B.2: BioCFplus ISFL Cumulative Expenses	70
Table B.3: Total BioCF T3 Contributions by Donor	71

ABBREVIATIONS and ACRONYMS

AFOLU	agriculture, forestry, and other land uses	LOI	letter of intent
A/R	afforestation/reforestation	MRV	measurement, reporting, and verification
BAU	business-as-usual	NDC	nationally determined contribution
BioCF	BioCarbon Fund	OFLP	Oromia Forested Landscape Program
BSP/BSM	benefit-sharing plan/benefit-sharing mechanism	OSILP	Orinoquia Sustainable Integrated Landscape Program
COMACO	Community Markets for Conservation	PFM	participatory forest management
CONAFOR	National Forestry Commission (Mexico)	PIU	project implementation unit
COVID-19	coronavirus disease 2019	P4F	Partnerships for Forests
CRGE	Climate-Resilient Green Economy (Ethiopia)	REDD+	reducing emissions from deforestation and forest degradation, and fostering conservation, sustainable management of forests, and enhancement of carbon stocks
ER	emission reduction(s)	SEMARNAT	Secretariat of Environment and Natural Resources (Mexico)
ERPA	Emission Reductions Purchase Agreement	T3	Tranche 3
ERPD	Emission Reductions Program Document	tCO₂e	(metric) tons of carbon dioxide equivalent
FAO	Food and Agriculture Organization (UN)	TFA 2020	Tropical Forest Alliance 2020
FCPF	Forest Carbon Partnership Facility	TNC	The Nature Conservancy
FY	fiscal year	UN	United Nations
GHG	greenhouse gas	USAID	United States Agency for International Development
GRM	grievance redress mechanism	WWF	World Wildlife Fund
IBRD	International Bank for Reconstruction and Development (World Bank Group)	ZIFL-P	Zambia Integrated Forest Landscape Program
IDA	International Development Association (World Bank Group)		
IFC	International Finance Corporation (World Bank Group)		
ILI	integrated landscape initiative		
ISFL	Initiative for Sustainable Forest Landscapes		
J-SLMP	Jambi Sustainable Landscape Management Program		



Letter from the Fund Manager

Over the past year, the unfolding global health crisis precipitated by the novel coronavirus (COVID-19) pandemic has exposed the fragility of our economic substructures, underscoring the intricate links between human health, economic prosperity, and nature. Research has long shown that human encroachment into natural habitats, triggered by rapid population growth and urbanization, destabilizes the fragile buffer between people and diseases such as malaria, Ebola, and COVID-19. As we assess how best to address the social and economic fallout of the pandemic, it is essential that we incorporate sustainable practices into the recovery process.

For the global community to build back better, we must redefine how we use our land, embrace approaches that balance environmental and economic sustainability, and strengthen the resilience of vulnerable populations. This is a large-scale shift that demands large-scale action, actions that the World Bank BioCarbon Fund Initiative for Sustainable Forest Landscapes (BioCF ISFL) has been championing over the last few years.

Our jurisdiction-level programs are game changers. They are designed to work across expansive geographic areas and build broad-spectrum partnerships with governments, enterprises, civil society, Indigenous Peoples, and local communities to address the multifaceted challenges presented by deforestation and land-use change. Our integrated approach synchronizes multisector, multipartner interventions to achieve sustainable landscapes, climate-smart land use, and green supply chains.

Despite the travel restrictions and social distancing requirements brought on by COVID-19, the ISFL made substantial progress across all five country programs this fiscal year. Program activities are under way in Colombia, Ethiopia, Mexico, and Zambia, and the total amount of grants committed under the ISFL is now \$57.5 million. This amount is bolstered by an additional \$87 million in public and private sector cofinancing that will augment investment mobilization. Furthermore, by the end of 2020, Indonesia is expected to begin implementing its \$13.5 million ISFL program. Equipped with financing and technical training in greenhouse gas accounting, ISFL programs will generate millions of tons of emission reductions.

Our partners and contributors continue to be driving forces for change. Their collaboration with and commitment to the ISFL show that we can work together to fight global warming, protect landscapes, and improve the livelihoods of forest-dependent communities. As these unprecedented times continue to unfold, the ISFL is generating the momentum to support a resilient recovery that ensures a more sustainable and prosperous future for all.

Roy Parizat
ISFL Fund Manager
October 2020



Highlights from FY20

Country Progress

- **Colombia's Orinoquía Sustainable Integrated Landscape Program** made substantial progress mainstreaming environmental considerations into land-use planning and strengthening engagement with public and private sector partners.
- **Ethiopia's Oromia Forested Landscape Program** submitted its Emission Reductions Program Document (ERPD), which, once audited, will allow the government to enter negotiations with the Fund to sign an Emission Reductions Purchase Agreement (ERPA).
- **Indonesia's Jambi Sustainable Landscape Management Program** completed the preparatory work required to commence program implementation in the coming year.
- **Mexico's Strengthening Entrepreneurship in Productive Forest Landscapes Program** obtained a renewed commitment from the government to engage with the ISFL and continued coordinating interagency efforts to integrate investments toward more sustainable practices for forest ecosystems.



- **Zambia's Integrated Forest Landscape Program** conducted innovative analyses on district and local-level land tenure security to inform program planning for climate-smart agriculture, community forestry management, and wildlife management, and started developing its ERPD and benefit-sharing plan (BSP).



OVERALL ISFL PROGRESS TO DATE

62,820

people reached with benefits from ISFL programs



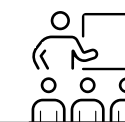
49,497

land users who have been trained on agricultural productivity



26,074

people trained in sustainable land-use practices



\$350M

in pledged contributions to ISFL and Tranche 3



\$16.7M

in grants disbursed to programs



\$87M

in financing leveraged from the private sector for ISFL programs



3

countries developed a feedback and grievance redress mechanism



3

partnerships with the private sector



9

partnerships with not-for-profit organizations



9

engagements with the private sector



23

engagements with not-for-profit organizations



4

ISFL implementation grants signed with program countries



1. Global Context

Life on Earth depends on healthy ecosystems. The world’s forest landscapes produce food for a growing population, regulate greenhouse gas (GHG) emissions, and reduce the impact of extreme climate events such as storms and heat waves. They also provide a vital source of energy. By protecting and providing critical infrastructure, forests safeguard our dwindling biodiversity hotspots and sustain some of the world’s most vulnerable communities.



Forests are threatened by pressures to convert land for multiple uses



Agricultural production



Energy extraction



Mining



Infrastructure development



Urban expansion

Despite their importance, forest ecosystems across a wide range of geographies are under threat. Converting large tracts of land for agricultural production, energy extraction, mining, infrastructure development, and urban expansion results in dire consequences for the global community. Deforestation, forest degradation, and land-use change are responsible for nearly a quarter of the world’s GHG emissions. Moreover, clearing forests leads to habitat loss and brings humans and wildlife into closer contact, which increases the risk of transmission of infectious diseases such as COVID-19, Ebola, and human immunodeficiency viruses (HIV) from animals to humans.

The Intergovernmental Panel on Climate Change (IPCC) warns that anthropogenic deforestation is destroying biodiversity at a staggering rate. Ecosystem loss poses a grave risk to economic productivity and global well-being, but climate-smart land-use approaches—applied across agriculture, forestry, and other land-use (AFOLU) sectors—offer innovative and effective solutions. To reduce global emissions by 45 percent by 2030, the panel asserts that large-scale and long-term shifts toward sustainable land management and agricultural practices must occur now.

The BioCarbon Fund Initiative for Sustainable Forest Landscapes (BioCF ISFL) pioneers jurisdiction-level programs that leverage the combined power of the public and private sectors, civil society organizations, Indigenous Peoples, and local communities to deliver broad, integrated impacts across space and time. Implemented by the World Bank and supported by multilateral donors since 2013, the ISFL is

Despite their importance, forest ecosystems across a wide range of geographies are under threat.

committed to creating sustainable landscapes by protecting natural forests, restoring degraded lands, and enhancing agricultural productivity. Its programs aim to cut GHG emissions, build green supply chains, improve livelihoods, conserve local environments, and inform international policy making.

As the world attempts to contain and recover from the COVID-19 pandemic and meet international climate goals, it is more important now than ever that those in government, industry, and civil society work together to conserve our planet and lay the foundations for a more resilient future. The ISFL is an integral component of this broader effort.

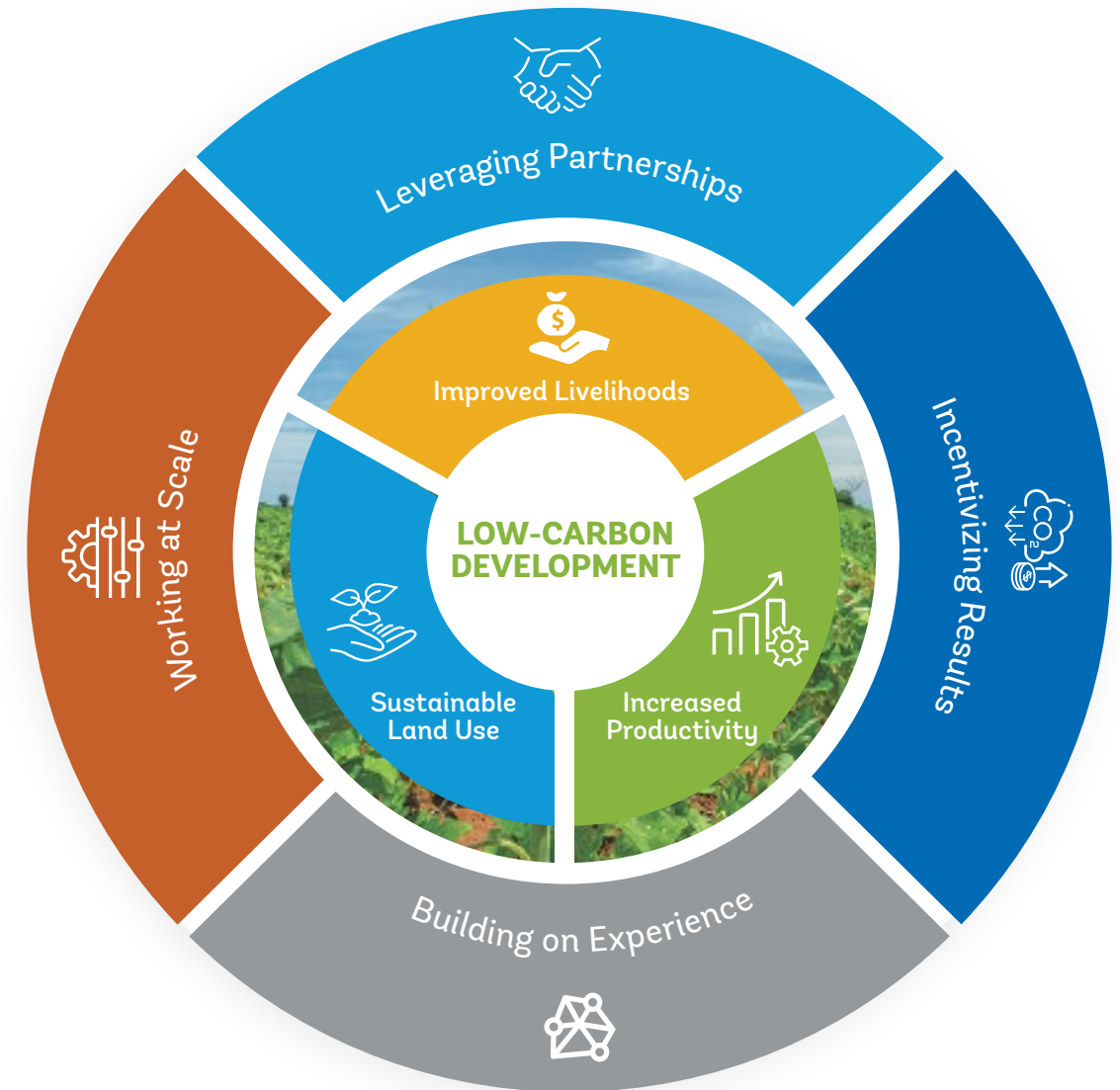


2. The ISFL Approach

The ISFL is a multilateral facility that promotes and rewards the reduction of GHG emissions and the sequestration of carbon through improved land management. The initiative employs REDD+ techniques, climate-smart agriculture, agroforestry and integrated land-use planning and policies.



ISFL programs serve as in-country, strategic engagement platforms that mobilize, coordinate, and scale funding from different sources. Synchronizing multisector and multipartner land-use interventions can help maximize the positive results of independent initiatives. This harmonized approach also broadens access to additional funding from both the public and private sectors to promote low-carbon development.



2.1 Key Design Elements

The ISFL aims to catalyze the development of a rural low-carbon economy in each of its program areas that will simultaneously result in livelihood opportunities for communities and an overall reduction in land-based emissions. Four design pillars guide the ISFL's overall objective to reduce GHG emissions while addressing poverty and protecting the environment (see Figure 2.1).

The ISFL's four design elements:

- Working at scale to integrate multisector considerations across jurisdictions
- Leveraging partnerships across the public and private sectors
- Incentivizing results through payments for verified emission reductions
- Building on experience from the BioCarbon Fund's previous work, REDD+ initiatives, and other relevant agriculture and forestry programs



The ISFL Approach *continued*

FIGURE 2.1: Key Design Elements for the ISFL



Working at Scale

Each ISFL program focuses on an entire jurisdiction (for example, a state, province, or region) within a country so it can engage with multiple sectors affecting land use and rapidly increase its impact over a relatively large area. The ISFL uses a landscape approach in each jurisdiction, which requires stakeholders to consider the trade-offs and synergies between different sectors that may compete for land use, such as forests, agriculture, energy, mining, and infrastructure. In doing so, solutions can be identified that serve multiple objectives.

The goal of the landscape approach is to implement a development strategy that achieves environmental, social, and economic impact at scale. To attain this goal, interventions need to be targeted to improve the enabling environment¹ for sustainable land use. Improvements in the enabling environment, such as participatory forest management or land-use planning, can transform how land is used and greatly benefit communities that reside within a jurisdiction.



Leveraging Partnerships

To reduce GHG emissions from land use across an entire jurisdiction while simultaneously creating livelihood opportunities, the ISFL partners with public and private sector actors. Public-private partnerships (PPPs) are essential to align objectives and mobilize capital to create sustainable and scalable models for improved land use in the long term.



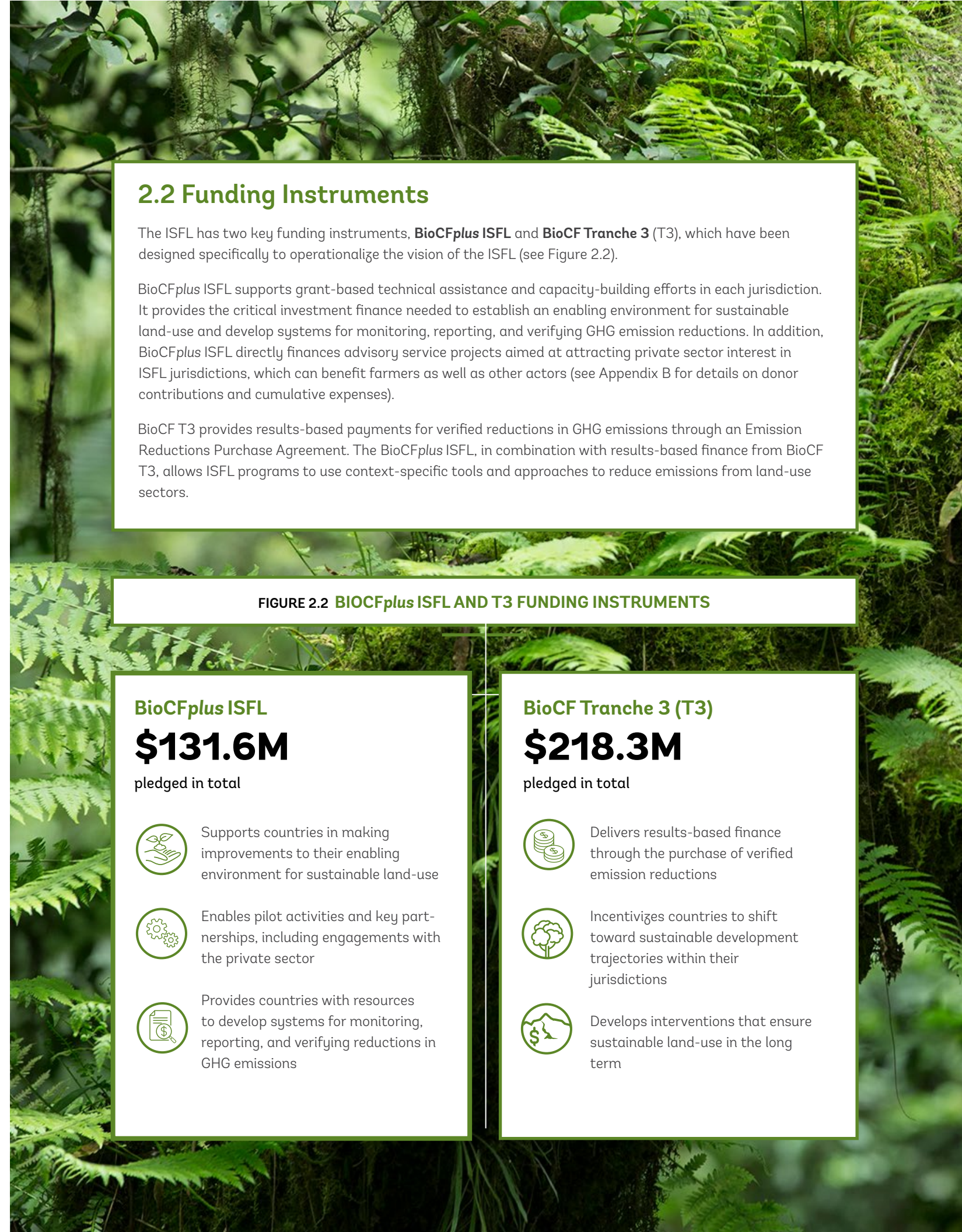
Incentivizing Results

By convening public and private actors to embark on collaborative endeavors and creating an enabling environment for sustainable development, countries can expect to generate positive results. To incentivize countries to reduce GHG emissions, the ISFL will provide significant results-based climate finance over a period of 10 years through the purchase of verified emission reductions.



Building on Experience

The ISFL can accelerate the maturation process for relatively small-scale pilot projects so that they can quickly start incentivizing sustainable land use at scale. To work at scale effectively, the ISFL builds upon the experiences and lessons learned from the BioCarbon Fund's initial land-use pilot projects, REDD+ initiatives, and other sustainable forest and land-use programs. This streamlined approach allows the ISFL to concentrate its efforts at the jurisdictional level, which can add value to existing platforms while avoiding redundancies.



2.2 Funding Instruments

The ISFL has two key funding instruments, **BioCFplus ISFL** and **BioCF Tranche 3 (T3)**, which have been designed specifically to operationalize the vision of the ISFL (see Figure 2.2).

BioCFplus ISFL supports grant-based technical assistance and capacity-building efforts in each jurisdiction. It provides the critical investment finance needed to establish an enabling environment for sustainable land-use and develop systems for monitoring, reporting, and verifying GHG emission reductions. In addition, BioCFplus ISFL directly finances advisory service projects aimed at attracting private sector interest in ISFL jurisdictions, which can benefit farmers as well as other actors (see Appendix B for details on donor contributions and cumulative expenses).

BioCF T3 provides results-based payments for verified reductions in GHG emissions through an Emission Reductions Purchase Agreement. The BioCFplus ISFL, in combination with results-based finance from BioCF T3, allows ISFL programs to use context-specific tools and approaches to reduce emissions from land-use sectors.

FIGURE 2.2 BIOCFplus ISFL AND T3 FUNDING INSTRUMENTS

BioCFplus ISFL

\$131.6M

pledged in total



Supports countries in making improvements to their enabling environment for sustainable land-use



Enables pilot activities and key partnerships, including engagements with the private sector



Provides countries with resources to develop systems for monitoring, reporting, and verifying reductions in GHG emissions

BioCF Tranche 3 (T3)

\$218.3M

pledged in total



Delivers results-based finance through the purchase of verified emission reductions



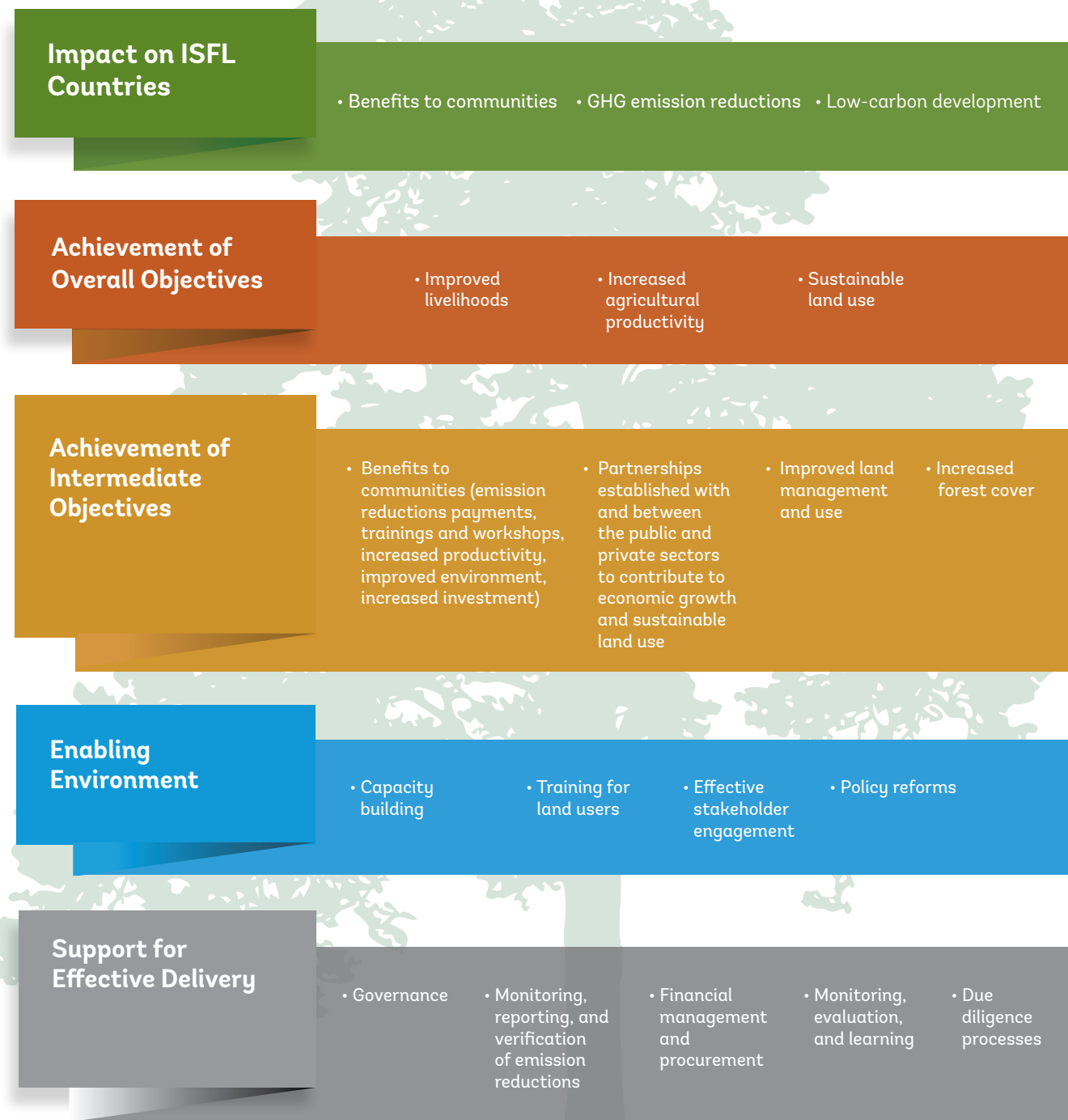
Incentivizes countries to shift toward sustainable development trajectories within their jurisdictions



Develops interventions that ensure sustainable land-use in the long term

¹The enabling environment refers to a set of interrelated conditions—including legal, organizational, fiscal, informational, political, and cultural factors—that affect the capacity of stakeholders to engage in development processes that are sustainable and effective.

FIGURE 2.3: Impact Beyond the ISFL



2.3 Theory of Change

The ISFL's theory of change presents the logic behind the initiative's interventions and describes how they can lead to targeted objectives. These interventions are derived directly from the ISFL's four key design elements (see Section 2.1). The objectives of these interventions are broken down into different operational and strategic elements to allow for monitoring and evaluation.

The ISFL aims to contribute beyond the direct reach of its programs to broader, global goals (see Figure 2.3), including the United Nations Sustainable

Development Goals (UN SDGs) and the Paris Agreement targets related to improved livelihoods, increased agricultural productivity, and sustainable land use.

The ISFL theory of change, along with the ISFL Logframe (see Appendix A), was developed and implemented in FY17 as part of the initiative's Monitoring, Evaluation, and Learning Framework. The framework was updated in FY19, and the logframe now includes targets for all programs that have entered the ISFL portfolio. To view the most recently updated version of the framework, please visit the ISFL website, www.biocarbonfund-isfl.org.



3. Thematic Pillars of the ISFL

This section focuses on the four key pillars of the ISFL—private sector engagement, gender and social inclusion, technical capacity building, and strengthening program design—and summarizes the progress made on these fronts over the past year.



The low-carbon future the ISFL envisions requires significant investment and innovation as well as a fundamental shift in how governments and the private sector make decisions and implement activities across landscapes.

Private Sector Engagement

Throughout the past year, the ISFL continued collaborating with the International Finance Corporation (IFC) and other national and global organizations to foster and enhance private sector partnerships. Following the development of private sector engagement strategies for Colombia, Ethiopia, Indonesia, and Zambia, the ISFL collaborated extensively with both internal and external stakeholders to design and iterate implementation plans. Each strategy is tailored to the specific context of each jurisdiction but is aimed toward the same objective: leveraging the private sector to promote sustainability. The private sector engagement strategies for Colombia, Indonesia, and Ethiopia are being implemented. The initial Zambia strategy will be reassessed in the coming year, and development of a Mexico strategy will move forward as the COVID-19 situation allows.

Gender and Social Inclusion

All ISFL programs are focused on ensuring social inclusion and directing benefits, including ER payments, to individuals and communities within program jurisdictions. The ISFL has worked hard to develop a robust approach to benefit sharing and has developed guidance notes to support each program. In line with this work, the ISFL facilitated a highly attended online event on benefit sharing in partnership with the World Wildlife Fund (WWF) and Conservation International (CI), and published a traditional report and a companion microsite to disseminate lessons learned and best practices with the broader sustainability community.

Technical Capacity Building

The ISFL has continued to support efforts by program countries to increase their capacity for GHG accounting through workshops, needs

assessments, and technical advising sessions. While implementing their grants and preparing their ER programs, in-country teams made substantial progress this year designing, implementing, and operationalizing their national MRV systems, which are critical to each program.

Strengthening Program Design

Program activities are under way in Colombia, Ethiopia, Mexico, and Zambia. Indonesia’s program design was finalized, and implementation activities will begin after its grant is signed. Most programs are now working on preparing their Emission Reductions Program Documents (ERPDs). Ethiopia completed the advanced draft of its ERPD, which is going through an independent assessment process before ERPA negotiations commence.



3.1 Private Sector Engagement

Private sector engagement is critical to achieving the ISFL's vision for integrated land-use planning. By putting the private sector at the heart of our pilot programs, the ISFL can help to catalyze the behavior changes essential to reducing environmental degradation and ensuring the wellbeing of local communities. The ISFL can initiate change and achieve impact only by adopting a holistic approach that integrates both public and private sector efforts to minimize emissions and save forested landscapes.

The ISFL has broadly defined the private sector to include not only large firms and enterprises but also other actors who are critical to ensuring sustainable land-use management, including individuals, small businesses, cooperatives, and other community enterprises and partnerships. The initiative strives to ensure that every program

considers the whole range of possible actors and prioritizes local ownership when scaling sustainable activities.

While all programs have private sector engagement built into the core of their operations, to date, three of the programs (Colombia, Ethiopia, and Indonesia) have additionally resourced private sector engagement strategies moving into implementation. These strategies provide extra momentum to the programs by promoting the adoption of sustainable practices by the private sector in critical industries.

ISFL programs aim to lower the barriers to adopting sustainable practices and improve access to greener solutions. In particular, the ISFL helps countries understand and promote private sector investment by identifying innovative entry points, increasing liquidity, and diminishing risks. There are a number of tactics that can be used to achieve these goals: advocate for new laws that prohibit unsustainable practices; incentivize sustainability

by amending land tenure policies; expand finance to support sustainable private sector investments; educate and promote new, climate-smart technologies to private sector actors; and encourage sustainable behaviors through industry partnerships.

The private sector plays an essential role in magnifying the positive effects of these tactics because it is uniquely positioned to mobilize

finance, resources, knowledge, and innovation in order to reduce emissions and prompt a transition to low-carbon, climate-resilient development. Ultimately, effective collaboration between partner countries and the private sector can help create replicable, scalable, and innovative governance and finance models that can enable sustainable investments, products, and services that benefit the environment, biodiversity, and people.

BOX 3.1

Strategizing at Multiple Levels for Private Sector Engagement

All ISFL programs are focused on developing and implementing private sector engagement strategies at cross-cutting levels of intervention. To simplify, these are interventions at the macro, meso, and micro levels:

- **Macro-level:** Interventions at the government level that improve the enabling environment and incentivize the private sector to adopt sustainable practices. In all ISFL program countries, the governments have adopted sustainable agriculture programs, which are essential to reducing emissions and land degradation.
- **Meso-level:** Interventions at the subsector level in the economy that encourage sustainable land-use practices. In Colombia, the ISFL will be working with livestock associations to promote intensification in the cattle sector, while in Indonesia, the initiative will be facilitating reform efforts in the palm oil sector to reduce environmental degradation.
- **Micro-level:** Interventions at the enterprise level that work with individual firms to sustainably adapt their operations and reduce their environmental impact. Once these approaches are proven, the ISFL will promote them across relevant sectors and encourage other firms to adopt them. In Ethiopia, the program has been working with Nespresso to help smallholder coffee farmers adopt more sustainable practices and strengthen links with their value chain partners. In Colombia, the ISFL has been working with firms in the livestock and dairy sectors on sustainable land use; the team is also planning on collaborating with firms in the cocoa and rice sectors.

BOX 3.2

Partnering with Nespresso to Drive Sustainability in Ethiopia's Coffee Value Chain

In 2013, Nespresso and TechnoServe partnered to pilot and subsequently implement the Nespresso AAA Sustainable Quality Program (AAA Program) in Ethiopia. The AAA Program is a unique green coffee sourcing approach that focuses on quality, sustainability, and productivity. It aims to secure a stable supply of high-quality coffee while simultaneously protecting the environment and improving the livelihoods of coffee farmers. In September 2016, the ISFL enabled the expansion of the AAA Program to Ethiopia's Oromia region through a \$3 million grant. The objectives of the grant were to improve quality and sustainability at 65 new wet mills and to boost the yields of 20,000 coffee farmers in Oromia by providing targeted training and technical assistance that would ultimately help increase household incomes and reduce deforestation.



Since its inception, the program has developed sustainable volumes of AAA coffee and built capacity for traceability by conducting annual audits and stakeholder engagement events and increasing the number of trained farmers. All 31 AAA wet mills from the 2018 cohort received sustainability training; 44 AAA wet mills in total received annual audits in November and December 2019. In addition, 217 wet mill owners and government officials from the West Guji zone participated in a one-day stakeholder meeting to review 2019 performance results.

The program also established direct and lasting relationships with AAA farmers to help enhance the quality, sustainability, and productivity of their farms. Enrolled farmers participated in AAA Academy, an intensive training program that covers sustainability standards, social responsibility, and gender sensitivity and teaches techniques like pruning, pest management, composting, and rejuvenation. Over 31,000 farmers ended up registering for and attending AAA training, exceeding the initial target of 20,000 farmers. To measure the impact of these trainings, an endline survey was conducted that demonstrated a substantial and statistically significant increase in the adoption of agronomy best practices.

Over the lifetime of the program, more than 380,000 indigenous shade tree seedlings were distributed to more than 14,000 AAA farms, and 97 percent of these seedlings were planted. The implementation of these activities increased not only coffee yields, farmers' incomes, and product quality, but also the resilience of this region to climate change.

Thematic Pillars of the ISFL continued

BOX 3.3

Incentivizing Sustainability in the Private Sector through Finance and Technology

The private sector is often eager to adopt sustainable practices. Smallholders see real value in adopting climate-smart agricultural techniques, and traders and cooperatives want to obtain certifications for sustainably produced agricultural products. However, the up-front costs of adopting sustainable practices or obtaining certifications can be significant, and economic rewards are often delayed. To overcome this financing gap, the ISFL is employing multiple approaches to mobilize capital.

- **Results-based payments.** Companies, investors, farmers, and other actors in the private sector who assume financial risk to implement emission reduction activities can receive monetary and/or nonmonetary benefits based on verified emission reduction results. These payments are governed by benefit-sharing plans (BSP).
- **Loans and loan guarantees.** Farmers as well as small and medium enterprises in low-income countries need access to finance and technical support to make the transition to sustainable farming and commodity production practices. Loan guarantee funds and liquidity financing from governments and multilateral development banks can help mitigate risk and expand financing to these sectors.
- **Capacity building for banks.** The ISFL is working to develop a Sustainable Agricultural Banking Program for financial institutions operating within its jurisdictions. The program will provide technical capacity building to these institutions at both the managerial level and the technical level to help expand lending to sustainable agricultural enterprises. The training will be delivered by a volunteer cadre of existing bankers who are proven experts in financing agriculture profitably.
- **Developing and piloting new technological services.** A major barrier to the private sector's adoption of sustainable practices is the initial cost required to monitor production and ensure effectiveness. While many firms have nominally committed to ensuring deforestation-free production, implementing these commitments can be difficult. This is especially the case in the agricultural sector, where value chains are weakly integrated and monitoring traceability from farm to fork is exceptionally challenging. The ISFL will support firms to develop and implement robust yet affordable traceability methods that utilize cutting-edge technologies.



BOX 3.4

Developing the Sustainable Agricultural Banking Program

Sustainable land use and climate-smart agriculture are essential to mitigate climate change and improve agricultural productivity. However, finance that allows agriculturalists to invest in sustainability is all too often inaccessible. Agricultural lending is recurrently constrained by banks that are unwilling to invest because they are generally risk averse and lack knowledge about the agriculture sector, especially when it comes to sustainable agricultural practices and technologies.

The Sustainable Agricultural Banking Program is a six-month training and product development program that is being developed and delivered by the ISFL to educate banks and other financial institutions on sustainable value chain finance. The program helps participating banks and other financial institutions implement agri-lending programs and ultimately launch new financing products that are directed towards agricultural clients adopting sustainable practices.

The program faculty is composed of highly experienced commercial bankers who have had proven, long-term success lending to agricultural sectors. The program will include behavioral training and many opportunities for peer-to-peer learning through group activities and continuous mentorship.

The goal of the ISFL is to pilot this training to banks operating within all five of our program jurisdictions and identify pathways to substantially expand finance to stakeholders in the agricultural sector. The ISFL will also partner with the Forest Carbon Partnership Facility (FCPF) to include opportunities for banks operating in FCPF program areas.



Thematic Pillars of the ISFL continued

3.2 Gender and Social Inclusion

To implement an effective landscape program, it is necessary to center its design around social inclusion, ensuring that all members of a community benefit.

The inclusion, representation, and participation of women in integrated land-use programs is critical both for advancing gender equality and for building more effective development and climate solutions. Women are foresters, farmers, caregivers, household providers, and keepers of priceless cultural and traditional knowledge surrounding forests and natural resources. Despite their important role in the preservation of forests and other natural resources, women often have limited land rights because of customary laws that prevent them from being formal title holders. In many countries, forests are nominally managed



by entire villages, but they are often controlled by small groups of men in reality. As a result, women's voices are frequently excluded from decision-making processes. Although many countries have passed legislation protecting women's land tenure rights, there is often a gap between policy and practice —many women are still unable to exercise control over their land and are excluded from decision-making bodies because of cultural barriers and other social factors.

Indigenous Peoples (IPs) and other forest-dwelling communities across the globe also experience uncertain land tenure and limited control over decision-making. In many countries, the land that these communities rely on is managed through informal, collective, and/or customary tenure arrangements, which means that their land is vulnerable to acquisition and seizure. Although Indigenous Peoples and forest-dependent populations manage large areas of forested land, they only have legal rights to a small portion of that total, as their collective rights have not been formalized.

The ISFL has been working closely with the FCPF to identify synergies for an integrated gender and social inclusion approach. As a first step, the initiative commissioned a review to understand how men, women, Indigenous Peoples, local communities, and civil society organizations are engaged in the planning, implementation, and monitoring phases of different programs. Understanding the complexities and challenges around social inclusion will help ensure that all these groups will have equitable access to the opportunities and benefits that arise from REDD+ and AFOLU programs. As ISFL programs continue implementation, the initiative will seek to understand existing gaps and work with both governments and in-country teams to help address barriers to effective stakeholder participation. Prioritizing the well-being of marginalized communities when designing programs will lead to interventions that are truly inclusive and beneficial to the most vulnerable people.

BOX 3.5

Engaging with Stakeholders and Prioritizing Local Ownership

ISFL task teams consult and engage with different stakeholders throughout each stage of the program's lifetime. To ensure that a broad range of voices are included, they rely on multistakeholder coordination platforms to bring together government agencies, private sector representatives, and civil society organizations. In some countries, these platforms have been established at the regional or district level to ensure a higher-level engagement with local stakeholders.

At the local level, throughout ISFL program jurisdictions, communities are informed about program progress, social safeguards, and decision-making processes. Recently, however, the COVID-19 pandemic has impacted the pace and scope of these consultations, since restrictions on travel and social distancing requirements have been mandated. Where it is feasible, consultations continue through online platforms. For instance, in Colombia, the government virtually disseminated information related to the program. In Ethiopia, over 3,000 grievance redress committees were established and nearly 37,000 community members were consulted on safeguards management online.

BOX 3.6

Identifying Gaps in Gender Programming

Gender gap analyses are used to understand the main constraints and challenges for women's access to and engagement in forest use and management. They have been used by the ISFL, FCPF, and other programs to assess the needs, capacities, and interests of historically excluded populations when preparing and implementing benefit-sharing plans in target countries. These analyses will also inform ISFL private sector strategies to ensure that gender-differentiated roles and gaps are considered and addressed when supporting selected value chains. Furthermore, ISFL country programs address these gaps when developing ERPDs and investment plans.

- The Ethiopia program will enhance women's participation in climate-smart coffee production and their role in marketing efforts for energy efficient stoves by strengthening their capacity and technical skills.
- The Colombia program will develop training modules on sustainable and low-carbon practices that are specifically geared to empower women and consider the social dynamics of gender-differentiated roles.
- The Zambia program will ensure that women are targeted by extension services and farmer field schools.
- The Mexico program will establish a specific funding window to support women in the development of timber and non-timber forest products.

Thematic Pillars of the ISFL continued

BOX 3.7

Benefit Sharing at Scale: Good Practices for Results-Based Land-Use Programs

The success of benefit-sharing endeavors depends heavily on context, especially on a jurisdiction's land tenure regime, legal and institutional frameworks, history of land-use change, and political agenda. Furthermore, a program's objectives and sources of finance can influence how effectiveness, equity, and efficiency can be improved. Bearing these considerations in mind, programs like the ISFL can develop conservation agreements and inclusive BSPs that can reform land tenure arrangements and offer direct incentives for conservation through effective, negotiated benefit packages. To share lessons learned and best practices with other initiatives, the ISFL held an online webinar on benefit sharing this year with several different organizations, institutions, and individuals. The recording is available in the ISFL website's knowledge center.



To summarize these lessons, the following considerations should underpin the scaling up of benefit-sharing activities: inclusive benefits, robust institutional arrangements, stakeholder participation, and adaptive management.

- **Inclusive benefits:** Beneficiaries should be identified in a participatory manner, with clear criteria for eligibility, differentiation, and conditionalities. Each program should consider potential barriers to participation as well as the timing of benefit disbursement. Generally, benefit sharing is more effective when the community agrees to collaboratively develop rules for resource use, enforce them, and penalize those who violate them. Programs should also ensure that benefits are shared equitably to avoid elite capture.
- **Robust institutional arrangements:** A clear legal framework should be established that capitalizes on existing institutions, maintains financial transparency, and streamlines transaction costs. This framework can then facilitate strong institutional, financial, and governance arrangements. A crucial enabling condition for good governance is political support and will. Adaptability and strong local participation in project delivery are other indispensable qualities for a robust program design.
- **Stakeholder participation:** Stakeholder analysis is vital to understanding stakeholders' needs and interests, their capacities and rights, and their intergroup relations. Continuous consultations can inform program efforts better than one-off engagements and lead to more effective resource allocation. A program's commitment to strengthening grievance and redress mechanisms and making them more accessible can also augment community buy-in, as can public information disclosure and knowledge sharing.
- **Adaptive management:** Monitoring and evaluation is important not only for measuring reductions in emissions and deforestation but also for monitoring changes in socioeconomic status and other demographic information. Learning about how program activities can affect different populations can inform future efforts and initiatives and enable adaptive management.

3.3 Technical Capacity Building for Greenhouse Gas Accounting

Much of the ISFL's work this year has focused on building technical capacity for GHG accounting. Forest monitoring systems and their associated MRV systems are necessary to track both the implementation and the performance of many ISFL interventions, including REDD+ activities. MRV systems are a critical element of results-based programs because they help determine the results, in this case the volume of ERs, that trigger payments to the implementing countries.

During this fiscal year, the ISFL worked with program countries to increase their technical capacity via workshops, needs assessments,

and advisory sessions. This involved supporting countries in the design, implementation, and even operationalization of their national MRV systems. The training sessions enabled countries to accurately estimate GHG emission reductions and develop the "measurement" and "reporting" aspects of their MRV systems. Plans for MRV work have been shared with stakeholders and contributors and are being implemented with the support of the ISFL and its partners, including the United Nations Food and Agriculture Organization (FAO), SilvaCarbon, and the FCPF.

In addition, this year, the ISFL organized a workshop on estimating forest area using high-resolution satellite imagery, which involved participation by representatives from Mexico, Colombia, and Indonesia's MRV teams. The

BOX 3.8

Bolstering the FAO's Geospatial Toolkit with Planet Satellites

A revised version of the FAO's System for Earth Observation Data Access, Processing, and Analysis for Land Monitoring (SEPAL) has been developed, enabling advanced forest monitoring and providing users access to high-resolution data, updated daily by a fleet of more than 190 satellites. These satellites are maintained by Planet Labs, an integrated aerospace and data analytics company. The platform offers unparalleled access to satellite data as well as supercomputing power. It paves the way for increasing the accuracy and transparency of countries' reporting on climate change mitigation efforts and provides the tools for governments to effectively fine-tune land-use policies and their implementation.



Harnessing the power of cloud computing, the FAO's geospatial platform enables access to and processing of critical historical satellite data as well as newer data from Landsat and Europe's Copernicus program. The platform has now reached more than 3,000 active users from 160 countries and allows them to produce mosaic-style renderings of land cover, forest disturbances, fires, and pest infestations, as well as dynamic flood maps and maps tracking peatland conservation and restoration.

The new platform equips forest managers with the means to address degradation on a continual basis by providing access to daily monitoring data in eight countries—Chile, Costa Rica, Colombia, the Democratic Republic of the Congo, Ghana, Indonesia, Mexico, and Mozambique. These countries are front-runners to unlock results-based finance for carbon emission reductions through the FCPF and the ISFL. Having access to more accurate and consistent information on forest area and forest cover density will help these pilot countries meet the reporting requirements that are necessary to receive results-based payments for REDD+ activities. What is more, better access to precise and timely data will enable countries to combat deforestation more effectively and meet national and international climate targets.

Thematic Pillars of the ISFL continued

workshop aimed to deliver customized technical training on sample-based area estimation and disseminate newly acquired Planet Labs satellite data. The Planet Labs satellite data initiative is a collaborative effort between the FAO's System for Earth Observation Data Access, Processing, and Analysis for Land Monitoring (SEPAL) project, which is funded by Norway's International Climate and Forest Initiative, and the World Bank to provide select countries with high-quality satellite imagery at an unprecedented temporal resolution. This initiative will help these countries improve the delivery of their respective ER programs.

In FY20, the World Bank continued implementing the MRV Support Program, which helps countries operationalize their forest and land-use MRV systems and enables them to report on the mitigation outcomes of jurisdictional land-use programs. This program supports both country-specific activities and global ones. For instance, in collaboration with the FAO and the Global Forests Observations Initiative (GFOI), the World Bank is developing a knowledge management portal that will provide countries with resources such

as training videos and manuals, case studies, guidance on uncertainty analysis and nesting, as well as standard operating procedures.

The ISFL has also been working to advance the "verification" aspect of MRV work by developing standards for ER verification. A draft version of the standardized validation and verification requirements was published in FY20 and will be adopted and disseminated during FY21. These requirements are being implemented as part of the ongoing validation process in the Ethiopia program.

Finally, along with the FCPF, the ISFL helped create a centralized ER transaction registry to be housed at the World Bank. This registry is an online database that issues, records, transfers, and tracks carbon units that are financed through results-based climate funds, while preventing double accounting and double payments. This transaction registry, the Carbon Assets Tracking System (CATS), is now live. Throughout FY21, the ISFL team will implement a dissemination and capacity building plan for the registry.

BOX 3.9**Revising Livestock Baselines to Incentivize Emission Reductions**

Livestock is a key economic sector that is expected to grow in several ISFL program jurisdictions. This growth may lead to increases in emissions that would be difficult to mitigate if only efficiency improvement measures were used. If there were an upward trend in these emissions, the use of average historical emissions as the baseline would not accurately represent the business-as-usual scenario; as a result, it would not be possible to quantify mitigation outcomes resulting from interventions that seek to improve production efficiency in the livestock sector. Therefore, ISFL programs would be discouraged from implementing GHG mitigation measures in the livestock sector.

To resolve this issue, the ISFL has been working with leading experts to develop a revised accounting framework that quantifies emission reductions in the livestock sector. This methodology relies on an emission intensity approach, which means that reductions in emissions per unit of output (for example, dairy or meat) can be quantified to determine the overall emission reductions generated. This methodology was developed based on actual data from program jurisdictions and will be presented to ISFL contributors in early FY21.

BOX 3.10**Partnering with SilvaCarbon**

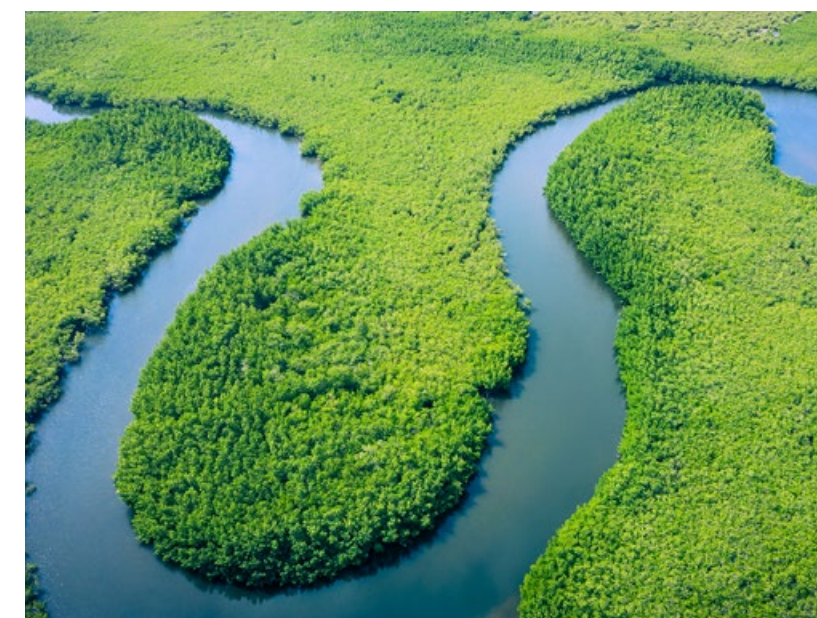
As an interagency technical cooperative under the U.S. government, SilvaCarbon seeks to enhance the capacity of tropical countries to measure, monitor, and report on GHG emissions from land use. SilvaCarbon has been an indispensable partner in helping ISFL countries build their technical capacity for MRV. For example, in Zambia, SilvaCarbon is funding the U.S. Forest Service (USFS) so it can coordinate with the Zambian Forestry Department, the FAO, the World Bank, and the Zambia Integrated Forest Landscape Program (ZIFL-P) to identify emissions drivers, establish baselines, and collect activity data. In Indonesia, SilvaCarbon has been working with the government to define a work plan to strengthen the country's capacity to operationalize their MRV system.

3.4 Strengthening Program Design

The ISFL continually seeks to incorporate new strategies and methodologies into its programs so they can deliver more robust interventions. One additional activity undertaken by the ISFL this year to strengthen program design was the commissioning of a scoping study on integrated landscape initiatives (ILIs). This scoping exercise will provide an overview of integrated landscape initiatives in different geographies, analyzing program performance at varying spatial and temporal scales to identify global best practices that can guide future program design and implementation. This analysis will provide essential information to enhance our understanding of how integrated landscape programs work and how they can be improved; the study will consider different approaches to program design, success factors, and implementation challenges, and center around eight broad, interdependent criteria that can be used to evaluate ILIs. These criteria are boundary setting, economic focus, environmental focus, sectoral focus, multistakeholder engagement, financing strategies, land tenure, and monitoring, evaluation, and learning.

The study will also identify the building blocks of a holistic framework for integrated land-use approaches that can be applied in ISFL

jurisdictions. Studying the building blocks of multiple ILIs should assist the ISFL and other program managers and organizations in building consensus on fundamental guiding principles, common challenges, and best practices. Ultimately, this report will help develop a framework for an effective ILI strategy that integrates natural resource conservation, improvements to livelihoods, and cross-sectoral synergies. The report, which will be disseminated broadly by the end of the year, will include a supplementary section that shares lessons learned from projects that are already implementing integrated land-use approaches.



Country Program Progress continued



4.1 Colombia

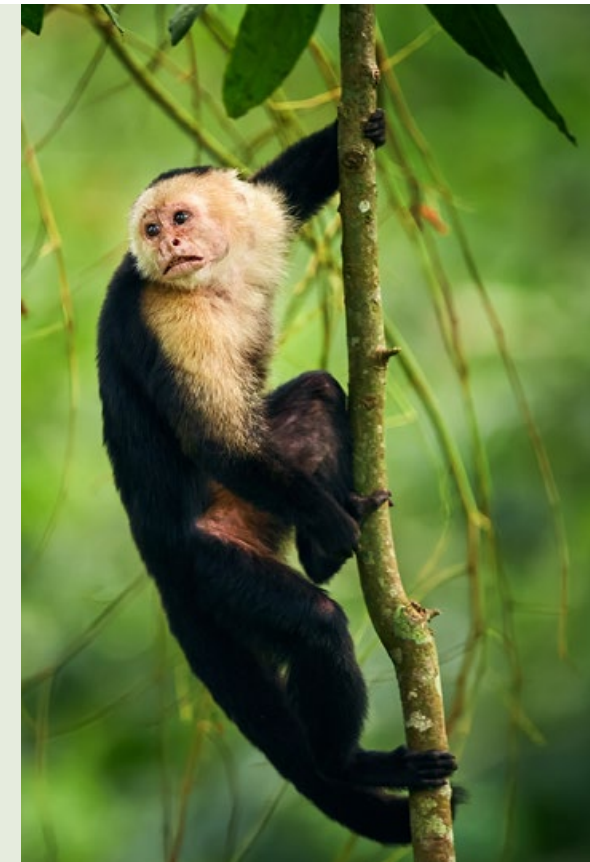
Overview

The Orinoquía Sustainable Integrated Landscape Program (OSILP) aims to help farmers and agribusinesses in Colombia’s Orinoquía region sustainably manage their land, increase agricultural production, and realize the region’s potential to become a food basket for the country and the world.

The Orinoquía region is one of the last agricultural frontiers on the planet and home to almost a million and a half people. Developing the region’s potential is vital for the livelihoods of local farmers and for the country’s growth and development. However, deforestation in the region obstructs

efforts to improve both the economy and the environment. The destruction of forested areas not only exacerbates climate change but also narrows the habitable area available to incredibly biodiverse populations of mammals and birds. In fact, large-scale draining and land-use conversion lead not only to greater loss of critical flora and fauna in these ecosystems but also to higher levels of methane emissions.

The OSILP provides technical assistance to address drivers of land-use change in the Orinoquía and catalyze sustainable development across the region. The program works to promote better land-use planning, integrate sustainable land-use policies, enforce pertinent laws and regulations, and build capacity. The OSILP is also supporting the preparation of an ER program that enables the country to access results-based finance for



up to 10 million tons of carbon dioxide equivalents (tCO₂e) of emissions reduced.

The OSILP has four components: (1) supporting capacity building for the implementation of integrated land-use planning and improved governance for deforestation control; (2) supporting sustainable land-use management by generating information, skills, and incentives to reduce GHG emissions from land-use changes in the AFOLU sector; (3) providing technical assistance for the preparation of an ER program for results-based payments and the development of Colombia’s capacity for robust reporting, accounting, and verification of AFOLU emissions and removals; and (4) financing project coordination, management, and monitoring and evaluation activities.



KEY ACHIEVEMENTS IN FY20

1. Advancements have been made to develop a land title verification process and produce guidelines for mainstreaming environmental considerations into areas of interest for rural, economic, and social development.
2. The Colombia task team completed and shared new data and knowledge products on deforestation in the Orinoquía region, including a study on opportunities for low-carbon agricultural growth.
3. The team further developed private sector partnerships in the livestock, rice, palm oil, and cocoa sectors as well as in the agroforestry sector, focused on non-timber forest products.



Colombia continued

Colombia's ISFL Program Progress in FY20

Colombia is in the process of developing a strategy for deforestation control that will be informed by a national forest inventory, which will enable the application of region-specific intervention models. The ISFL program will identify drivers of deforestation, analyze data on forest management and forest economy, and provide recommendations for corrective actions. The resulting report will provide vital information on illegal activities to relevant ministries and agencies within the national government. Since deforestation is correlated with illegal activities, such as illicit crop production and land grabbing, ensuring legitimate and secure access to land is essential. Currently, the OSILP team is advancing a land title verification process

and producing guidelines for mainstreaming environmental considerations into projects, regional sustainable development corporations, and rural agricultural planning units.

The private sector plays an essential role in achieving the OSILP's goal of reducing emissions from deforestation that are linked to the production of key commodities, such as livestock, cacao, and palm oil. The focus of the program's private sector engagement strategy will be on these critical subsectors. Interventions may include supporting high-yield agroforestry models, adding value to the cocoa sector through improved market access, expanding cacao production, promoting sustainable palm oil production, and mainstreaming sustainable practices and investments for livestock.

BOX 4.1

Supporting Agribusiness in Orinoquía



The ISFL is currently supporting International Finance Corporation (IFC) programs in the Orinoquía region that work with agribusiness companies to develop sustainable production systems in the beef, cocoa, rice, and forestry sectors. This work supports the development of climate-smart land use and green supply chains while securing sustainable livelihoods and reducing GHG emissions.

IFC works with firms and businesses to increase private agricultural investment in the Orinoquía region. With ISFL support, so far, IFC has partnered with Climate Focus and Ganso to advise the livestock sector, develop management plans for ranchers, and pilot cattle intensification techniques. Along with individual cocoa companies, IFC will provide advice and technical assistance to the broader cocoa sector so it can achieve increases in average productivity and sales. This should help improve the livelihoods of farmers and their families while simultaneously enlarging the area of sustainably managed land. IFC will also advise Fedearroz, the national rice federation, and continue to explore opportunities within the forestry sector.

The ISFL private sector engagement strategy will complement IFC-led interventions at the firm level by providing broader sectoral support. Initiative-level activities will focus on generating knowledge products, promoting dialogue on policy, and strengthening program capacity to capitalize off synergies from private-public investments in climate-smart agriculture. In parallel, the ISFL will develop responsible agricultural sourcing and quality requirements. Targeted subsectors include agroforestry systems, palm oil, and cattle ranching.

The private sector plays an essential role in achieving the OSILP's goal of reducing emissions from deforestation that are linked to the production of key commodities, such as livestock, cacao, and palm oil.



Colombia continued

Looking forward, the OSILP team will continue to propagate financial and nonfinancial incentives for sustainable land use and strengthen links with ongoing initiatives. To optimize synergies with different public and private sector actors, the team will work on aligning agendas with their respective partners, establishing common priorities, and identifying opportunities for complementary work.

The Impact of COVID-19 on Program Activities

Because of the public health crisis generated by COVID-19, the country decreed, by presidential order, a nationwide mandatory quarantine in March

2020. Domestic travel restrictions have prevented the project implementation unit (PIU) from hosting and facilitating in-person meetings and workshops scheduled before the lockdown. These have been postponed indefinitely. Nevertheless, the program has continued to make progress, with procurement processes moving forward and virtual stakeholder engagement meetings being held. It is expected that within the following months, domestic travel will be allowed and most of the restrictive measures will be loosened so program activities will be able to be implemented as planned.

BOX 4.2

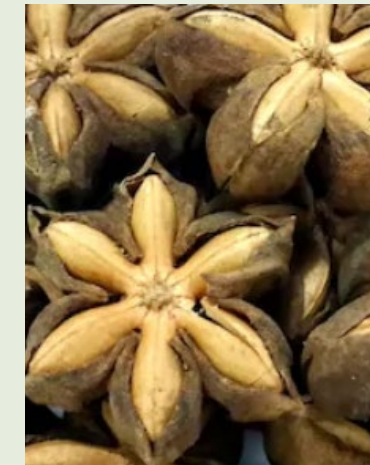
Colombia's Action Plan for Risk Mitigation

Colombia has been highly impacted by the novel coronavirus pandemic, experiencing more than 468,000 cases and 15,000 deaths as of August 2020. After locking down the country to curtail the contagion, the government relaxed restrictions so that the regional PIU could travel and continue collecting data, engaging with stakeholders, and coordinating with their municipal counterparts. PIU members were granted special permits allowing them to travel under the condition that they follow mandatory health and safety protocols. The task team developed the following action plan to mitigate the impacts of the lockdown on the program timeline:

- Using virtual meetings has allowed a larger number of stakeholders to be engaged in the process and facilitated communication with entities in territories that are typically difficult to access. The project coordinated with partners virtually to formulate terms of reference for all procurement processes.
- In January 2020, the project began working closely with new municipal and national authorities. The team supported the development of new local and regional development plans and ensured that environmental and low-carbon criteria would be considered. Although some attention and resources were diverted from the development plans to COVID-19 emergency response, the PIU ensured that there was a constant commitment to the inclusion of sustainable development guidelines. The PIU also worked on establishing strategic alliances with other programs operating in overlapping territories and exploring ways to cofinance the implementation of development plans with public partners.
- A new risk assessment was completed for the project that identifies the COVID-19 health emergency as a large risk to the project. To mitigate potential setbacks, adaptive management approaches are being developed so the project can adjust their activities as the situation evolves. For instance, biosecurity protocols that protect the health of team members, beneficiaries, and participants could be implemented. Other interventions that could be implemented remotely are currently being identified so program activities can continue on virtual platforms. Adaptive management will be key as the project leverages different tools to reach its objectives during the pandemic.

BOX 4.3

Unlocking Nature-based Economies: How to Crack the Nut in Colombia



Sacha inchi, known as the Inca or mountain peanut, is a superfood native to Colombia that provides a variety of health benefits. Its seed production is opening up sustainable and legal income streams for rural farming communities that were once dependent on illicit coca cultivation for their livelihoods. It is also helping to restore degraded land and reduce emissions from deforestation. With greater consumer consciousness and growing demand for environmentally sustainable products, more and more farmers are eager to leverage the bioeconomy in Colombia to improve their livelihoods.

However, unstable access to consumer markets, limited technical assistance, and cumbersome regulations all hinder the transition to sustainable biodiversity-based businesses. To address these challenges, Colombia's ISFL program will support bio-producers and ease trade barriers by addressing cross-cutting issues, such as policy design and landscape-based certification, and helping to deliver results-based payments to reward farmers, businesses, and other stakeholders for reducing carbon emissions. By promoting sustainable agriculture, Colombia's Orinoquía region can unlock a productive, nature-based economy based on its rich biodiversity and emerging ecosystem service sector.

BOX 4.4

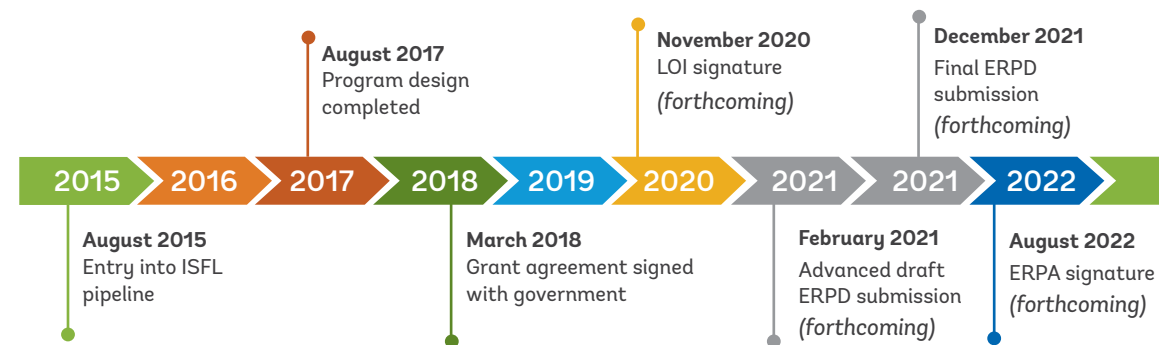
Sustainable Cattle Ranching Pays Off for Colombian Farmers

In Colombia, the expansion of the livestock and agricultural industries is accelerating deforestation and compounding carbon emissions from land conversion. To counteract these trends, the Colombia Mainstreaming Sustainable Cattle Ranching (CMSCR) project is teaching farmers silvopastoral methods that build more resilient socio-ecological systems. Participating farmers construct living fences, rotate livestock grazing schedules, and cultivate shade trees and nutritious forage plants. By integrating these sustainable practices and developing a circular waste model, this program is generating multiple benefits that include healthier cattle, more nutrient-rich soils, and fewer greenhouse gas emissions. Colombia's ISFL program will help replicate these activities across the Orinoquía region to promote sustainable agricultural production and reduce emissions from the land-use sector at scale.



Colombia continued

Program Timeline



Program Profile

Jurisdiction	Orinoquía region, Colombia
Size of jurisdiction	25 million hectares
Population in jurisdiction	1.37 million
Accounting area	To be determined
Implementing agency	Ministry of Agriculture and Rural Development
ISFL funding	
	\$20 million in grant financing through the government
	\$17 million to assist private sector adoption of sustainability
	Potential payments for up to 10 million tons of ERs
Cofinancing	
	\$5.93 million in Global Environment Facility financing



High-Level Context

Drivers of land-use change



Land-use change from agricultural cultivation is the main driver of deforestation and ecosystem degradation in the Orinoquía region and has been over the past three decades.

Much of the Orinoquía region constitutes undeveloped “frontier” territory, owing in part to land tenure insecurity and a lack of adequate infrastructure.

The main causes of land-use change are encroachment from grazing cattle, a lack of land-use planning and incentives for sustainable practices, and illicit activities, such as the clearing of forests for the planting of coca.

The plantation area of palm oil has increased the most, compared with other plantation types and agricultural commodities.

Key commodities and sectors



Palm oil, rubber, maize, soybean, forage grasses, cocoa, and rice

Livestock (meat and dairy production)

Policy interactions and green growth strategies



The government of Colombia has developed a long-term policy on green growth to reach sustainable development (CONPES 3934 of 2018). Under this policy framework, the National Planning Department conducted the Green Growth Mission between 2014 and 2018, which prepared and discussed technical inputs to inform green growth policy. Under the mission, diagnostic and prospective studies were carried out to identify policy options that incorporate a green growth approach into the country’s development planning and to promote economic competitiveness, conservation, climate-friendly growth, and greater social inclusion.

The OSILP contributes to the implementation of the Regional Climate Change Plan for the Orinoquía region in Meta, Casanare, Vichada, and Arauca.

Nationally Determined Contribution (NDC) commitments



The government of Colombia has committed to reducing GHG emissions by 20 percent against the business-as-usual (BAU) level. If supported with international finance, it plans to reduce emissions by 30 percent by 2030.

To fulfill its NDC, the government has formulated a climate change policy and set an institutional framework to address climate change adaptation and mitigation through the National Climate Change System (SISCLIMA).

Results

# of partnerships established with the private sector	2: Alquería and Hacienda San José
# of partnerships established with not-for-profit organizations	7: TNC, TFA 2020, GIZ-TONINA Program, USAID, WWF, FCPF, P4F
# of engagements established with the private sector	6: Livestock, rice, palm oil, cocoa, commercial plantations, and cacay producers’ federations
# of engagements established with not-for-profit organizations	18
# coordination platforms supported	6
Environmental and Social Management Framework completed	Yes
Feedback and Grievance Redress Mechanism completed	Yes

Country Program Progress continued



KEY ACHIEVEMENTS IN FY20

1. A national and regional-level MRV system for tracking changes in forest cover and associated GHG emissions was established.
2. The draft Emissions Reduction Program Document (ERPD) was presented to the ISFL and is currently being assessed.
3. Over 230,000 community members were consulted to ensure effective program implementation and over 3,000 grievance redress committees were established.



4.2 Ethiopia

Overview

The Oromia Forested Landscape Program (OFLP) seeks to reduce deforestation by improving forest and livestock management throughout the region in order to lower net GHG emissions resulting from land use. The Ethiopian state of Oromia is a critical landscape because it is home to about 52 percent of the country's forests and more than 30 million people. Increasing pressures on Ethiopia's land and natural resource base, driven primarily by small-scale land conversions for agricultural expansion, have been accelerating deforestation in the region. Wood extraction for firewood and charcoal represents the largest source of degradation.

The OFLP is supported by a five-year \$18 million grant that will be followed by results-based payments for verified emission reductions. Grant-supported activities include investment in participatory forest management and reforestation in targeted deforestation hotspots. The program also invests in statewide and local enhancements to social safeguards, forest monitoring, and cross-sector coordination.

The OFLP has three components: (1) enabling investment, which includes support for subbasin land-use planning, investment, and extension

services, and also support for participatory forest management (PFM) and afforestation/ reforestation (A/R) activities in deforestation hotspots; (2) enhancing the enabling environment by financing complementary activities to increase the effectiveness and positive impact of institutions, policies, marketing, benefit sharing, strategic communication, MRV, and safeguards management at the state and local levels; and (3) deliver ER payments once results have been achieved, verified by a third party, and formally reported to the World Bank.

Ethiopia's ISFL Program Progress in FY20

In Oromia, the government PIU performed a series of analyses on emerging economies, markets, and policies to inform forestry and land-use reform efforts, including an assessment of the legal and policy framework governing rights to forest tenure and communal land certification, and an analysis of value chains for natural resource-based enterprises

and non-timber forest products. In addition, opportunities to leverage renewable energy and harmonize PFM policies are being explored. This year, the team has continued coordinating with private and public sector partners, including Nespresso, TechnoServe, and IFC, on the AAA green coffee sourcing program and with Solidaridad, a nonprofit working on making the dairy supply chain more sustainable. Ongoing research will identify other potential engagement opportunities in the coffee and dairy sectors in Oromia.

This year, a national and regional-level MRV system for tracking changes in forest cover and associated GHG emissions was established, and a final benefit-sharing plan for the program was endorsed by the OFLP steering committee and incorporated into the Oromia ERPD. The World Bank team has implemented safeguards management procedures and has made progress by instituting grievance redress committees, recruiting new coordinators, building state-level capacity, and consulting local communities.



Ethiopia continued

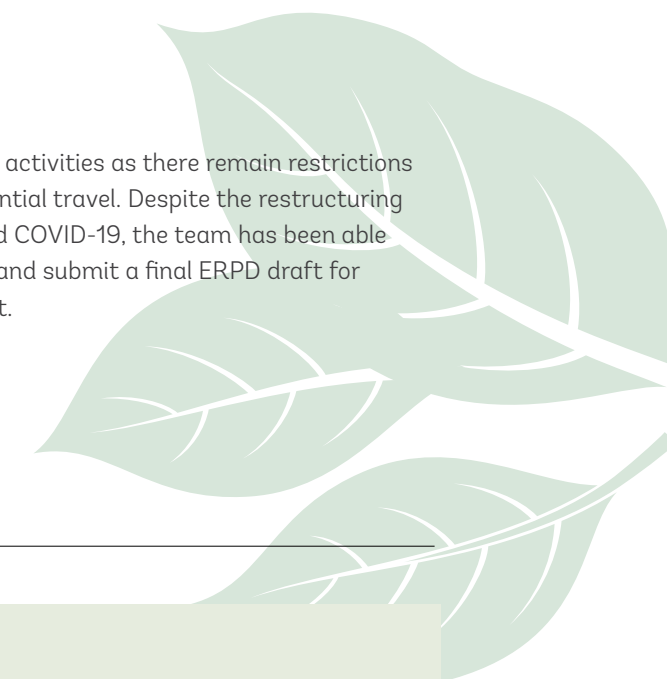
After the midterm review mission, the Ethiopian task team restructured its program by increasing forest investment in zones and “woreda” districts peripheral to originally identified zones in order to avoid civil disturbances and political instability. On the ground, about 3,600 hectares of trees have been planted and over 26,000 hectares of forest have been covered by forest management plans.

The Impact of COVID-19 on Program Activities

While some program activities have been impacted by the coronavirus pandemic, overall, most activities have continued on schedule, including those related to A/R. Even though PFM activities have experienced delays owing to external security

problems, 60,000 out of 86,000 hectares have been demarcated for a forest management plan and communities will be able to obtain licenses once the demarcation process has been completed. Delays have occurred related to ERPD verification because the international consultants hired have been unable to visit the project site. The team is currently looking for local consultants to conduct

verification activities as there remain restrictions on nonessential travel. Despite the restructuring process and COVID-19, the team has been able to develop and submit a final ERPD draft for assessment.

**BOX 4.5**

Physical, Not Social, Distancing in Ethiopia

Strong social bonds characterize everyday life in Ethiopia; a coffee ceremony in a rural household would be attended by every neighbor, and market days bring the entire village together, as do daily religious ceremonies. The Oromia Forested Landscape Program has been relying on these community bonds to implement afforestation/reforestation and participatory forest management A/R and PFM practices in deforestation hotspot areas. Typically, the task team mobilizes community members by conducting community consultations and working with A/R and PFM community groups.

The unprecedented COVID-19 pandemic threatened to change the community’s social dynamics, reduce the strength of individuals’ social capital, and hinder progress on development endeavors. In the past, community consultations were attended by over 50 people. Now, national health emergency regulations only allow four people to gather. This requirement is affecting the team’s ability to conduct consultations and implement program activities, including site clearance, pit preparation, nursery management, and seedling plantation, which are all undertaken by community groups.

However, the OFLP has devised several techniques to sustain ongoing development efforts without compromising the safety of communities. These include (1) conducting house-to-house consultations involving community-led, one-on-one interactions instead of public consultations; (2) raising awareness of safety measures and supplying sanitary materials, and organizing working shifts for nursery employees to reduce the density of people gathered; (3) strictly enforcing social distancing measures when implementing on-the-ground activities (that is, forest and land demarcation, planting, mapping, and other related activities); and (4) promoting remote work protocols and social distancing in the office to ensure the safety of the project team.

By adopting these measures, the project will not only maintain but also fuel the momentum of project activities undertaken by community groups. Because the community has dedicated time and resources to rehabilitate deforested landscapes and protect existing forests within and near their villages, reforestation efforts will achieve substantial conservation impacts. Despite the challenges posed by COVID-19, the project has been able to implement A/R and PFM activities successfully and is on track to reach its targets for the current year; round 3,600 hectares have been planted and over 26,000 hectares of forest have been covered by forest management plans, which is approximately 50 percent of the end target. As one community member, Mrs. Betulla, says: “My husband and I have decided to contribute a quarter of a hectare of our farmland to A/R activities in which I am actively engaged with my neighbors. I know it would not give me an immediate return, but it definitely brings a better future for our children.”

BOX 4.6

Revitalizing Ethiopia’s Forests

Ethiopia’s ISFL program provides technical and logistical support for critical afforestation/reforestation (A/R) activities in the country’s disappearing montane forests. In these landscapes, the impacts of deforestation are likely to stretch far beyond the borders of particular project sites because these ecosystems not only support the livelihoods of marginalized and vulnerable communities, but they also trap considerable reserves of carbon and influence rainfall distribution in the region. Local community members in the Oromia region are committed to nurturing seedlings to maturity. A/R sites are fenced to prevent animal and human interference and community bylaws exist to penalize trespassing. These replanting efforts have regenerated large tracts of old-growth and indigenous forests and have contributed substantially to Ethiopia’s ambitious national “green legacy” initiative.

BOX 4.7

Validating the Oromia Forested Landscape Program

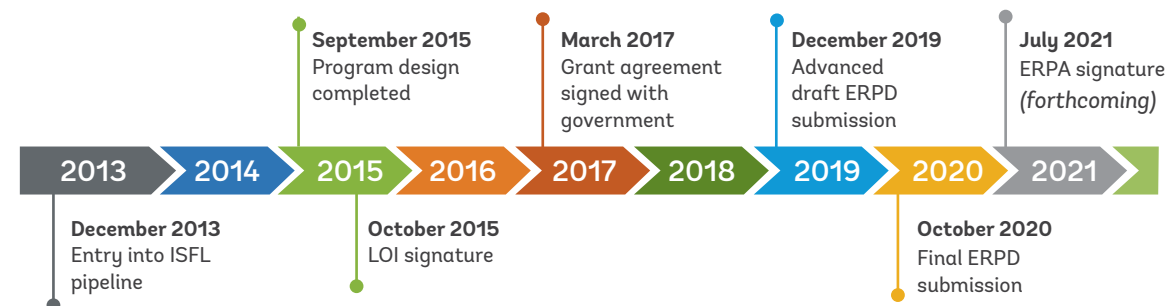
In December 2018, the ISFL began the process of validating ERPDs, which document the volume of emission reductions generated by the ER programs operating in Colombia, Ethiopia, Indonesia, Mexico, and Zambia. In June 2019, the firm SCS Global Services, an independent third-party validation and verification body (VVB), was selected to support the ISFL in defining a validation approach and to later validate ER programs.

The approach that was developed includes the assessment of relevant social, technical, methodological, and legal issues to ensure that the information provided in the ERPDs is correct and complete; the confirmation of compliance with approved ER program requirements and associated guidelines; the application of expert judgement to evaluate the feasibility of program design aspects; and the identification of areas of improvement to inform the World Bank and ISFL’s review of ER programs. Building on the approach developed by SCS, the ISFL developed a document that defines the requirements for auditors to conduct validation and verification under the ISFL.

SCS has begun to implement the approach with the validation of the ISFL OFLP in Ethiopia. The assessment of this program began in May 2020 and continues today. The audit includes a desk review of program documents along with several online meetings, interviews, and a country visit. The final validation report and validation statement for the Ethiopia program will be released in late January 2021.

Ethiopia continued

Program Timeline



Program Profile

Jurisdiction	Oromia region, Ethiopia
Size of jurisdiction	32 million hectares
Population in jurisdiction	More than 30 million
Accounting area	Entire forested landscape in Oromia, including livestock and agriculture areas
Implementing agency	Oromia Environment, Forest, and Climate Change Authority and regional bureaus
ISFL funding	\$18 million in grant financing Potential payments for up to 10 million tons of ERs \$7 million to assist private sector adoption of sustainability
Cofinancing	\$3 million loan from IFC for investment services in the coffee sector



High-Level Context

Drivers of deforestation



Small-scale conversions for agricultural expansion; subsistence agriculture is the main economic activity in Oromia.

Inefficient livestock production, resulting from limited access to livestock feed and fodder.

Extraction of fuelwood for charcoal—firewood is the primary source of energy for 94 percent of Ethiopia’s population and the most important forest product consumed in Ethiopia. Most firewood is produced from natural forests, including woodlands and shrublands, and current firewood demand is estimated to significantly exceed the sustainable yield potential of remaining forest area.

Indirect drivers include inadequate development and implementation of land-use plans, weak cross-sectoral policy and investment coordination, population growth in and migration to forested areas, and road expansion.

Key commodities and sectors



Coffee, spices, and honey.

Livestock and dairy.

Subsistence agriculture, based on cultivation of diverse crops such as barley, wheat, beans, potatoes, and cabbage in highlands, and bananas, maize, and teff grains in the highlands and the lowlands.

Policy interactions and green growth strategies



Ethiopia’s development agenda is governed by two key strategies: The Second Growth and Transformation Plan (GTP-2) and the Climate-Resilient Green Economy (CRGE). Both strategies prioritize attainment of middle-income status by 2025. Through the CRGE strategy, Ethiopia plans on achieving this by supporting low-carbon, resilient green growth.

The CRGE strategy reports that agriculture and forestry “contribute around 45 and 25 percent, respectively, to projected greenhouse gas (GHG) emission levels by 2030 under business-as-usual assumptions, and together account for around 80 percent of the total abatement potential.”

NDC commitments



Ethiopia intends to reduce its net GHG emissions from 400 million tCO₂e to 145 million tCO₂e or less by 2030. This would constitute a 64 percent (255 million tCO₂e) reduction from the BAU 2030 scenario.

Results

# of land users who have received training	26,074 (in addition to 31,427 through Nespresso)
# of partnerships established with the private sector	1: Nespresso
# of partnerships established with not-for-profit organizations	2: TechnoServe, Solidaridad
# of engagements established with the private sector	1: Pilot program for forest-based businesses in Oromia
# of engagements established with not-for-profit organizations	4: Farm Africa, SOS Sahel, Ethio Wetlands and Natural Resources Association, and the Japan International Cooperation Agency
# coordination platforms supported	5: Regional Steering Committee, REDD+ Technical Working Group, and the three cluster-level coordination platforms (South-East, Central, and West Oromia)
Environmental and Social Management Framework completed	Yes
Strategic Environmental and Social Assessment completed	Yes
Feedback and Grievance Redress Mechanism completed	Yes

Country Program Progress continued



4.3 Indonesia

Overview

Jambi, one of Indonesia's most forested provinces, is incredibly biodiverse, but the region has experienced significant land-use and forest cover change in recent years, largely due to agricultural development. Both large concessionaires and smallholder producers of commodities such as palm oil, pulpwood, rubber, and coffee transform massive plots of undisturbed land into crop production sites. Deforestation and forest degradation are also exacerbated by weak governance related to land-use conversion and natural resource extraction. Moreover, frequent forest and peat fires release high volumes of carbon dioxide into the atmosphere.

The eastern peatlands and the western highlands of Jambi contain significant carbon stocks and high potential for sequestration. Indonesia, therefore, is an essential landscape for the ISFL and a key player in efforts to address drivers of deforestation and promote sustainable livelihoods for Jambi's farmers. Last year, the task team finalized the design of the Jambi Sustainable Landscape Management Project (J-SLMP), which

KEY ACHIEVEMENTS IN FY20

1. The Indonesia task team finalized program design for Jambi so implementation can begin by end of 2020, following grant signature.
2. The team updated land cover maps, analyzed drivers and trends in forest and land cover change, and completed a key category analysis for emission sources.
3. During the preinvestment phase, the team identified commodity sectors that they will prioritize. These include *jelutong*, *kepayang*, palm oil, coffee, and rubber.

aims to increase forest area, improve sustainable land management, and reduce land-based GHG emissions in the region.

Emission Reductions Program Design

Project Components

The J-SLMP has three components: (1) strengthening policies and institutions to improve cross-sectoral coordination and action addressing drivers of emissions in Jambi and to support an enabling environment for an ER program; (2) integrating forest and land management in Jambi, particularly through sustainable forest management, agricultural intensification and diversification, conservation and restoration, and value chain sustainability; and (3) supporting national and provincial-level project coordination and management, including monitoring, evaluating, and reporting.

The J-SLMP will continue to work with the government of Indonesia (GOI) to strengthen policies and institutions to enhance effective land management regulation and enforcement, with a focus on harmonizing policies and governance approaches across sectors. These interventions will address current gaps in management capacity and equip stakeholders and institutions to operate a jurisdiction-wide ER program. The project will support community-based participatory land mapping and the development of conflict resolution mechanisms where boundaries are contested. The J-SLMP also seeks to conserve and enhance biodiversity in high-value conservation areas by supporting a multistakeholder approach to managing and monitoring ecosystems. The project will collaborate with the Natural Resource Conservation Agency (BKSDA) and national parks within its jurisdiction, provide conflict resolution support, establish community agreements to institute zero-burn policies, and build capacity for forest management to conserve Sumatran elephants and tigers.

\$13.5M

will go towards the design of the Jambi Sustainable Landscape Management Project (J-SLMP) in the form of an investment grant in 2020 in order to improve sustainable landscape management, which subsequently will result in reduced land-based GHG emissions in Jambi.



Indonesia continued**Program Coordination**

Because the J-SLMP involves a comprehensive landscape approach to reducing emissions, mitigating the adverse effects of climate change, and improving livelihoods, the team has opted for a multisectoral implementation arrangement. The Ministry of Environment and Forestry is the lead implementing agency; the Ministry of Agriculture is the main authority for agricultural development; and the National Development Planning Agency is a key coordinating player that can capitalize on the synergies between the forest and agriculture sectors, as well as between different levels of government. Collectively, these agencies will be responsible for providing guidance, supervising implementation, and ensuring that the project is aligned with the national policy framework.

The joint secretariat, which is a multistakeholder forum for the planning and implementation of REDD+ programs at the provincial level, closely supported the project during its preparatory phase and continues to support program implementation. The J-SLMP is being implemented through a coordinated effort led by the Regional Development Planning Agency and supported by the Forestry Service, the Environmental Service, and the Estate Plantation Service. Further opportunities to build partnerships with existing projects that are jointly implemented by communities, nongovernmental organizations, government institutions, and the private sector are being explored.

Private Sector Engagement

The J-SLMP will focus on building private sector partnerships for improved forest and land management by targeting smallholder farmers and related private sector actors. The goal is to promote intensification of existing plantation crops to reduce encroachment into forest lands while also restoring forest and peatland ecosystems and supporting diversification so that alternative crops can be introduced in degraded areas. The program has engaged with the Tropical Forest Alliance (TFA) and is collaborating with SilvaCarbon to build technical capacity and identify opportunities

to incorporate non-forest categories into its ER program.

The project will also work to improve fire management in Jambi, focusing on hotspot areas to support more effective prevention and control. Early detection, fire suppression, emergency response, and rewetting of previously drained peat areas are all approaches that can be used to support this goal. The project will also expand upon the “green villages” concept, a designation some private sector companies use for villages that meet certain criteria for sustainable land management. Incentives provided to green villages help them strengthen fire prevention activities. The J-SLMP will support the replication and expansion of green villages in Jambi by standardizing criteria, identifying eligible incentives (such as training and investments for peatland management), and matching funding with private sector companies so that additional green villages can be piloted.

Specifically, the program’s private sector engagement strategy will finance (1) smallholder replanting by structuring a risk-taking financial instrument to reduce credit risk exposure for commercial banks and providing technical assistance to support land certifications and capacity building for replanting; (2) the creation of a pooled fund to enable the adoption of best practices for sustainable land management by various stakeholders in Jambi, and to provide support for high-impact ER activities in areas with high risk for encroachment, burning, or peatland drainage; and (3) the operationalization of ecosystem restoration and conservation regulations to incentivize private sector investments in areas with high risk for increased GHG emissions.

Indonesia’s ISFL Program Progress in FY20

The ISFL program in Jambi is in the process of being finalized, with implementation expected to start by the end of 2020. During the past year, significant progress has been made to ensure that

the enabling conditions for project activities are in place. For example, the task team in Indonesia performed a rigorous key category analysis to guide program design and identify where emissions are expected to come from. To inform the program design process, the team conducted meetings on safeguards and risk management with relevant stakeholders, who helped select an effective grant management and administration model. The team also established a working group charged with identifying capacity-building needs and developing a road map of activities to inform collaboration between the private sector and the government on jointly generating ER benefits from the land-use sector. The task team is currently developing a results framework for biodiversity, livelihoods, and reforestation indicators as pre-investment activities and budgets are being prepared in Jambi. In December 2020, the advanced ERPA draft will be submitted for a completeness and quality check and will form the basis for the ERPA that will pay Indonesia for emission reductions generated within the program jurisdiction.

The Impact of COVID-19 on Program Activities

Protecting the country’s environment and natural resources as well as the livelihoods of dependent local communities during the COVID-19 pandemic has been a major challenge faced by the Indonesian government, as it gears up for a pending economic recession. The task team expects that pressure

on land-use conversion and deforestation could significantly increase. Unemployment due to large-scale social restrictions affected two million people in April 2020, a trend that may continue during and after the pandemic.

The government now has various policies, programs, and mechanisms in place that may mitigate the overall impacts of the pandemic on the environment and on the Indonesian people. The ISFL project in Jambi aims to enhance and strengthen several of these interventions, such as supporting alternative livelihoods for communities and smallholders, increasing the productivity and income they receive from degraded or developed land, improving sustainable land use and management locally, and enforcing moratoria on palm oil expansion and natural forest conversion. The project aims to support communities as they absorb the economic impacts of the COVID-19 pandemic and to encourage a sustainable approach that ideally limits the need for land-use conversion. In addition, the World Bank and the government of Indonesia are exploring and developing adjustments to current project engagements to further mitigate the potential impacts of the pandemic. Both actors are exploring potential enhancements to community-based activities that could provide alternative livelihoods and support the conservation of the environment and natural resources, such as dedicated activities to support community business development.

BOX 4.8**Knowledge Sharing in the Age of COVID-19**

The COVID-19 pandemic significantly transformed communication and coordination processes between stakeholders involved in the Indonesian ISFL program, including negotiation processes with the World Bank. Fortunately, the FCPF, a similar climate-focused program that commenced implementation earlier, operates in the East Kalimantan region and has already developed approaches to continue engagement with stakeholders and beneficiaries during the global health crisis. This program is sharing best practices on how to conduct virtual meetings so that processes for making decisions and clarifying technical issues proceed as smoothly as possible. Furthermore, the Jambi program is able to learn from the East Kalimantan program on how to conduct the benefit-sharing plan consultation processes virtually through conference calls, emails, and other social media facilities. The program will also adopt the FCPF’s guidelines for gaining free, prior, and informed consent (FPIC) virtually.

Indonesia continued

Program Timeline



Program Profile

Jurisdiction	Jambi province, Indonesia
Size of jurisdiction	5 million hectares
Population in jurisdiction	3.5 million
Accounting area	To be determined
Implementing agency	Ministry of Environment and Forestry
ISFL funding	\$1.5 million technical assistance grant \$13.5 million implementation grant (to be confirmed) \$4 million to assist private sector adoption of sustainability Potential payments for ERs to be determined



High-Level Context

Drivers of deforestation and decomposition of peat



Approximately two-thirds of Indonesia's annual GHG emissions come from land-use change related to agriculture, forestry, and other land uses.

Peatlands in Indonesia cover a total area of 13.8 million hectares, which are estimated to store between 37 and 65 percent of the global carbon pool for tropical peat.

Drivers of deforestation and peatland decomposition include logging and establishing plantations, primarily for palm oil and pulpwood, mainly from acacia.

Key commodities and sectors



Fisheries, palm oil, livestock, and rubber.

Pulpwood (plantation-grown acacia and eucalyptus) planted in natural forest areas.

Robusta and Arabica coffee (a smallholder crop); demand for coffee is continuing to grow domestically and internationally.

Other important commodities: rice, vegetables, fruit, coconut, cinnamon, soybean, areca nut, and cacao.

Policy interactions and green growth strategies



National REDD+ Strategy (2012) that aims to ensure forests will be a net carbon sink by 2030.

National Action Plan to Reduce GHG Emissions (2011), an umbrella plan to reduce emissions in accordance with Indonesia's Nationally Determined Contribution.

One Map Initiative, an effort to establish a public, consistently geo-referenced national inventory of all land parcels. It aims to clarify forest boundaries across the country, thereby allowing ER programs to be successfully designed and implemented.

Establishment of the Peatland Restoration Agency in 2016, tasked with the restoration of 2.1 million hectares of peatland. A peatland moratorium and palm oil moratorium were enacted in 2016.

Provincial-level REDD+ programs and decentralization efforts in alignment with Indonesia's REDD+ readiness process. Provincial governments are responsible for managing most of the forest estate (Law No. 23 passed in 2014).

NDC commitments



The government of Indonesia has pledged to reduce GHG emissions by 41 percent by 2030 with international assistance (by 26 percent using its own resources). To reach this reduction against a BAU scenario by 2030, Indonesia will need to decrease emissions by 1.08 million tons of GHGs, with the forestry sector expected to account for 60 percent of this target.

Results

ISFL grant signed with government	Yes
# stakeholders consulted on ISFL programs following World Bank safeguard policies	139
# workshops held to prepare the ISFL program	30+
Project Concept Note completed	Yes

Country Program Progress continued

4.4 Mexico

Overview

Mexico's Strengthening Entrepreneurship in Productive Forest Landscapes Project seeks to strengthen sustainable forest management while also increasing economic opportunities for forest-dependent people and enterprises in selected landscapes across the country. The ISFL is focusing on a jurisdiction that comprises of the four northern states of Mexico: Nuevo León, Coahuila, Chihuahua, and Durango. In addition to financing from the ISFL, the International Bank for Reconstruction and Development (IBRD) provides project funding to additional states.

The \$10 million ISFL grant aims to foster the productivity of Mexico's forest sector. Smart jurisdiction-level management recognizes the role that landscapes play in biodiversity conservation and forest production and supports the creation of sustainable income opportunities for rural populations. The grant also seeks to increase the business capacity of forest-dependent people and enterprises, promote collaboration between public and private actors in rural areas, and strengthen the role of women in governance. The grant supports the preparation of necessary tools and systems that enable the government of Mexico to access results-based financing, which can amount to \$50 million in ER payments.

The ISFL program in Mexico has two components: (1) strengthening forest management, conservation, and business development by financing demand-driven incentive programs in the forest sector that aim to support local communities, forest-dependent people, and other landholders; and (2) developing institutions and facilitating support to help prepare an ER program. IBRD loan proceeds will finance the first component and ISFL grant proceeds will finance the second.

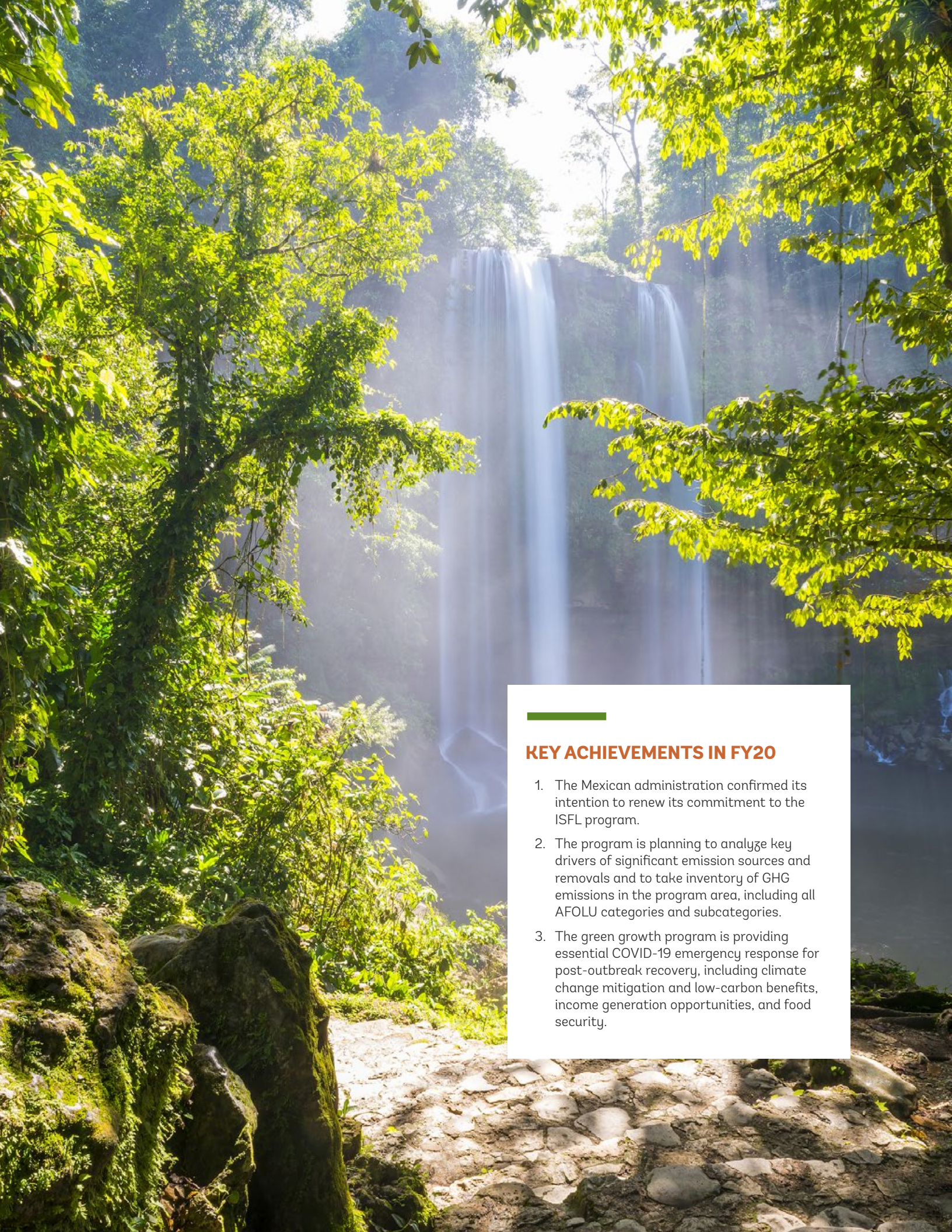
\$10M

has been granted by the ISFL to foster the productivity of Mexico's forest sector, enhance the role of landscapes in biodiversity conservation and forest production, and support the creation of sustainable income opportunities for rural populations.



KEY ACHIEVEMENTS IN FY20

1. The Mexican administration confirmed its intention to renew its commitment to the ISFL program.
2. The program is planning to analyze key drivers of significant emission sources and removals and to take inventory of GHG emissions in the program area, including all AFOLU categories and subcategories.
3. The green growth program is providing essential COVID-19 emergency response for post-outbreak recovery, including climate change mitigation and low-carbon benefits, income generation opportunities, and food security.



Mexico continued



The Mexico ISFL program, which includes the IBRD- and ISFL-financed Mexico Strengthening Entrepreneurship in Productive Forest Landscapes Project, seeks to strengthen sustainable forest management and increase economic opportunities for forest-dependent people and enterprises in selected landscapes in Mexico.

The current global health situation has delayed the progress of reforming the forest development law that was presented to Mexico's General Congress by CONAFOR. The proposed reform establishes that CONAFOR will be the actor that manages agreements and designs strategies for the reduction of emissions from the forestry sector and

that SEMARNAT will be the actor that transfers ERs and equitably distributes benefits. This assures that the legal conditions for the signing of an ERPA exist in Mexico and that its institutions are able to transfer ERs from the forestry sector. It is expected that the law will be approved in the first half of 2021.



Mexico's ISFL Program Progress in FY20

The change in administration within the Mexican government in December 2018 and the subsequent turnover of key personnel slowed down project progress, delaying program activities. The ISFL program was temporarily put on hold until the National Forestry Commission (CONAFOR) reviewed its work program. In 2020, the commission announced its renewed commitment to the program along with the Secretariat of Environmental and Natural Resources (SEMARNAT). Next year, it is expected that the program's theory of change will be finalized. GHG inventories will be confirmed, and inter-institutional working arrangements will be strengthened. Looking forward, the Mexico team aims to foster effective community forest management and develop a private sector engagement strategy that will increase access to capital and markets, build creative mechanisms for payments for ecosystem services, and consolidate value chains by linking community suppliers to private companies.

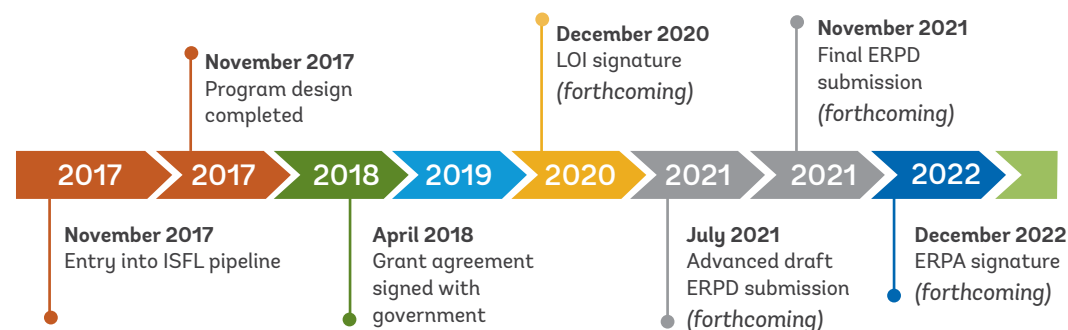
The Impact of COVID-19 on Program Activities

In the face of COVID-19, the team in Mexico has looked for ways to prepare its program as efficiently as possible, given constraints on travel and the limited availability of consultants. The government is currently working on launching procurement processes, commissioning a study on the drivers of deforestation, and identifying opportunities within the private sector.



Mexico continued

Program Timeline



Program Profile

Jurisdictions	Nuevo León, Coahuila, Chihuahua, Durango
Size of jurisdiction	58 million hectares
Population in jurisdiction	13.4 million
Accounting area	To be determined
Implementing agency	National Forestry Commission (CONAFOR)
ISFL funding	
	\$10 million in grant financing available
	Up to \$4 million to assist private sector adoption of sustainability
	Potential payments for up to 10 million tons of ERs
Cofinancing	
	\$56 million from an IBRD loan
	\$119 million in government financing from CONAFOR



High-Level Context

Drivers of land-use change



Drivers of deforestation and forest degradation vary widely across the country. Land-use changes in Mexico are a response to regional, national, or international market pressures for the extraction of timber products, mining, agriculture, tourism, urban and industrial development, and infrastructure projects (such as dams, roads, and highways). Particularly in the ISFL program area, key drivers of deforestation are agricultural expansion and livestock production (that is, cattle farming).

Underlying institutional factors include low management capacity of communities to conduct forest operations.

Key commodities and sectors



Agriculture and livestock production (cattle).

Policy interactions and green growth strategies



The National Climate Change Strategy, the Environment and National Resources Sector Program 2013–2018 (PROMANART), the Special Program on Climate Change (PECC), and the National Forestry Program 2014–2018 (PROFOR) set reducing emissions from deforestation and forest degradation as a priority through the national REDD+ strategy (ENAREDD+).

The General Law on Sustainable Forestry Development (LGDFS) establishes the legal framework for financial payments dealing with changes in land use in forest areas. This will serve as an important basis to inform benefit-sharing arrangements and the legal transfer of credits from ER payments.

The General Law on Climate Change (LGCC) sets out a framework for the development of Mexico's forest registry.

Mexico has instituted a series of incentive programs, for example, the Payment for Environmental Services Program (supported by the World Bank), which, since 2003, has spearheaded the application of economic instruments for forest conservation and the promotion of sustainable forest management practices.

NDC commitments



Mexico has committed to reducing GHG emissions by 25 percent compared with BAU levels by 2030.

Established goal of zero net deforestation by 2030.

Results

Area of forest landscape managed according to defined criteria	28,636 hectares
Number of land users who have adopted sustainable land management practices	33,803
Knowledge products prepared on entrepreneurship and forest management	5
Inter-institutional coordination mechanisms in place to improve landscape-level governance	5

Country Program Progress continued

4.5 Zambia

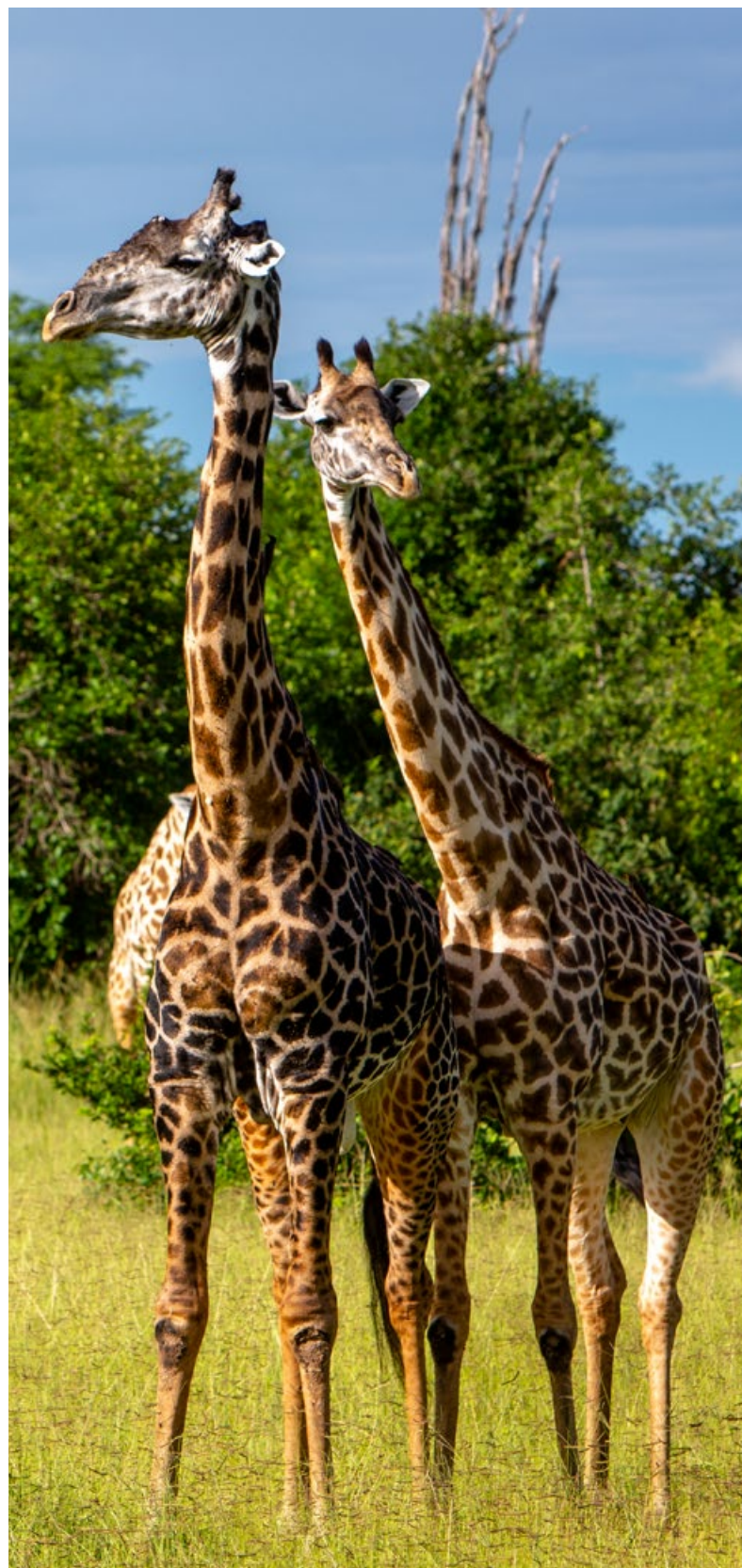
Overview

The Zambia Integrated Forest Landscape Program (ZIFL-P) seeks to improve landscape management and increase the environmental and economic benefits for targeted rural communities in Eastern Province. By curbing unsustainable agricultural expansion and enhancing the benefits derived from forestry, agriculture, and wildlife, the program aims to achieve ERs of approximately 35 million tons and reduce communities' vulnerability to the impacts of climate change.

The ZIFL-P has four components: (1) creating conditions that will allow the livelihood investments under component 2 to be successfully implemented and thereby prepare Zambia for ER purchases; (2) financing on-the-ground activities that improve rural livelihoods, conserve ecosystems, and reduce GHG emissions; (3) financing activities related to national and provincial-level program coordination and management; and (4) facilitating the use of International Development Association (IDA) funds in the event of a disaster.

Zambia's ISFL Program Progress in FY20

In FY20, the task team in Zambia made considerable progress improving land and resource rights regulations in the Eastern Province. The team is currently analyzing the impacts of tenure regularization on sustainable farming, natural resource use, and investment in climate-smart agriculture. To strengthen community stewardship of forests, the ZIFL-P is initiating community forest management activities and implementing training activities for climate-smart agriculture through farmer field schools. So far, more than 100,000 farmers have been trained in climate-smart agriculture practices and more than 1,000 farmers are expected to benefit from solar-powered irrigation. The irrigation system will be complemented with cold storage facilities to reduce postharvest crop loss, which will result in savings for local farmers.



The entire province is also undergoing soil fertility mapping. This is essential since fertilizers can negatively impact the long-term health and productivity of the land. Soil analyses can thus help smallholder farmers deliver balanced crop nutrition to support climate-smart agriculture.

Moving forward, project activities and interventions will prioritize the Lukusuži and Petauke landscapes, with a view to integrating management across various land uses (for example, across protected areas, game management areas, agricultural lands, communal forests). Specifically, the program will administer grants to support both diversified and alternative livelihoods for communities, and forest management by financing regeneration activities, fire management, and community forest areas.

KEY ACHIEVEMENTS IN FY20

1. Integrated development plans are being prepared for all districts.
2. A survey of land tenure insecurity, disaggregated by gender, has been completed and an inventory of the location, tenure status, and land-use category for large and emerging farms has been taken.
3. A total of 107,550 farmers have been trained in climate-smart agriculture practices.

BOX 4.9

Getting the Incentives Right on Forest Protection

Benefit sharing needs to begin at the grassroots level, which means that forest conservation must be profitable for forest-dependent communities. Sustainable land-use mechanisms must engage local stakeholders in developing benefit-sharing arrangements that address the drivers of deforestation and forest degradation, and articulate clear monetary and nonmonetary benefits that local communities can directly access. When communities have a voice in determining how benefits from forest protection are shared, their commitment and support dramatically increases. When discussions about benefit sharing focus exclusively on revenue distribution from carbon payments though, they ignore some of the most meaningful benefits a REDD+ program can deliver—such as improved forest governance structures, clarified land tenure arrangements, enhanced biodiversity, or other ecosystem services. Thus, investments in early benefits can yield real, permanent improvements in well-being and buy-in while pay-for-performance schemes are being developed.

Sustainable agriculture and forest conservation pay off for Zambian farmers. In Zambia, the Community Markets for Conservation initiative (COMACO) engages directly with about 180,000 farmers in the Eastern Province. These farmers are among the poorest and most food-insecure people in the region; current unsustainable agricultural practices often lead to nutrient-drained soils and low yields. COMACO trains small-scale farmers in sustainable agriculture and purchases their key crop produce at premium prices. COMACO-certified farmers are assured of long-term trading benefits with the company and typically move from household food deficits to food surpluses within two to three years. About 86 percent of farmers working with COMACO are now food secure and have improved their household income levels.

The ISFL program in Zambia is building on COMACO's success and seeking to replicate it at scale. The task team has partnered with COMACO to demonstrate how farmers can access wealth-generation opportunities by reducing deforestation and sequestering carbon on their lands. In addition to reaping the social and environmental advantages of reducing deforestation, local populations can also benefit from payments for verified emission reductions through a carbon offset scheme, where forest conservation work is exchanged for payments for reduced emissions.

Zambia continued

BOX 4.10**Private Sector Engagement in Zambia's Eastern Province**

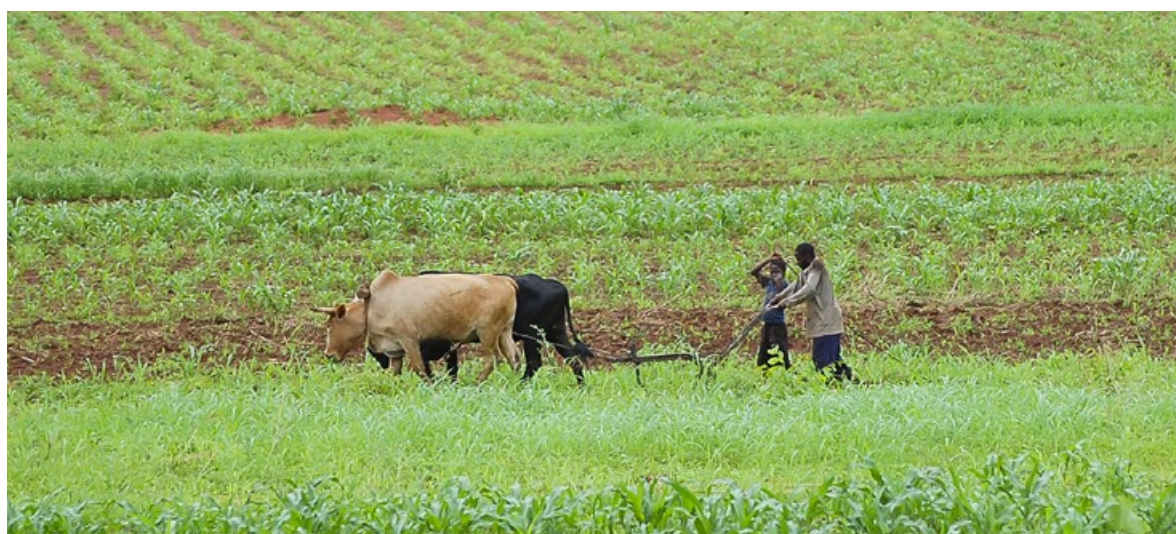
The ISFL's private sector strategy in the Eastern Province aims to catalyze the development of a low-carbon rural economy while reducing GHG emissions and deforestation. The strategy will also address poverty, unsustainable land use, and low productivity in the agriculture and forestry sectors. The challenge so far has been finding appropriate opportunities that can be leveraged to produce significant economic and environmental benefits. While the program continues to assist farmers by improving their productivity and access to markets, the project is also seeking suitable entry points within the private sector. Meanwhile, the team is engaging with technical service providers to assist in establishing community-level microprojects for participatory land-use planning and to enhance agriculture, wildlife, and forestry value chains. The original work that was carried out to assess key agricultural subsectors and tourism remains useful to the ISFL and partners such as IFC; these lessons will help inform future ISFL initiatives.

The Impact of COVID-19 on Program Activities

The COVID-19 pandemic has adversely affected the implementation of several project activities, including the administration of grants that support deforestation reduction, the ERPA development process, and the consultancies that will prepare the BSP and ERPD. To mitigate these impacts, the Zambia task team is providing additional support and guidance to the government to ensure that communities are being consulted following the World Bank's COVID-19 response guidelines,

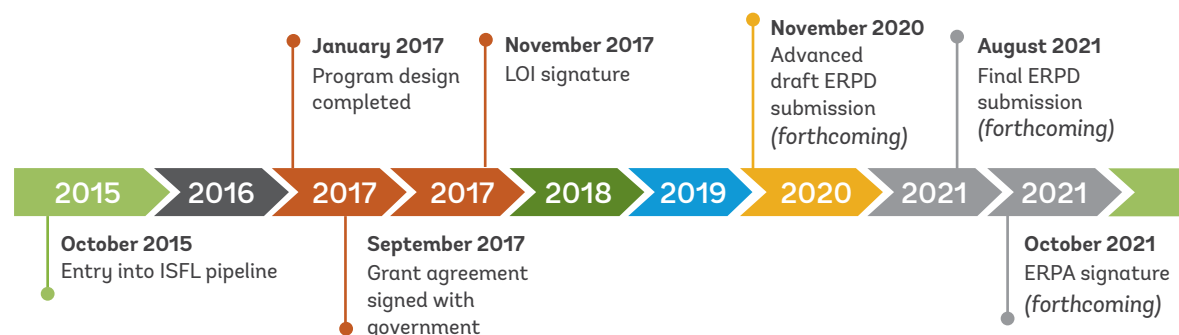
thereby allowing for some level of continuity in project implementation.

The project is also innovating its implementation and administration plans to take into account changes in the operating environment and resource availability. The task team has substituted in-person meetings for virtual meetings, spread awareness of safety protocols and hygiene guidelines, and reduced the number of facilitators during face-to-face meetings. All ZIFL-P offices have been stocked with masks, alcohol-based sanitizer, and hand-washing stations.



Zambia continued

Program Timeline



Program Profile

Jurisdiction	Eastern Province, Zambia
Size of jurisdiction	5.1 million hectares
Population in jurisdiction	1.7 million
Accounting area	5.1 million hectares
Implementing agency	Ministry of National Development Planning
ISFL funding	
	\$250,000 preparation grant
	\$7.75 million implementation grant
	Up to \$4 million to assist private sector adoption of sustainability
	Potential payments for up to 6 million tons of ERs
Cofinancing	
	\$8.1 million in Global Environment Facility financing
	\$17 million loan from the IDA



High-Level Context

Drivers of land-use change



The main drivers of deforestation in the Eastern Province are agricultural expansion, especially of maize and cotton, and wood harvesting for charcoal or firewood. The clearing of forests for agriculture in the province is driven by (1) declining soil fertility on existing agricultural land as a result of poor farming practices; and (2) expanding scales of production to improve incomes and food security.

The unregulated collection of fuelwood is often a precursor to agricultural expansion.

Key commodities and sectors



Cotton, maize, and fuelwood for charcoal or firewood.

Policy interactions and green growth strategies

The Wildlife Act (2015) encourages communities to form enterprises to advance park conservation. This legislation seeks to address the complicated legal process for establishing a community enterprise in Zambia.

National REDD+ strategy: The government of Zambia, through support from the Forest Investment Program administered by the World Bank and various UN agencies, has undertaken a national REDD+ readiness process that includes the development of a national REDD+ strategy.



Zambia intends to reduce its GHG emissions, in line with its commitments under the Paris Agreement, by implementing three programs driven by the country's climate response strategy and supported by national development policies related to energy, forestry, agriculture, water, urban and rural planning, sanitation, and transport. The three programs focus on (1) sustainable forest management; (2) sustainable agriculture; and (3) renewable energy and energy efficiency.

NDC commitments



Zambia has committed to reducing GHG emissions by 25 percent by 2030, or by 47 percent if substantial international financial support (roughly defined as \$35 billion) is forthcoming. For both scenarios, the government plans to achieve most of its ERs through investments in sustainable land use and forestry management.

Results

# of engagements established with the private sector	2: Cargill, pilots on community ecotourism and game management area revenue-sharing business models
# of engagements established with not-for-profit organizations	1: Competitive African Cotton Initiative (COMPACI) on zero-deforestation approaches for cotton
# coordination platforms supported	4: Chipata Roundtable, Eastern Province Development Coordinating Committee, GRZ ER Program Design Meeting, ERPD Technical Working Group
Environmental and Social Management Framework completed	Yes
Feedback and Grievance Redress Mechanism completed	Yes

5. Looking Ahead

All five ISFL country programs made substantial progress in FY20. For the next fiscal year, the initiative will focus on maintaining and strengthening implementation activities in Colombia, Ethiopia, Mexico, and Zambia, and commencing implementation in Indonesia. Each program will continue focusing on gender and social inclusion to ensure that women, Indigenous Peoples, and other vulnerable populations receive benefits and are fully involved in program activities. The initiative will also continue to ensure that private sector engagement is fully ingrained in each of its programs, and actively encourage the participation of diverse firms and sectors in sustainable activities by reducing the barriers to investment.

As these programs move forward, the ISFL will continue to align its strategic priorities with international goals and national policy commitments, as well as with the World Bank's Forest Action Plan and its Climate Change Action Plan. These focus areas provide an important foundation for the ISFL's continued efforts to improve livelihoods and natural resource management around the world.

KEY PRIORITIES FOR THE COMING YEAR:

1.

Successfully moving the Indonesia program from design into implementation

2.

Moving forward with the implementation of grant-funded activities in Colombia, Ethiopia, Mexico, and Zambia

3.

Drafting ERPDs for Colombia, Indonesia, Mexico, and Zambia

4.

Preparing for ERPA negotiations

5.

Implementing private sector engagement strategies in Colombia, Indonesia, and Ethiopia

6.

Increasing the inclusion of women and Indigenous Peoples across all ISFL programs

Appendixes

Appendix A:

ISFL Logframe

The ISFL Logframe² is derived from the initiative's theory of change, and its purpose is to serve as a reference for operational planning, monitoring, and evaluation of the initiative's overall performance and impacts. As with all logframes, it is not a static blueprint for implementation but rather a flexible tool that can be adjusted as progress is made and lessons are learned.

Targets are based on the best estimates of the ISFL at the time the logframe is published. Target values will be updated based on information from each ISFL program's results framework once it is finalized in the corresponding program's design document (program/project appraisal document, or PAD) and as future programs are added to the ISFL portfolio.

The ISFL Fund Management Team is responsible for maintaining the logframe and will consider re-baselining targets if and when it receives the following inputs:

- New or adjusted ISFL program results frameworks (which may occur when there is a midterm review of the program, or program restructuring)
- ISFL evaluations
- Extraordinary events occurring in ISFL program areas that significantly alter logframe targets

Impact and outcome indicators are mandatory—that is, all ISFL programs are required to include these in their respective results frameworks if they are relevant to their specific program. Output indicators, on the other hand, are optional. ISFL program teams are strongly encouraged to include these indicators in their respective results frameworks to allow for maximum aggregation of results for the initiative, but given the wide variance in program design, it is understood that the adoption rate of output indicators will be lower than those of the impact and outcome indicators.

All targets are cumulative. This report covers progress made cumulatively through the World Bank's 2020 fiscal year (ending June 30, 2020).

The following are of particular note:

- Colombia, Ethiopia, Mexico, and Zambia have developed results frameworks as of July 2020 and their results have been aggregated in this version of the logframe. This is reflected in the column "countries currently reporting on indicator" with C, E, M, or Z.
- Targets for Zambia and Mexico for Tier 1, outcomes 1 and 2, and outputs 1 and 2 are discounted on account of formal cofinancing arrangements; 24.17 percent of total results are anticipated for the Zambia program and 15.15 percent of total results are anticipated for the Mexico program.

Tier 1 (Impact): Contribute to low-carbon development by delivering benefits to communities and reducing GHG emissions in ISFL program areas and catalyzing programs beyond the ISFL

Impact indicator	Baseline (FY14)	FY19	FY21	FY26	EOP Target (FY31)	Countries Reporting	FY20 Results
T1.1 Number of people reached with benefits (assets and/or services) from ISFL programs (% women)	0	13,683 (average 22%)	100,824 (average 28%)	147,680 (average 28%)	147,680 (average 28%)	C, E, M, ^a Z	62,820
T1.2 GHG emission reductions in ISFL program areas (FAP) [Reporting to begin in 2020]	[Indicator targets to be developed once ERPA results frameworks are finalized]						—
T1.3 Non-ISFL programs replicate or incorporate ISFL approaches in their program design	No	No	Yes	Yes	Yes		—

² The logical framework, or logframe, is one of the principal tools used by the international development community to help design projects achieve measurable results. It has been in use at the World Bank since 1997 and is the core reference document throughout the project management cycle.

Tier 2: Outcome								
Indicator	Baseline (FY14)	FY19	FY21	FY26	EOP Target (FY31)	Countries Reporting	FY20 Results	
Outcome 1: Improve land management and land use, including forest cover								
T2.01.1 Total natural forest area in ISFL program areas	[Indicator targets to be developed]							—
T2.01.2 Reduction in deforestation as compared to a reference level in ISFL program areas	0	1,209	4,496	5,842	5,842	Z	0	
T2.01.3 Emission reductions from forest degradation as compared to a reference level in ISFL program areas	[Indicator targets to be developed]							—
T2.01.4 Land area reforested or afforested in ISFL program areas (FAP) (ha)	0	5,047	24,208	37,937	37,937	E, M	3,590	
T2.01.5 Land users who have adopted sustainable land management practices (% women) as a result of ISFL support, including in the following sectors where relevant: forestry, agriculture, other	0	14,081 (average 14%)	56,639 (average 27%)	88,342 (average 30%)	88,342 (average 30%)	E, M, Z	27,205 (25%)	
Outputs to achieve Outcome 1								
T2.01.a Total land area brought under sustainable management plans as a result of ISFL support, including where relevant: forest plans, biodiversity plans, land use plans, other (ha)	0	38,977	1,850,359	4,829,608	4,829,608	C, E, M, Z	4,692,153	
T2.01.b Total land area under sustainable landscape management practices as a result of ISFL support, including where relevant: forestry, agriculture, other (ha)	0	5,725	38,707	59,149	59,149	M, Z	0	
T2.01.c Land users who have received training for improving land management (% women)	0	13,250 (average 15%)	27,625 (average 28%)	30,000 (average 28%)	30,000 (average 28%)	C, E, M	26,074 (18%)	
T2.01.d Land users who have received training for agricultural productivity (% women)	0	20,000 (25%)	20,000 (25%)	20,000 (25%)	20,000 (25%)	E	49,497 (34%)	
T2.01.e Reforms in forest and land-use policy, legislation or other regulations as a result of ISFL support	0	0	4	10	10	C, M	0	
T2.01.f Government officials who have received technical training on ISFL interventions (% women)	Indicator will be reported on each year. Targets will not be included for this indicator.					M	—	
T2.01.g Number of government institutions provided with capacity building to improve land use management	Indicator will be reported on each year. Targets will not be included for this indicator.					M	—	

Tier 2: Outcome <i>continued</i>								
Indicator	Baseline (FY14)	FY19	FY21	FY26	EOP Target (FY31)	Countries Reporting	FY20 Results	
Outcome 2: Deliver benefits to land users								
T2.02.1 Number of communities or other organizations that have received benefits (assets and/or services) from emission reductions payments	[Indicator targets to be developed]							—
T2.02.2 Number of people involved in income generation activities due to ISFL support (% women)	Indicator will be reported on each year. Targets will not be included for this indicator.					M	—	
Outputs to achieve Outcome 2								
T2.02.a Number of approved benefit-sharing plans established for emission reductions payments	0	3	5	5	5	C, E, I, M, Z	0	
T2.02.b Volume of emission reductions purchases from ISFL programs	[Indicator targets to be developed once ERPAs are signed]							—
Outcome 3: Leverage partnerships with and between the public and private sectors to advance the ISFL vision and approach								
T2.03.1 Volume of for-profit private sector finance leveraged to contribute to ISFL objectives	Indicator will be reported on each year. Targets will not be included for this indicator.						3	
T2.03.2 Volume of not-for-profit finance (public or private) leveraged to contribute to ISFL objectives	Indicator will be reported on each year. Targets will not be included for this indicator.						87.05	
T2.03.3 Number of people in private sector schemes adopting sustainable practices	[Indicator targets to be developed]							—
Outputs to achieve Outcome 3								
T2.03.a Number of partnerships established with for-profit private sector organizations due to ISFL support	0	3	4	4	4	C, E, I, M, Z	3	
T2.03.b Number of partnerships established with not-for-profit organizations/ initiatives (public or private) due to ISFL support	0	3	4	4	4	C, E, I, M, Z	9	
T2.03.c Number of engagements established with for-profit private sector organizations due to ISFL support	0	4	8	12	12	C, E, I, M, Z	9	
T2.03.d Number of engagements established with not-for-profit organizations/ initiatives (public or private) due to ISFL support	0	2	4	8	8	C, E, I, M, Z	23	
T2.03.e Number of coordination platforms supported	Indicator will be reported on each year. Targets will not be included.					C, E, I, M, Z	15	

Tier 3: High quality tools and approaches are in place to ensure that ISFL goals and objectives are achieved in a timely manner

Indicator	Baseline (FY14)	FY17	FY18	FY20	FY22	FY26	EOP Target (FY31)	FY20 Results
T3.1 Volume of grants committed under ISFL to create an enabling environment for emission reductions	0	18.25	39.5	71	71	71	71	57.5
T3.2 Volume of grants disbursed to ISFL programs	0	3.25	19.25	30.5	38.5	69.5	69.5	16.68
T3.3 Volume of emission reductions purchase agreements committed to ISFL programs	[Indicator targets to be developed once ERPAs are signed]							—
T3.4 Number of emission reductions purchase agreements signed	0	0	1	3	5	5	5	0
T3.5 Number of ISFL target countries that are officially included in the ISFL pipeline	0	3	4	5	5	5	5	5
T3.6 Number of countries with ISFL programs under implementation	0	1	3	5	5	5	5	4
T3.7 Number of ISFL programs that develop a strategic environmental and social assessment (SESA) and environmental and social management framework (ESMF)	0	1	1	3	5	5	5	4
T3.8 Number of documents made public in order to share ISFL approaches and lessons learned	0	10	15	20	25	30	37	31
T3.9 Number of ISFL knowledge dissemination events carried out	0	2	3	5	6	10	15	22
T3.10 Percentage of participants who rate ISFL knowledge dissemination events as 'overall satisfactory' (useful)	0	≥75%	≥75%	≥75%	≥75%	≥75%	≥75%	96%
T3.11 Percentage increase of unique and returning visitors to the ISFL website (http://www.biocarbonfund-isfl.org)	0	0.5	1	3	5	10	15	32%
T3.12 An ISFL Monitoring, Evaluation, and Learning Framework is developed and updated, as necessary	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
T3.13 Number of external evaluations/assessments carried out at initiative and program levels	0	0	0	3	4	6	8	1
T3.14 ISFL ER Program Requirements (GHG accounting approach, etc.) finalized	No	No	Yes	Yes	Yes	Yes	Yes	Yes
T3.15 An ISFL Private Sector Engagement Approach is developed and updated, as necessary	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
T3.16 An ISFL long-term financial plan is developed and updated annually	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
T3.17 An approach for managing pipeline risk is agreed and adjusted, as necessary	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes

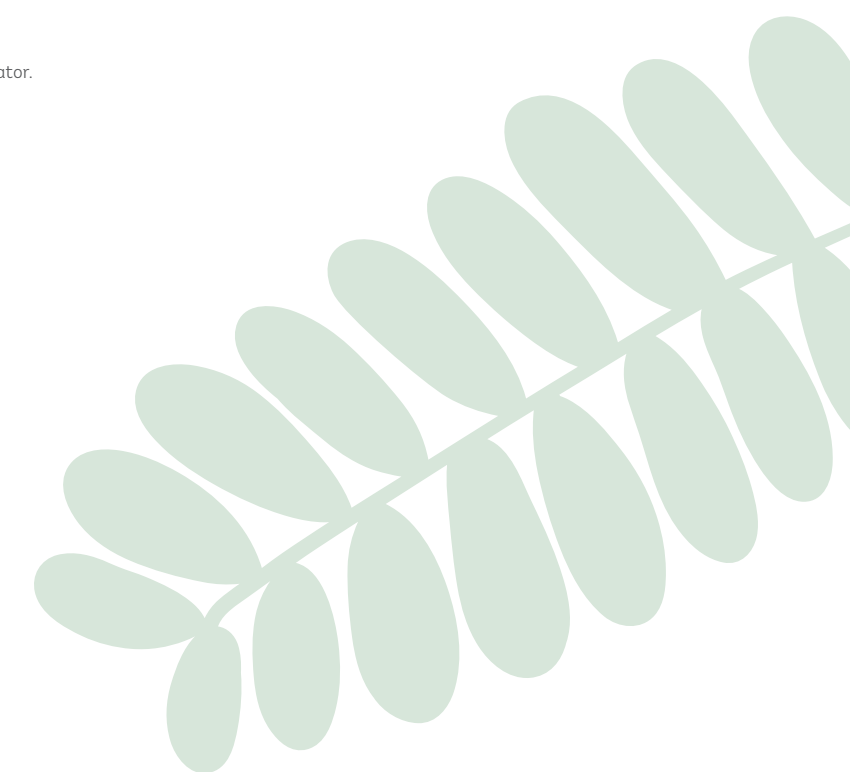
Cross-cutting outputs for ISFL program preparation and implementation

Indicator	Baseline (FY14)	FY17	FY18	FY20	FY22	FY26	EOP Target (FY31)	FY20 Results
Preparation Outputs								
CC.P.1 Number of funded technical studies completed	0	18	21	23	25	29	32	38
CC.P.2 Number of stakeholders consulted on ISFL programs following World Bank safeguard policies (% women)	0	—	—	Indicator will be reported on each year. Targets will not be included.				505,141 (20%) ^b
CC.P.3 Number of countries that develop a grievance redress mechanism	0	0	3	3	5	5	5	4
CC.P.4 Number of workshops held to prepare an ISFL program	0	14	16	30	30	30	30	62
CC.P.5 Number of project concept notes approved for ISFL programs	0	3	3	9	9	9	9	5
CC.P.6 Number of project appraisal documents (project design documents) approved for ISFL programs	0	2	3	9	9	9	9	4
Implementation Outputs								
CC.I.1 Number of project manuals or other administrative documents completed	0	1	1	5	6	6	6	13
CC.I.2 Number of emission reductions program documents completed	0	0	0	4	5	5	5	0

Note: — = not available; EOP = end of program.

a. No disaggregation was given by Mexico when setting targets.

b. No disaggregation was reported by Ethiopia or Zambia for this indicator.



Appendix B

Financial Reports for Fiscal Year 2020

The World Bank Group's fiscal year 2020 covers the period from July 1, 2019, through June 30, 2020.

BIOCFplus ISFL

TABLE B.1

Total BioCFplus ISFL Contributions by Donor

As of June 30, 2020 (US\$, millions)

Donor	Ministry Department	Total Pledged Contributions	Received Cumulative to FY20	Outstanding
Germany	BMU	41.26	41.26	0.00
Norway	NICFI	17.50	13.94	3.56
United Kingdom	BEIS	12.13	4.28	7.85
United Kingdom	DEFRA	17.20	9.24	7.96
United States	DOS	36.48	36.48	0.00
Switzerland	SDC	7.06	7.06	0.00
Total		131.63	112.26	19.37

Note: Totals may not add to 100 because of rounding.

BEIS = Department for Business, Enterprise, and Industrial Strategy (United Kingdom);

BMU = Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety (Germany);

DEFRA = Department for Environment, Food, and Rural Affairs (United Kingdom);

DOS = Department of State (United States);

NICFI = Norway's International Climate and Forest Initiative;

SDC = Swiss Agency for Development and Cooperation.

TABLE B.2

BioCFplus ISFL Cumulative Expenses

As of June 30, 2020 (US\$, millions)

Use of Funds	Total Cumulative to FY20
Initiative Activities	6.52
Cross-Country Program Activities	0.23
Integrated Land-Use Framework	0.12
Country Activities	28.00
Colombia	7.25
Ethiopia	12.79
Indonesia	2.63
Mexico	0.37
Zambia	4.96
Fees	2.88
Total Use of Funds	37.75

Note: Totals may not add to 100 because of rounding.

BIOCF T3

TABLE B.3

Total BioCF T3 Contributions by Donor

As of June 30, 2020 (US\$, millions)

Donor	Ministry Department	Total Pledged Contributions	Received Cumulative to End FY20	Outstanding
Norway	NICFI	95.71	95.71	0.00
United Kingdom	BEIS	49.62	0.64	48.97
United Kingdom	DEFRA	62.96	0.76	62.21
United States	DOS	6.95	6.95	0.00
Switzerland	SDC	3.03	3.03	0.00
Total		218.26	107.08	111.18

Note: Totals may not add to 100 because of rounding. Received contributions include funds in the prepaid account. Foreign exchange rates have been applied to outstanding contributions.

BEIS = Department for Business, Enterprise, and Industrial Strategy (United Kingdom);

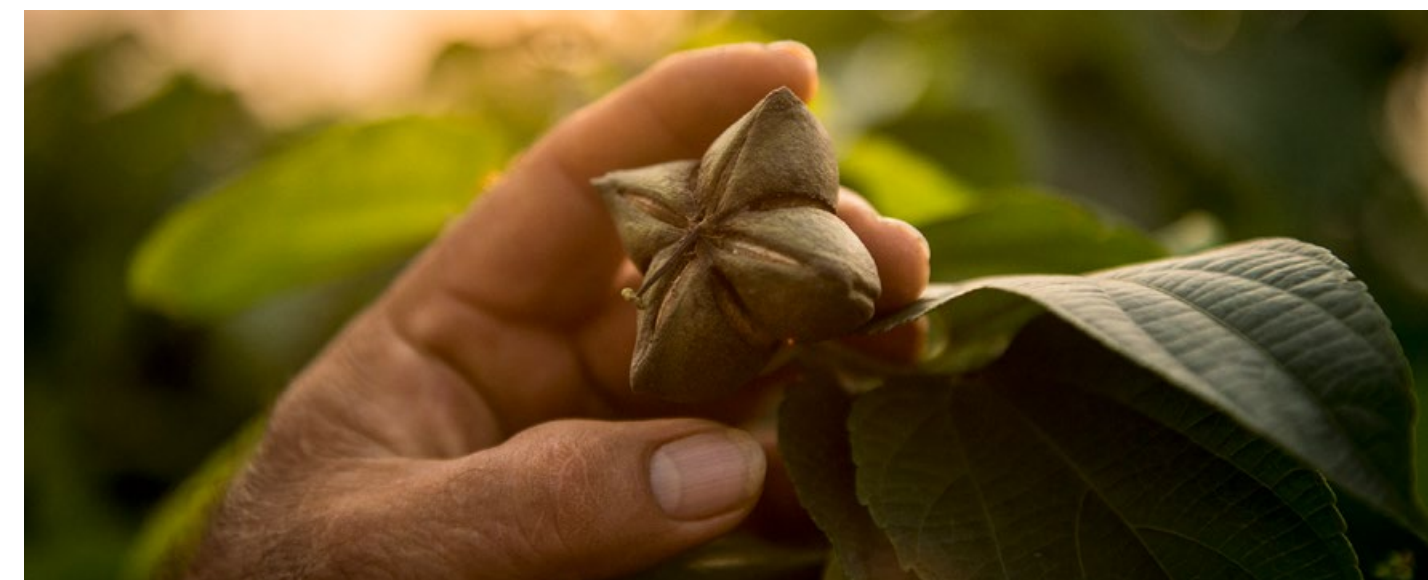
BMU = Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety (Germany);

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