

**Part I: Project Information**

<p>GEF ID 9900</p> <p>Type of Trust Fund GET</p> <p>Countries Global</p> <p>Other Executing Partner(s) Mirova, GM (UNCCD Global Mechanism)</p> <p>GEF Focal Area Land Degradation</p> <p>Taxonomy Focal Areas, Land Degradation, Land Degradation Neutrality, Carbon stocks above or below ground, Land Cover and Land cover change, Land Productivity, Sustainable Land Management, Restoration and Rehabilitation of Degraded Lands, Improved Soil and Water Management Techniques, Stakeholders, Civil Society, Non-Governmental Organization, Type of Engagement, Consultation, Participation, Private Sector, Large corporations, Financial intermediaries and market facilitators, SMEs, Capacity, Knowledge and Research, Knowledge Exchange, Conference, Field Visit, South-South, North-South, Learning, Adaptive management, Capacity Development, Gender Equality, Gender Mainstreaming, Gender-sensitive indicators, Sex-disaggregated indicators, Gender results areas, Access to benefits and services, Access and control over natural resources, Participation and leadership</p> <p>Duration 60In Months</p>	<p>Project Type MSP</p> <p>Project Title Land Degradation Neutrality Fund Technical Assistance Facility</p> <p>Agency(ies) WWF-US</p> <p>Executing Partner Type Multilateral</p> <p>Sector</p> <p>Rio Markers Climate Change Mitigation</p> <p>Biodiversity</p> <p>Agency Fee(\$) 180,000.00</p>	<p>Climate Change Adaptation</p> <p>Land Degradation</p>
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A. Focal Area Strategy Framework and Program

Objectives/Programs	Focal Area Outcomes	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
LD-4_P5	Outcome 4.2 Innovative mechanisms for multi-stakeholder planning and investments in SLM at scale	GET	2,000,000.00	4,933,880.00
			Total Project Cost(\$)	2,000,000.00
				4,933,880.00

B. Project description summary

Project Objective

To provide project preparation and technical assistance services to project developers to build a balanced portfolio of effective projects for the LDN Fund. It also aims to increase knowledge and awareness of models for LDN investment across the investor and project developer community.

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
1. Improving technical, operational and financial processes and the SLM and land restoration impact of (potential or approved) LDN Fund projects	Technical Assistance	1.1 Project proposals of higher technical quality are submitted to the LDN Fund.	<p>1.1.1 Technical assistance is provided to selected projects in the feasibility and project development stage in the following areas:</p> <p>(i) Enhancing technical, operational and financial design and structures to avoid or reduce new degradation via Sustainable Land Management (SLM) and reverse past degradation via restoration, in line with the LDN Scientific Framework. These actions will help projects meet the LDNF eligibility criteria.</p> <p>For example this may include:</p> <p>Site/project-specific land tenure analysis;</p> <p>(i) Efficient SLM/land restoration practices, including fertilizer and water use, soil management/erosion control techniques, best practices for diseases/pests/weed management; (iii) Best practices for harvesting and post-harvest management;</p> <p>(iv) Adaptive management recommendations to address climatic variability; (v) Financial analysis and structuring for SLM/land restoration project elements.</p> <p>(ii) Project preparation support related to social and environmental impact, to improve co-benefits.</p> <p>1.2.1 Technical assistance is provided to projects in the implementation stage in the following areas:</p>	GET	1,658,521.00	4,274,164.00
		1.2 Project developers have greater capacity to implement projects to a higher technical standard.	(i) Enhancing technical, operational and financial capacities to avoid or reduce new			

degradation via SLM and reverse past degradation via restoration and rehabilitation, in line with the LDN Scientific Framework.

This TA may cover similar topics to those described under Output 1.1.1.

(ii) Increasing capacity to enhance the broader social and environmental impacts of projects and to improve co-benefits.

1.3.1 Technical assistance provided to project developers on baseline and impact measurement systems, especially on measuring LDN impacts, and broader social and environmental impacts. This includes developing an LDN impact measurement and tracking tool to be used by project developers and the LDN Fund to track long term measurements on the LDN impact of projects.

1.3 Project developers have greater ability to monitor their performance against LDN indicators, social and environmental impacts and report this to the LDN Fund which is used by both to practice adaptive management more effectively.

2. Effective knowledge management and project monitoring and evaluation

Technical Assistance

2.1 Monitoring & evaluation across the TAF is carried out effectively and is used for adaptive management.

2.1.1 The TAF PMU develop and implement a monitoring & evaluation plan for the entire project.

GET

200,584.00

385,989.00

2.2 Increased awareness and knowledge of successful models for SLM and land restoration investment and LDN impact across the wider project developer and investor community.

2.2.1 Learning network of LDN project developers and investors created.

2.2.2 Project knowledge products developed and disseminated within and beyond this network.

Sub Total (\$)

1,859,105.00

4,660,153.00

Project Management Cost (PMC)

GET

140,895.00

273,727.00

Sub Total(\$)

140,895.00

273,727.00

Total Project Cost(\$)

2,000,000.00

4,933,880.00

Please provide justification

C. Sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount(\$)
Private Sector	Mirova	In-kind	280,000.00
Civil Society Organization	IDH - Tropical Timber Program	In-kind	863,880.00
Other	UNCCD	In-kind	60,000.00
Donor Agency	AFD	Grant	3,420,000.00
Civil Society Organization	WWF	Grant	310,000.00
Total Co-Financing(\$)			4,933,880.00

D. Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	NGI	Amount(\$)	Fee(\$)	Total(\$)
WWF-US	GET	Global	Land Degradation		No	2,000,000	180,000	2,180,000.00
					Total Grant Resources(\$)	2,000,000.00	180,000.00	2,180,000.00

E. Non Grant Instrument

NON-GRANT INSTRUMENT at CEO Endorsement

Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)
 PPG Required true

Agency	Trust Fund	Country	Focal Area	Programming of Funds	NGI	Amount(\$)	Fee(\$)	Total(\$)
WWF-US	GET	Global	Land Degradation		No	50,000	4,500	54,500.00
Total Project Costs(\$)						50,000.00	4,500.00	54,500.00

Core Indicators

Indicator 11 People benefiting from GEF-financed investments

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female				
Male				
Total	0	0	0	0

Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided

No GEF 6 Core Indicators are included, as the scope of the LDN Fund TAF is to only provide technical assistance to project developers, rather than financing the implementation of SLM and land restoration projects (the role of the LDN Fund). As a result the impacts of these projects on land restoration, improved land management practices, GHG mitigation, reduction in use of chemicals of global concern or direct beneficiaries cannot be directly attributed to the TAF. In addition the project portfolio for the TAF is not yet known and a large portion of these impacts will be realised after the 5 year period of this GEF-supported project.

PART II: Project JUSTIFICATION**1. Project Description**

The project description contained within this ProDoc has been adapted from the version submitted in the original Project Identification Form (PIF). There are four main reasons for the changes made to the project design, which are intended to further enhance the effectiveness and impact of the TAF.

1. The design of the TAF has evolved since the submission of the PIF to now include a differentiation in approach for project developers who have not yet received LDN Fund investment (pre-investment projects) and for those who already have received investment (post-investment projects). This recognises the different approach that needs to be taken to identifying, assessing and delivery TA projects according to whether the developer is still in the design phase, or is already implementing their project.

2. There has been a reduction in the significance of differentiating between finance providers (e.g. banks) and other project developers. From the LDN Fund's early engagement with these finance providers it has become evident that the approach to providing TA would be the same as for other project developers, so there no longer is a need to separate the two groups out, which was the case in the PIF.

3. The TAF now plans to develop an LDN impact measurement and tracking tool to be used by project developers and the LDN Fund to track long term measurements on the LDN impact of projects, which has ben added to the project design.

4. There has been further development of the TAF's knowledge management approach to include the creation of an external learning network in order to disseminate the lessons of the TAF more broadly (including successful models that can be replicated).

These changes are reflected in the project description further elaborated below:

A.1.

a. The global environmental problem, root causes and barriers that need to be addressed

According to the convention text of the UNCCD (United Nations, 1994), Land Degradation means:

"reduction or loss, in arid, semi-arid and dry sub-humid areas, of the biological or economic productivity and complexity of rainfed cropland, irrigated cropland, or range, pasture, forest and woodlands resulting from land uses or from a process or combination of processes, including processes arising from human activities and habitation patterns, such as soil erosion caused by wind and/or water".

It is estimated that two billion hectares of land are currently degraded worldwide, with another 12 million hectares of productive land degraded every year. According to an extensive study conducted in 2016 by the International Food Policy Research Institute (IFPRI), land degradation has already negatively affected 30% of the global land area.

The extent of loss of soil organic carbon in developed countries is large, even though the rate of loss has slowed or even reversed in recent decades. In developing countries, the extent of loss is lower, but the rate of loss remains high. In the future the most loss is forecasted to occur in Central and South America, sub-Saharan Africa and Asia, which have the largest remaining amount of land suitable for agriculture (well established).

An analysis of long-term trends over 25 years by Le Quéré et al (2014) using an inter-annual vegetation index as an indicator of biomass production decline or increase found that land degradation hotspots cover approximately 29% of the global land area and occur in all agro-ecologies and land cover types. Anthropogenic declines in biomass productivity were found on 25% of croplands and vegetation-crop mosaics, 29% of mosaics of forests with shrub- and grasslands, 25% of shrub lands, and 33% of grasslands, as well as 23% of areas with sparse vegetation.

Land degradation threatens the future sustainability of life on earth, with severe social and environmental consequences e.g. :

- Food security: over the next 25 years, land degradation could reduce global food production by as much as 12%, leading to a 30% increase in world food prices and reducing food security for vulnerable people;
- Poverty: 40% of the world's degraded land is in areas with high poverty rates, and approximately 1.5 billion people rely directly upon underproductive degraded land for their income, according to the FAO;
- Social instability: degradation can contribute to migration and conflicts, with the UNCCD estimating that as many as 50 million people could be displaced in the next 10 years by desertification alone;
- Climate change mitigation: soil is the second largest carbon sink after the ocean, but degraded land stores significantly less carbon, making land degradation a significant contributor to climate change;
- Climate change adaptation: degraded land increases the vulnerability of farmers and other land users to climate change impacts; and
- Ecosystem services and biodiversity: land degradation negatively impacts various critical ecosystem services and reduces biodiversity.

Overview of threats and root causes

Land degradation is closely connected with many factors that are directly or indirectly related to human activities. Those connections may go both ways; the most typical example is the relationship between climate change and land degradation, with the former contributing to drought, desertification or more intense precipitation and flooding (leading to land degradation), and the latter increasing greenhouse gas emissions (leading to climate change).

Land degradation occurs mainly because humans over-exploit natural systems, while under-investing in them. The primary anthropogenic causes of global soil degradation are overgrazing (35%), deforestation (30%) and agricultural activities (28%), which are described in greater detail below. As described in the UNCCD's Global Land Outlook urbanization, infrastructure development, energy production and mining and quarrying also play a significant role, though the Land Degradation Neutrality (LDN) Fund and subsequently the Technical Assistance Facility focuses on Agriculture and Forestry.

Anthropogenic land degradation processes occur because short-term concerns are prioritized over long-term concerns, and because people lack the knowledge, skills, tenure security or resources to manage land properly or, in the case of governments, political will to promote SLM practices at scale and resolve land governance issues.

As the main causes of land degradation are heavily tied to land use change and unsustainable agricultural practices, reversing these trends by promoting sustainable agriculture (including livestock management) and forestry practices will be key to combating land degradation. Sustainable land management strategies can include reforestation, sustainable forest plantations, agroforestry, crop production that ensures long-term soil health, and sustainable grazing management.

The TAF will support project developers (in consistency with the LDN Fund this is envisaged to be SMEs, farmer and producer cooperatives, larger private companies, social enterprises and local banks) to design and implement more effective, scalable and financially sustainable land restoration and SLM projects which address the key drivers of land degradation described below:

Overgrazing

The conversion of natural ecosystems to pasture land can lead to high rates of erosion and loss of topsoil and nutrients. As animals graze, they remove parts of plants or whole plants. Removal is selective with the most palatable species eaten first in preference to less palatable ones. If this grazing pressure is too intensive, then the more palatable species can no longer recover and eventually die off, leaving only less-palatable species present on the land. This may reduce overall vegetation cover, or leave it dominated by a smaller number of species, which is the last stage of vegetation degradation. Furthermore, as animals move around they trample the soil with their hooves, exerting pressure and resulting in soil compaction which leads to reduction of soil infiltration rates causing higher surface water runoff. This results in serious soil erosion.

Overgrazing is one of the most widespread land management problems globally with a number of contributing factors, some of which include the following (non-exhaustive):

- Overstocking – where too many animals are grazed on a given amount of space the grazing pressure can be too intense for vegetation to replenish and it is damaged or destroyed for an extended period of time. In general terms there is a worldwide trend towards increased herding density and more intensive grazing which adds to this issue, as competition for land intensifies due to population growth, increased restrictions on the movement of herding communities, urbanization, infrastructure development and other competing land uses.
- Improper grazing management – in areas with poor land governance or without strong management oversight, farmers and pastoralists may allow livestock to graze on vegetation that is too young to withstand browsing pressure and should be left to regenerate. Farmers may also graze their livestock on land where the plant species community is vulnerable or too fragile to withstand significant grazing pressure. Issues such as drought (described below) or flooding can exacerbate these governance issues as farmers are forced to find alternative pastureland and competition intensifies for smaller and more fragmented pasture resources.
- Drought – during a drought period the extent and rate of vegetation growth may be lower, meaning that grazing pressure is intensified on the areas of vegetation which remain. This can then have a similar impact as overstocking, with the vegetation that does remain being unable to recover and regenerate.

TAF-supported projects will help address these issues by developing and implementing livestock management business models which reduce overstocking pressure, improve rangeland management and adapt to the impacts of drought and other disruptive events in a manner that does not lead to land degradation.

Deforestation

The FAO (Food and Agriculture Organization of the U.N.) defines tropical deforestation as "change of forest with depletion of tree crown cover to less than 10%." Depletion of forest to tree crown cover greater than 10% (say from 100% to 12%) is considered forest degradation.

Without plant cover, soil erosion rates can increase as the remaining topsoil is exposed to the impacts of precipitation, wind, sunlight, trampling and other pressures. Soil which was previously under forest cover in the tropics can be particularly sensitive to erosion once this cover is removed, as tropical forest ecosystems generally have thinner topsoil than those in temperate areas.

The agricultural crops that often replace forests have much shallower root systems, produce less humus and mulch material, are subject to tillage and ploughing and may leave parts of the soil bare. And as land loses its fertile soil, agricultural producers may move on, clear more forest and continue the cycle of soil erosion and loss.

Overview of deforestation drivers

(adapted from Kissinger, G., M. Herold, V. De Sy. Drivers of Deforestation and Forest Degradation: A Synthesis Report for REDD+ Policymakers. Lexeme Consulting, Vancouver Canada, August 2012.)

Agriculture is estimated to be the proximate driver for approximately 80% of deforestation worldwide. Commercial agriculture is the most important driver of deforestation in Latin America (around two thirds of total deforested area). In Africa and (sub)-tropical Asia it accounts for around one third of deforestation and is of similar importance to subsistence agriculture. Mining, infrastructure and urban expansion are important but less prominent. Findings on global patterns of degradation indicate that (commercial) timber extraction and logging activities account for more than 70% of total degradation in Latin America and (sub)-tropical Asia. Fuel wood collection, charcoal production, and, to a lesser extent, livestock grazing in forests are the most important drivers of degradation in large parts of Africa.

In REDD+ readiness plans, many countries identify weak forest sector governance and institutions, lack of cross-sectoral coordination, and illegal activity (related to weak enforcement) as critical underlying drivers. Population growth, poverty and insecure tenure are also cited. International and market forces, particularly commodity markets, are also key underlying drivers. Pressures from many international drivers to clear forests are expected to increase in future due to global urbanization, increasingly meat-based diets, long-term population trends, increasing developing country prosperity, growth in developing country regional markets for key commodities, and climate change adaptation factors.

TAF-supported projects will help to address drivers of deforestation within their project areas and provide sustainable economic alternatives for stakeholders living and operating in these areas.

Unsustainable agricultural practices (arable)

The majority of global cropland is devoted to growing commodity crops such as corn, wheat, soy and rice, and globally demand for these crops keeps on rising. This often leads to more intensive farming techniques being used or an expansion in the area of land under agricultural production.

When arable agricultural crops replace natural vegetation cover and are cultivated in a conventional manner they generally expose a greater portion of the topsoil to the elements. The diversity and quantity of microorganisms that help to keep the soil fertile can decrease, and nutrients may leach away. The over-application of pesticides and other agro-chemicals can change soil's chemical composition and disrupt the balance of microorganisms in the soil.

The adoption of more sustainable agricultural practices often requires a change in production methods, which a farmer or a producer company will likely only undertake if there is a clear business case for doing so and they have the means and knowledge to do so. TAF-supported projects will help develop these business cases and encourage the adoption of SLM practices by farming communities, cooperatives and producer companies.

Abandonment of agricultural areas is also often considered to be a type of degraded land and the rate of land abandonment is treated as an indicator of land degradation, although they can also offer important opportunities for ecological restoration. Abandonment can be driven by productivity loss, rural-urban migration, an aging population, conflict, increases in invasive species, changes in agricultural subsidies, or other factors that discourage agricultural activities.

Further exacerbation from climate change

The land degradation process can be further intensified by the results of climate change both directly and indirectly. A direct example is the increased frequency and intensity of drought and fire that can reduce vegetation cover and lead to intense drying and degradation of soil structures. Increased frequency, intensity of rainstorms and wind also can lead to further degradation via water and wind erosion and soil damage.

An example of how these events can indirectly contribute to land degradation is the increased intensity of grazing or arable farming which can occur on least drought/flood affected areas, increasing the rate at which these areas also become degraded. There is a wide range of further impacts on land degradation caused by climate change though they are too numerous to cover exhaustively in this document.

As mentioned at the start of this section there is a two-way relationship between land degradation and climate change that contributes to a positive feedback loop. When land is degraded, soil carbon can be released into the atmosphere, along with nitrous oxide, making land degradation one of the biggest contributors to climate change. An estimated two-thirds of all terrestrial carbon stores from soils and vegetation have been lost since the 19th century through land degradation. Agriculture, forest and other land-use sectors generate roughly a quarter of all anthropogenic greenhouse gas emissions (IUCN (2015). Issues Brief: Land Degradation and Climate Change).

Barriers

Throughout the ProDoc reference is made to the SLM and land restoration impacts of TAF-supported projects. The reason these terms are referred to is that they are considered by IDH and the LDN Fund to be the 'actionable' elements of LDN, as per the LDN Scientific Conceptual Framework whereby LDN is achieved by avoiding or reducing new degradation via SLM and by reversing past degradation via restoration and rehabilitation.

This section will provide an overview of barriers facing the LDN Fund, and then will describe barriers specific to each component of the TAF.

Overview of barriers for the LDN Fund

There are many barriers to implementing projects that address the causes of current land degradation and restore lands that were degraded previously. One of the key challenges is the lack of appropriate long-term financing. For example there has been underinvestment in the agricultural sector to adopt sustainable practices in developing countries for decades, with total public sector spending either staying constant or decreasing between 1980 and 2004, and investment in agriculture proportionally much lower than its contribution to GDP (Mirova (2017) The 'Land Degradation Neutrality Fund' Initiative: Press package).

The FAO estimates that in order to feed the world's growing population in 2050, annual investment in agriculture in the developing world needs to increase by approximately 50%.

The lack of investment in land restoration and SLM and the continuing underinvestment in agricultural development indicates that traditional approaches are failing, and that innovative approaches to financing agriculture are required. It will be necessary both to increase the level of available capital, and to make financing more suitable for land restoration and SLM projects, e.g. with longer maturity, longer grace periods or less collateral. To support investments in land restoration and sustainable land use projects, it will be necessary to tackle some of the barriers that prevent financing flowing into the sector. One of these is the high level of risk associated with land restoration and SLM projects, both perceived and real. Agriculture in particular has many actual risks associated with it, and a relative lack of a good track record results in a high perception of risk.

The average annual investment in other key sectors for LDN such as Forestry is low in Africa, Asia-Pacific and Latin America. Between 2010-2015 the average annual investments in plantation establishment was less than \$50m in Africa, \$200m in Asia-Pacific and \$1.5bn in Latin America. For other areas where the LDN Fund will invest, such as habitat restoration, green infrastructure and ecotourism, Credit Suisse, WWF and McKinsey & Company highlighted in 2014 that \$300 billion to \$400 billion is needed each year to preserve and restore ecosystems but that conservation projects receive just \$52 billion, mostly from public and philanthropic sources. This demonstrates the size of the ongoing financing gap in this area.

Some of the reasons for this financing gap include the following:

- There is limited availability of data on proven, viable investments that curb land degradation;
- Loan tenor: converting to SLM practices often includes tree crop investments, and changes in agricultural practices, and behavior change. Both require relatively long timeframes which increase the risk profile of investments;
- Language barriers between the investor community and project developers and opportunities for the communities to interact and communicate effectively;
- There are often few project developers in developing countries with the resources and capacity to develop investable projects, or where there they lack opportunities to present these projects to relevant investors; and
- In many developing countries where the majority of investment is needed the broader enabling environment risks (e.g. political stability, land appropriation, corruption) deter investors.

Specific Barriers for the TAF

These barriers have been identified by the LDN Fund during their consultations with prospective investees.

Companies are defined as including public or private companies, social enterprises and co-operatives. The phrase 'project developer' is not applied uniformly in this section as there may be more specialist project developers that focus on SLM and land restoration projects as their core work, as opposed to the companies mentioned above.

Component 1: Improving technical and operational processes and the SLM and land restoration impact of (potential) LDN Fund projects

Barrier 1.1.1 Companies and cooperatives often lack the technical capacity to design SLM and land restoration-focused projects.

Companies and cooperatives may not have the technical capacity to assess, design and introduce SLM and restoration approaches in their projects which contribute to LDN. Without access to evidence and data to define the business case for SLM and restoration, and the skills to incorporate these elements into project design, it will be challenging for these businesses to bring promising and potentially high impact projects forward to the LDN Fund.

Conversely for companies and cooperatives transforming promising LDN project concepts into investable projects this can require specific technical skills that go beyond those present in their core teams. For example there may be a need for specialists in particular commodity markets, production approaches or manufacturing technologies. It may also be challenging for companies and cooperatives to assess environmental and social risks and opportunities associated with project investments, as they are not required to do this in their core work.

How will the TAF address these barriers?

The TAF will help companies and cooperatives better define the business case for integrating SLM and land restoration into their project design by providing access to research and analytical support to do so. It will also build the capacity of companies to integrate these elements into business planning, and build the necessary skills and partnerships needed to better design SLM and restoration focused projects. This may include providing access to specialist knowledge in particular commodity markets, production approaches or manufacturing technologies. The TAF will also build the capacity of companies and cooperatives to better assess and manage environmental and social risks in these projects, and maximize the broader environmental and social opportunities in project design.

Barrier 1.2.1: Managing the implementation of SLM and land restoration projects is generally not the core business of companies and cooperatives in the land-use sector.

Most companies and cooperatives operating in the land-use sector do not have substantive experience managing the implementation of SLM-focused or land restoration projects and hence have not built up the operational approaches or skill base amongst their staff to do so. However their experience managing 'mainstream' land-use projects is an important asset, and with the appropriate support there is good potential for this capacity to be built over time.

How will the TAF address these barriers?

The TAF will provide capacity building support for companies and cooperatives regarding the skills and operational processes needed to implement SLM and land restoration focused projects, for example in organizing and managing smallholder outgrower schemes and managing the process of enhancing the sustainability of the production processes implemented by these farmers.

Barrier 1.3.1 Companies and cooperatives may find rigorous monitoring and evaluation challenging

Even for companies and cooperatives used to managing investor and donor funding and carrying out monitoring and evaluation, many of these, particularly LDCs, Africa and SIDS do not have a great deal of experience and capacity in delivering M&E to the quality expectations of impact investors, multilateral agencies and other international donors.

There will also be some companies and cooperatives who are completely new to managing impact investor and donor-funded projects and have no experience or capacity in carrying out monitoring and evaluation.

How will the TAF address this barrier?

The TAF will also support companies and cooperatives to build their M&E capacity and employ adaptive management in order to respond to the lessons being learnt from this process. This is described in greater detail in Section 2.

Component 2: Effective knowledge management and effective project monitoring and evaluation.

Barrier 2.1.1 Effective knowledge management requires significant time and resource investments, beyond those typically available to project developers

The process of delivering technical assistance can generate large volumes of useful analysis, guidance and feedback. Though this information is shared between the TA provider and the project developer (the TA recipient), it may also contain valuable information and learning for other project developers either within the LDN Fund network or beyond.

However, it is often not within the remit of project developers and investors to share these lessons more broadly within the sector, which is due to a combination of reasons such as:

- Knowledge sharing falls outside of their stated mandate;
- A lack of time and human resource available to analyze and share this information;
- The need to keep transaction costs down;
- A desire to maintain competitive advantage over others;
- Sensitivities relating to sharing failure, and maintaining reputation; and
- Sensitivities relating to commercial information.

As a result knowledge sharing with other organizations operating in the SLM and restoration investment sector is generally limited. This is a missed opportunity for this relatively new sector. It reduces the amount that organizations learn from one another, avoid other's mistakes and build on each other's successes.

How will the TAF address this barrier?

The TAF will work with project developers to capture useful (and non-commercially sensitive) data and lessons learnt from their projects, and then the TAF will develop them into knowledge products which will then be shared via the TAF learning network (see Barrier 2.1.2 below) and distributed publicly where appropriate. This will ease the time and resource burden on project developers to develop and share this information.

Barrier 2.1.2 Lack of publicly available knowledge on effective models for investable SLM and restoration projects

For-profit investment in SLM and restoration is still a relatively recent development, with the first investment funds (including Mirova) active in this space operating at maturity for only five years or less. This means that proven models for successful SLM and restoration investments are only just emerging and awareness of these models is very low amongst the broader business and investment community. This can then cause reluctance amongst private companies to take the time and effort needed to develop projects in this area, which further feeds into Barrier 1.1.2, and for the mainstream investment community to actively explore opportunities in this area.

How will the TAF address this barrier?

The TAF will establish a learning network of project developers and investors, where successful models and lessons for SLM and restoration investment from the TAF are actively shared, along with other existing networks. This will increase the publicly available knowledge in this area and help to raise awareness of the project development and investment opportunities it presents.

b. Baseline Analysis and Gaps

This section begins with a description of the LDN Fund, which forms the main 'baseline' activity underway in relation to the TAF. It then describes what the baseline scenario would be without the TAF in place, categorized by the two Results Framework Components:

- 1 Improving technical and operational processes and the SLM and land restoration impact of (potential) LDN Fund projects; and
- 2 Effective knowledge management and project monitoring and evaluation.

The Land Degradation Neutrality (LDN) Fund:

The Land Degradation Neutrality (LDN) Fund, co-promoted by the Global Mechanism of the UN Convention to Combat Desertification (UNCCD) and managed by sustainable investment firm Mirova, is a first-of-its-kind investment fund investing in profit-generating SLM and land restoration projects worldwide. The Fund will invest in the following key sectors: (i) sustainable agriculture, (ii) sustainable forestry and (iii) other LDN-related sectors, such as green infrastructure and ecotourism.

The Fund will leverage public money to raise private capital, using a layered structure with first-loss capital to offer an attractive risk-return profile to other investors. The LDN Fund will provide long-term debt and equity financing for sustainable land use projects that reduce or reverse land degradation.

The Fund will only invest in projects that can make a significant contribution to LDN while producing appropriate risk-adjusted returns. Environmental impacts will include reduced GHG emissions, reduced deforestation, and enhancement of ecosystem services and biodiversity. Social impacts will improved welfare for poor and vulnerable people, as projects will result in food security, decent job creation and better livelihoods for smallholders. Monitoring of positive impacts and avoidance of negative impacts will be carried out according to robust environmental and social management systems developed for the Fund, which builds upon internationally recognized best practices.

To maximize additionality, the Fund is designed to offer financing solutions that are not readily available in the market, providing finance and strategic benefits in ways other investors or banks might not, e.g. longer tenors, longer grace periods and more flexible repayment schedules. The Fund should not compete with existing funding sources, but will rather be additional and complementary to what is available from traditional commercial and development funders. The Fund will seek to partner with other funding sources, commercial actors, and project developers to increase the scale of impacts. The Fund's activities should have a positive demonstration effect, helping to develop the nascent LDN investment market and ultimately attract capital from more mainstream investors.

The main governance bodies of the LDN Fund are the LDN Strategic Board and the LDN Fund Advisory Committee. The LDN Strategic Board, shared with the associated TAF, is chaired by the UNCCD, and provides strategic guidance to ensure alignment with the objectives and scientific conceptual framework of the United Nations Convention to Combat Desertification (UNCCD) LDN Programme. The Advisory Committee is composed of key investors, and has decision-making authority for various aspects relating to the Fund's operation.

The official launch of the LDN Fund took place in Ordos, China on September 12, 2017, during the 13th Conference of Parties of the UNCCD, and the Fund was showcased as an innovative climate solution at the December 2017 One Planet Summit in Paris. The first close is expected to take place in Q3/Q4 2018. The Investment Team has already identified 130+ investment opportunities, of which there are several attractive projects in a range of locations and sectors that should be ready to close in 2018.

LDN Fund Outcomes

The core aim of the LDN Fund is to generate impact by its investments in SLM and land restoration projects. The expected impacts of the Fund include:

- **Land degradation neutrality:** The Fund should be designed to contribute to the objective of achieving LDN by 2030 (SDG 15.3), which will require the restoration of 12 million hectares in total each year and the prevention of further degradation by promoting SLM;
- **Reduced deforestation:** Deforestation is responsible for around 30% of global land degradation, and so is a key priority for the Fund. Typical Fund projects will aim to reduce pressure on forests (e.g. illegal logging, slash-and-burn agriculture) by providing alternative sustainable jobs, and some projects will include conservation and reforestation elements;
- **Improved welfare for poor and vulnerable people:** projects should result in job creation, enhanced livelihoods for smallholders (increased incomes, housing, meals, health insurance, etc.), and greater food security;
- **Reduced greenhouse gas emissions:** Productive land stores significantly more carbon than degraded land, so reducing degradation and restoring degraded land will increase terrestrial carbon stocks;
- **Increased climate adaptation:** sustainable land-use practices for smallholder farmers will increase resilience, safeguarding welfare and food security in the future;
- **Enhancement of ecosystem services and biodiversity:** sustainably-managed land provides significantly better ecosystem services and supports much higher biodiversity than degraded or unsustainably-managed land, so LDN Fund projects will improve these environmental aspects. Most projects contain conservation areas, and some include wildlife corridors or other specific wildlife-friendly features.
- **Certified sustainable production:** many projects will be certified under sustainable production schemes such as Rainforest Alliance or Forest Stewardship Council (FSC) demonstrating good working and environmental standards.
- **More private investment in sustainable development:** the layered structure of the Fund should bring in private investors that may otherwise not have invested in sustainable land use projects. Initially the Fund should aim at a leverage ratio of 2-3 (i.e. each dollar of public funding by junior investors catalyzes 2-3 dollars of private capital), and this could rise to 6-7 as a successful track record is built. While investees of the Fund should be project entities, these entities will engage smallholder farmers, and agriculture/forestry workers in developing countries, who will participate in the Fund's investments in large-scale sustainable land use projects, which should create outgrower schemes and new decent jobs. The LDN Fund should also channel funds through local financial institutions and intermediaries to promote the growth of SMEs and support small- and mid-sized producers in the sustainable land use sector. Access to suitable finance for smallholders and small businesses in the land use sector is a big challenge, preventing them from making investments that could raise their productivity and incomes, so the Fund should fill an important role.

What would happen with the LDN Fund without the TAF?

Projects targeted by the LDN Fund have great potential to produce positive development impacts while delivering appropriate risk-adjusted returns, but they will often require significant innovation and complexity. Developing projects which make a meaningful contribution to LDN, whilst maintaining strong environmental and social standards and generating a commercial return on investment is a relatively new area. As a result it is difficult for project developers to achieve, particularly those operating in challenging country circumstances (e.g. in LDCs), to design and implement these projects with no technical assistance.

A 2015 DFID survey of impact investment across all sectors showed that two-thirds of impact funds use technical assistance alongside financial investment. Impact investment funds such as the LDN Fund have the mandate to finance projects in sectors and areas of the world not yet well suited to fully commercial investment, in order to achieve their broader environmental and social impact goals. It is logical therefore that targeted TAs are required to help project developers in these sectors and geographies to reach commercial readiness.

Several market studies have identified project preparedness as a major bottleneck for the development of SLM projects. While there appears to be sufficient private investor interest in co-investing with the public sector for sustainable management and land restoration, Ecosystem Marketplace found at the end of 2015 that the investors participating in their survey reported \$3.1 billion in unallocated capital in this sector. The key reason for this is a lack of 'investor-ready' project pipelines, as many project developers have not had experience of developing and structuring SLM project proposals to meet the demands of private investors.

Without the provision of TA in this area hundreds of promising LDN project proposals (a projection based on observed interest in the LDN Fund to date) will not reach 'investor-ready' stage and go un-funded, foregoing a potential major contribution to global and national LDN goals. This would be more likely to impact the projects with the greatest development impact, e.g. projects in risky countries (LDCs, SIDS), and complex projects with smallholders.

Other aspects of the LDN Fund's performance and impacts which could be adversely affected without the provision of TA to projects include:

- The ability to monitor project progress would be diminished as project developers' ability to monitor their activities to the standards required by international donors and investors is relatively limited.
- As a result of this reduced project developer monitoring capacity the LDN Fund's ability to share project learnings more broadly would be limited.
- Projects that do go ahead may not be able to maximize their potential for broader positive environmental and social impacts.
- Projects that do go ahead may have more commercial risks associated with them and potentially reduced financial returns, reducing the resources available for further investment in other projects.

- Projects may face delays in applying for investment and moving to implementation as they seek technical assistance from elsewhere.

What relevant activities would IDH (the executing agency) engage in without the TAF in place?

In 2017 IDH trained a population of 1,827,000 farmers, workers and community members in improved field level sustainability practices across the Tea, Cotton, Cocoa, Coffee, Fresh and Ingredients, Apparel, Aquaculture, Tropical Timber, Palm Oil and Soy sectors. IDH also works with multi-stakeholder groups across the public and private sector to create the enabling environment for sustainable production of these commodities in 11 landscapes globally.

Through its Innovative Finance programme, IDH also facilitated and provided first loss funding for ABN AMRO to finance the Neumann Kaffee Gruppe and its local exporter to provide productivity and income-smoothing loans to up to 30,000 farmers by 2021. IDH also established the &Green Fund to invest in inclusive agriculture and forest protection in the soy, livestock, palm oil and forestry sectors globally, and the Smallholder Finance Facility to improve the productivity and livelihoods of farmers.

IDH also launched the Gender Toolkit which provides IDH staff, as well as other IDH partners, such as implementing organizations and companies, with practical tools and examples to integrate gender into their programs and supply chains, and to ensure they are gender sensitive.

However IDH does not currently provide technical assistance to private businesses to improve the design and performance of their projects in relation to LDN.

What already exists is not sufficient to satisfy the TA needs of the LDN Fund

There are a small number of donor-funded TA facilities which serve project developers in the SLM sector, however they do not meet the TA needs of the LDN Fund for the following reasons:

- They have a geographic and sector focus which is too narrow to fully serve the LDN Fund impact objectives (e.g. DFID's Partnership for Forests (P4F) programme focuses on tropical deforestation in West and Central Africa, East Africa and Southeast Asia, the Moringa Partnership's Agroforestry Technical Assistance Facility focuses on agroforestry in Latin America and Sub-Saharan Africa; the Tropical Landscapes Finance Facility (TLFF) Grant Fund focuses on landscapes financing in Indonesia; The eco.business Fund Development facility focuses on lending institutions only);

or

- They have a sector focus which is too broad for the purposes of the LDN Fund (e.g. The Lab incubator managed by the Climate Policy Initiative serves climate change projects across all sectors, the Africa Agriculture and Trade Investment Fund's TAF supports broader agricultural development without a focus on SLM);

and

- The timeframe they operate in is too short for the needs of the LDN-F (e.g. P4F is due to end in December 2020).

As a result of the above factors the majority of the projects in the LDN Fund pipeline would not be able to access TA appropriate to their needs from existing TA facilities.

The baseline for each TAF Component

Below we identify what may happen without the presence of the TAF, organized by each of its Results Framework Components.

Component 1: Improving technical and operational processes and the SLM and land restoration impact of (potential or approved) LDN Fund projects.

The LDN Fund will not be able to support innovative but not yet fully commercial SLM and land restoration projects

Many project developers, particularly in lower capacity regions (such as LDCs, SIDS and Africa) lack the required time and resources to conduct the research, analytical capability and report writing needed to deliver more innovative SLM and land restoration-focused projects, and instead need to focus on their immediate business needs. Often the testing of new and innovative approaches is needed, but there are not the resources available to implement these.

As a result a significant number of potential SLM and restoration projects suited for investment will not make it through the project selection and funding process. This will mean they go without finance, are under-financed or continue to rely on grant-funding cycles and donor support which can fluctuate over time. This would make it difficult for planning and implementation over the long-term (e.g. >5 years).

The LDN Fund would instead focus its financing efforts on low risk projects situated in locations where project developers have more capacity to apply innovative approaches using their own resources (e.g. Middle Income Countries), covering only part of its geographic mandate.

The LDN Fund will not be able to support commercially viable projects that don't yet have an SLM and restoration focus

Approximately USD 100 billion is invested each year in the global food and agribusiness sector, with these investments yielding sufficient returns to retain and grow the interest of the international investment community. As described in Section 1 the status quo is that a significant amount of this investment is driving land degradation, and will continue to do so without a major shift in the agricultural production approaches used.

Even for commercial project developers with an interest in improving the broader environmental and social impacts of their projects they often lack the time, resources and expertise to adopt the necessary changes in their business models and production approaches. In a competitive business environment where profitability margins are low, these developers need to remain focused on their commercial performance in order to maintain market position.

Without the provision of support from the TAF, there will be a large number of commercial project developers unable to adopt new practices which support SLM and restoration objectives due to the immediate needs of their business.

Component 2: Effective knowledge management and project monitoring and evaluation

Without the TAF in place it will be highly challenging for the LDN Fund to resource and deliver an effective knowledge management function for project developers, TA providers and its broader network of stakeholders. Like other commercial impact investment funds the LDN Fund is required to keep transaction costs to a minimum for its investors and to ensure the financial success and sustainability of the Fund. Therefore the knowledge management process will be limited to what is strictly required for effective management of the project portfolio, without significant resources dedicated to sharing information more broadly.

At a project level the degree of investment and work put into the knowledge management and sharing process will be at the discretion of project developers. As a result of this only a very limited amount of active knowledge management and sharing could be expected across the LDN Fund portfolio.

The challenges project developers may face in implementing robust monitoring and evaluation and high quality reporting this back to the LDN Fund are also described under Barrier 1.3.1. In light of these challenges, without TAF support many project developers will struggle to carry out monitoring and evaluation to the standards expected of multilateral agencies and other international donors. This could make it challenging for the LDN Fund to support lower-capacity organizations, and restrict funding to higher capacity organizations who are already able to comply with the M&E requirements of its donors.

The TAF response to the baseline

Based on the project developer needs described above, a TAF linked to the LDN Fund is being established to provide the necessary level of support, which they are not able to access elsewhere. It is anticipated that there will be substantial demand from project developers needing technical assistance that would otherwise be too expensive for the LDN Fund to provide on its own. The TAF will enable potential project developers to prepare LDN Fund proposals who may otherwise not be able to do so using only their own resources and knowledge base. This will make it easier for them to access the longer-term and concessional finance that the LDN Fund provides, thereby encouraging project developers to take a longer-term approach to the financial returns of their projects in favour of an increased focus on SLM and land restoration.

Projects seeking investments from the LDN Fund must meet the Fund's investment readiness requirements, which include demonstrating that the TA support is actually needed.

c. The proposed alternative scenario

Below is a short summary of the Intervention Strategy is provided - for more detail on the Strategy please refer to Project Document Section 2.2

Over the five-year period the proposed project will address this challenge and enhance the impact of the LDN Fund via two Project Components:

1. Improving technical, operational and financial processes and the SLM and land restoration impact of (potential or approved) LDN Fund projects

This Component focuses on the provision of technical assistance to project developers both in the project development (pre-LDN Fund investment – before an investment agreement has been signed between the LDN Fund and the project developer) and implementation (post-LDN Fund investment – after an investment agreement has been signed between the LDN Fund and the project developer) stages.

For pre-investment projects this TA will focus on enhancing the technical, operational and financial design and structures of these projects to avoid or reduce new degradation via SLM and reverse past degradation via restoration, in line with the LDN Scientific Framework, along with enhancing broader social and environmental impacts.

For post-investment projects this TA will focus on increasing the technical and operational capacities of project developers in the implementation process to avoid or reduce new degradation via SLM and reverse past degradation via restoration and rehabilitation, in line with the LDN Scientific Framework. It will also include assistance to increase their capacity to enhance the social and environmental impacts of projects and to improve co-benefits.

For projects at both stages TA will be provided to project developers on baseline and impact measurement systems, especially on measuring LDN impacts. This includes developing an LDN impact measurement and tracking tool to be used by project developers and the LDN Fund to track long-term measurements on the LDN impact of projects.

This is intended to result in the following outcomes:

- **Outcome 1.1** Project proposals of higher technical quality are submitted to the LDN Fund, and with greater potential for SLM and restoration impacts and broader environmental and socio-economic co-benefits;
- **Outcome 1.2** Project developers have greater capacity to implement projects with higher potential for SLM and restoration impact, and broader positive social and environmental co-benefits; and
- **Outcome 1.3** Project developers and the LDN Fund have greater capacity to monitor their impacts and practice adaptive management more effectively.

2. Effective knowledge management and project monitoring and evaluation.

This component focuses on the monitoring and evaluation process across TAF and the establishment of an active knowledge management process, with knowledge being shared via the creation of a learning network of LDN project developers and investors.

This is intended to result in the following outcomes:

- **Outcome 2.1** Monitoring & evaluation across TAF is carried out effectively and is used for adaptive management; and
- **Outcome 2.2** Increased awareness and knowledge of successful models for SLM and land restoration investment and LDN impact across the wider project developer and investor community.

[How the Project Strategy prioritizes GEF eligible countries and in particular poor countries and countries with low capacity, including LDCs and SIDS.](#)

The TAF targets developing countries, which will include developing GEF recipient countries. The representation of poor countries and countries with low capacity such as LDCs and SIDS in the LDN Fund pipeline will be assessed by the TAF PMU together with the LDN Fund during the annual review. If necessary, actions for the TAF to take to strengthen outreach to project developers in these countries will be included in the following year's Action Plan for review and approval by the TAF Donor Committee.

Alignment with the GEF-6 Land Degradation Focal Area:

The TAF is well aligned with the GEF Land Degradation Focal Area dedicated to "combat[ing] land and forest degradation in rural production landscapes" (GEF-6 Programming Directions Program 5 0). By improving projects' preparedness for investment by the LDN Fund, the TAF supports an innovative mechanism for delivering SLM, land restoration and ultimately LDN at scale.

The GEF was formally designated as a financing mechanism of the UNCCD in 2010, and the LDN Fund and associated TAF have been co-developed by the UNCCD with the express purpose of addressing land degradation. LDN Fund investments will be monitored through the three metrics defined at international level for measuring progress towards SDG Target 15.3: a) land cover change; b) land productivity dynamics (LPD), and; c) soil organic carbon (SOC).

LD-4: Program 5: SLM Mainstreaming in Development

LDN Fund projects should contribute positively to all parts of the GEF Land Degradation Focal Area, specifically GEF-6 LD Program 5. The TAF will directly contribute to GEF-6 Land Degradation Focal Area Program 5, **Outcome 4.2:** Innovative mechanisms for multi-stakeholder planning and investments in SLM at scale; **Indicator 4.1:** Increased investments in SLM.

The TAF's support to projects targeting sustainable land use, as well as its UNCCD partnership, and SDG link, are all aspects that make it an innovative financial mechanism for SLM. The TAF activities, particularly the provision of capacity building TA to finance providers, will strengthen their institutional ability to lend to smallholders and SMEs. The TAF will directly contribute to increased private and public investment in SLM, especially in the poorest and lowest capacity GEF recipient countries, including LDCs and SIDS.

d. Incremental Cost Reasoning

1. A review of the "business-as-usual" scenario (baseline) without GEF intervention

The baseline scenario entails the LDN Fund starting to make investments aligned with its intended outcomes in a limited selection of the 130+ investment opportunities identified to date, focused on supporting projects that can make a significant contribution to LDN while producing appropriate risk-adjusted returns. The LDN Fund would only be able to focus on fully investor-ready projects in geographic areas and sectors where the risk profile is low enough to allow for a risk-adjusted financial return in line with the Fund's objectives. In this business as usual scenario there would continue to be lower representation in the LDN Fund portfolio from countries with higher risk profiles and from areas with more challenging enabling environments to develop investor-ready projects (e.g. LDCs, SIDS, Africa).

For post-LDN Fund investment projects their ability to effectively implement commercial land restoration and SLM projects will be dependent on their own knowledge base and resources. This will likely mean that their ability to broaden the social and environmental co-benefits of projects remains limited.

Other aspects of the LDN Fund's performance and impacts which could be adversely affected without the provision of TA to projects include:

- The ability to monitor project progress would be diminished as project developers' ability to monitor their activities to the standards required by international donors and investors is relatively limited.
- As a result of this reduced project developer monitoring capacity the LDN Fund's ability to share project learnings more broadly would be limited.
- Projects that do go ahead may not be able to maximize their potential for broader positive environmental and social impacts.
- Projects that do go ahead may have more commercial risks associated with them and potentially reduced financial returns, reducing the resources available for further investment in other projects.
- Projects may face delays in applying for investment and moving to implementation as they seek technical assistance from elsewhere

The "GEF Alternative"

The alternative scenario from this baseline, which would result from GEF contributions to the TAF, is presented below according to the project components As GEF support is fundamental to the establishment of the TAF, this covers all the activities the TAF would carry out during the project period, and the support it would provide to enhancing the LDN impact of the LDN Fund.

Component 1: Improving technical, operational and financial processes and the SLM and land restoration impact of (potential) LDN Fund projects

With GEF support the TAF will deliver TA to project developers to build their capacity in key technical and operational areas where they need assistance in order to design and implement SLM and land restoration projects effectively.

This will allow for innovative but not yet fully 'investor-ready' SLM and land restoration projects to receive support for the technical and operational design and research needed to become ready for investment from the LDN Fund and/or other investors. It will also allow for the provision of capacity building on new technologies and methodologies which are needed to implement these projects. Support for enhancing the contribution of the project to SLM, restoration and ultimately LDN impact objectives, and to identify and mitigate social and environmental risks will also be provided. This support may also help increase the number of projects that enter the LDN Fund pipeline from riskier and more challenging enabling environments such as LDCs and SIDS.

For projects which are already 'investor ready', but don't have the capacity to fully incorporate SLM and land restoration into their design, the TAF will provide support to do so. This support will come in the form of TA to assess and adopt the necessary changes in the project business model and production approach. TA will also be provided on specific technologies or methodologies needed to improve the likelihood of project success and enhanced adoption of SLM and land restoration. This will increase the number of commercial projects which adopt SLM and land restoration in their design.

For projects that have already received funding, the TAF will support them to further enhance their technical, operational and financial structures and capacities, along with strengthening the SLM aspects of the project's design. This will help to improve project success rates within the LDN Fund and the overall impact of the Fund on LDN.

The TAF will also deliver TA to project developers on how to monitor their social and environmental impacts and performance against LDN indicators and evaluate the progress of their projects to the standards required of international donors and investors. This will improve the quality of the data used by project developers to monitor their progress and take early corrective action where needed. This can help in managing project risks by identifying issues earlier than would otherwise be the case.

Improved monitoring by project developers will also help TAF management to improve the quality of reporting to the LDN Fund, its investors and key stakeholders such as the UNCCD, national government and civil society. This will enhance transparency and help to demonstrate how the LDN Fund is achieving its intended contribution to LDN and the SDGs. An improved supply of monitoring information to investors can provide the basis for more meaningful dialogue between the LDN Fund and its investors, and potentially via direct dialogue between project developers and their investors. Over time this can help enhance the level of engagement and interest from investors and increase their confidence in investing further in the future.

Without this support the scope for effective M&E by project developers is likely to be limited.

Component 2: Effective knowledge management and project monitoring and evaluation

Effective planning and implementation of M&E will provide the TAF managing team and governance bodies with the information and analysis they need to decide on how to adapt TAF management and continually improve performance. This information will also be used for learning and development within the TAF PMU, which will contribute to this improved performance over time.

The M&E system will also provide the information needed to communicate with key stakeholders and demonstrate transparency, to build trust and further engagement. This information will be used to develop knowledge products which will be distributed across the TAF Learning Network.

The Learning Network will provide a facilitated platform for projects to share lessons on good practice, innovative approaches and how to avoid pitfalls experienced by others. The knowledge generated from this process can be used to develop good practice models for different types of investment, potentially reducing the transaction costs for project developers who wish to replicate these models. The Network will include project developers and investors beyond the LDN Fund, broadening the impact of the TAF.

Knowledge products developed by the TAF will be distributed within the Learning Network, across the contact networks of IDH and Mirova and broadcast via social media channels and conferences, encouraging broader investment in LDN.

e. Global Environmental Benefits

Given the nature of this project, i.e., it is a technical assistance project with no investments on the ground, none of the 11 core indicators in the new GEF Results Architecture directly apply. Therefore, this project will not report on any core indicators under the new GEF Results Architecture. Instead, and following the Global Environmental Benefits from the PIF, the project will report on the number of country government representatives reporting enhanced capacity to implement MEAs and mainstream into national and sub-national policy, planning financial and legal frameworks.

This project will contribute to Corporate Results Area 6 - Enhance capacity of countries to implement MEAs (multilateral environmental agreements) and mainstream into national and sub-national policy, planning financial and legal frameworks

This project will contribute to this results area in two ways. Firstly, post-investment projects will invite UNCCD National Focal Points and other relevant government stakeholders to the kick-off workshops for their projects, which will help increase government awareness of potential models for private investment in LDN. A key element of these TAF projects will be the use of the LDN measurement and tracking tool, and by attending these workshops and remaining in communication with TAF projects, the relevant government agency(ies) can assess how the tool could be applied in the public sector to help report against their national LDN targets, if they have made a target to set a target as part of the UNCCD. It is estimated that during the five year period of this GEF project UNCCD Focal Points will attend kick off workshops in at least six countries and apply what they learn to the national target setting and measurement process.

Secondly, government agencies may join the TAF Learning Network where they will have the opportunity to learn about TAF projects and the LDN measurement and tracking tools being used. Learning about these measurement and tracking tools may be of use for national efforts to track progress against their LDN targets.

f. Innovativeness, Sustainability & Potential for Scaling up

Innovation

The TAF represents an innovative mechanism to support the emerging LDN Fund. For the TAF to be successful in providing technical assistance, it will rely heavily on innovative approaches to sustainable land management – both scientific/technical innovations, but also novel financial mechanisms. The TAF will help the LDN Fund support more innovative projects which require some external support to become 'investor ready' and hence boost the overall levels of innovation within the LDN Fund portfolio. Being able to demonstrate 'Business model innovation' is an element of the project selection criteria, which further strengthens the integration of innovation into the TAF.

The TAF will also demonstrate an innovative approach by helping the LDN Fund retain balance in its portfolio (e.g. between geographic regions and sectors). It is anticipated that TAF support will help develop the first investment-based SLM and land restoration projects in a range of lower capacity countries, particularly in the LDC, SIDS and Africa group of countries. The lessons learnt from developing these projects in such challenging enabling environments will be highly valuable and shared with the broader sector via the TAF's project developer and investor learning network.

The development of the LDN impact measurement and tracking tool to be used by project developers is also another important innovative approach being taken in this project. The application of an LDN-focused measurement and tracking tool for use in for-profit investments is a new area and the lessons learnt from this process could allow for both investors and project developers around the world to track their LDN progress with greater accuracy and detail.

Sustainability

The sustainability of the TAF's success will be evident in a long-term pipeline of investor-ready projects, including those that then receive investment from the LDN Fund (or other similar Funds). LDN Fund projects will be designed so that the projects will continue after the Fund exits from the investments, as they are for-profit businesses that will generate their own financial returns to continue operation beyond TAF and LDN Fund support.

Added value generated by responsible land use practices will also provide a strong incentive for project developers to continue and expand sustainable management practices without the need for ongoing TAF support. Sustainability and profitability are expected to be closely linked - using improved and sustainable agronomic practices can help to increase yield and quality, generating better returns, while sustainability certifications (e.g. Fairtrade, Rainforest Alliance, FSC, IFOAM etc.) carry potential price premiums. The 15-year investment period of the LDN Fund period allows for a significant period of demonstration, showcasing the benefits of adopting these practices to project developers.

There is also the potential for recipients of TAF support to repay part or all the financial cost of TA provision if/once they are funded by the LDN Fund. This repayment would lead to a continual replenishment of the funds available to the TAF and help to ensure it can continue beyond the five year GEF investment period.

One of the areas considered during project selection is the degree to which projects are integrated into a larger landscape approach: relationships are developed between the project operator and local communities, public authorities, NGOs, local private actors, and other landscape stakeholders. This ensures that beyond TAF support and the LDN Fund an ecosystem of different stakeholders are involved with the project, and are well placed to support its sustainability over the longer term.

The development of the TAF Learning Network will further support the long-term sustainability of this project. By disseminating knowledge on successful models for LDN investment to a broader group of project developers and investors, the project will encourage wider use of and investment in LDN driven by actors beyond the TAF project lifespan.

Potential for scaling up: One of the main functions of the TAF will be to leverage the commitments of public and private investors of the LDN Fund in order to scale up global investment in degraded lands. Successful implementation of the TAF will yield critical knowledge, lessons learned, and have an overall positive demonstration effect in order to be replicated by other investors under the LDN Fund for the long-term via the Learning Network.

For the TAF itself there is high potential to scale up the overall size of the TAF over time, in line with increasing commitments to the LDN Fund. The target is that the TAF's financial resources are 5% of the capitalization of the LDN Fund, which is anticipated to grow to USD 300 million at final closing for Fund, which would equate to USD 15 million in resources for the TAF. The operational design of the TAF factors in this potential for growth, and as it grows the TAF management will be able to increase staff capacity and leverage IDH's significant institutional capacity to manage this growth.

A.2. Child Project?

If this is a child project under a program, describe how the components contribute to the overall program impact.

A.3. Stakeholders

Please provide the Stakeholder Engagement Plan or equivalent assessment.

Project stakeholders and their role in this project**Mirova**

Mirova, as the co-promoter and manager of the LDN Fund holds a central stake in the development of the TAF and has contracted IDH to further develop and manage it. There will be close coordination between the TAF PMU and Mirova to both source projects for TAF support and to ensure that projects supported by the TAF are eligible and of interest to the LDN Fund. A LDN Fund and TAF coordination group will be established during Year 1 of operations, and captured in the operational manual.

Mirova has also been responsible for developing the TAF concept and hence holds significant knowledge required for writing this ProDoc. The TAF will need to align many of its policies and processes with that of the LDN Fund (e.g. on environmental and social safeguards) and Mirova holds important knowledge regarding these.

UNCCD Global Mechanism

The UNCCD Global Mechanism as the co-designer and promoter of the LDN Fund and TAF has a core stake in the development and progress of this project, representing the interests of the parties to the convention.

Agence Française de Développement (AFD)

The AFD is a proposed donor to the TAF, and as such the TAF design will need to account for their requirements and preferences.

LDN Fund Advisory Group

The Advisory Group is composed of WWF, TNC, Rainforest Alliance and EIB, and as the TAF is strongly linked to the LDN Fund pipeline they have been consulted during the original TAF design and may be consulted on an ongoing basis during implementation for their views.

UNCCD CSO Network

CSOs are the voice of grass roots realities. Because the UNCCD Secretariat aims to directly improve the livelihoods of marginalized populations, particularly those threatened by drought and desertification, it supports CSOs playing a significant role at the UNCCD Conference of the Parties (COP) as well as other processes.

Currently nearly 500 CSOs are accredited with observer status to the UNCCD COP. The participation of these groups in the Convention's implementation and their contribution to the various meetings is a necessary component of the successful implementation of the Convention.

As a key stakeholder to the UNCCD, the CSO Network has been consulted to provide their review and input into the ProDoc, along with identifying further partnership opportunities to develop the TAF pipeline. As described in Section 3: Project Governance the CSO Network will also be invited to take a seat on the LDN Fund/TAF Strategic Board to represent CSO viewpoints on the Board.

How have stakeholders been consulted and/or involved in project planning and decision-making?Consultation during the original design of the TAF

- UNCCD initially developed the TAF structure, in collaboration with the impact investment advisory firm Innpact, who have advised on the development of many funds that use a similar TA approach. This approach has also been shown to be effective in recent studies – for example the Climate Policy Initiative's 'Designing Technical Assistance Activities for Adaptation and Resilience Companies' report.
- The TA Facility design was then consulted on with the LDN Fund Advisory Group. The design was discussed at Advisory Group meetings at WWF's offices in Gland (29/04/16) and EIB's offices in Luxembourg (28/09/16). As well as general approval for this design, specific feedback included the need for close collaboration between the TAF and LDN Fund management, the idea that junior investors could choose to allocate their dividends from the Fund to the TAF (to be confirmed in the future), and the importance of financial additionality for TAF support.
- Anchor investors EIB and AFD have been closely involved during the development of the LDN Fund and TA Facility structure. They recognised the importance of technical assistance in this sector to overcome investment barriers, reduce commercial and ESG risk, and increase positive impacts. They indicated that they would be more likely to invest in the Fund if there was some form of TA support, and were very supportive of the use of a linked TA Facility.
- The design of the TAF intervention strategy has also been informed by consultations by Mirova with current and potential investees, and the needs they have expressed during these consultations. These consultations have informed the barriers identified for the TAF.

The findings from these consultations are provided in Table 3: Findings from LDN Fund investee consultation in Section 4.1 of the Project Document.

Consultation during the development of the ProDoc

ProDoc Kick-off workshop

Each of the stakeholders mentioned participated in kick off workshops held at the offices of WWF France in Paris on the 12th and 13th of April. The first day of the workshop was attended by WWF, IDH, Mirova and E Co (ProDoc consultants), and discussions focused on achieving alignment on key design elements of the TAF, and planning the way forward for developing the ProDoc. The specific topics discussed included:

- Roles and responsibilities of each organization
- Workplan for ProDoc development
- TAF Governance
- Theory of Change
- The project selection process
- Stakeholder engagement
- M&E approach
- Budget development
- Sustainability & potential for scale-up

On the second day of the workshop the GEF Secretariat, UNCCD and AFD also attended, with discussions focusing on a briefing to the stakeholders of the TAF design to date, feedback from stakeholders on their expectations and key concerns regarding the TAF and planning for ProDoc development.

The specific topics discussed included:

- Stakeholders' expectations for the project
- TAF Governance
- The project selection process
- Budget and co-financing
- Verifying the workplan for ProDoc development

Key areas of feedback discussed during both days of the kick-off workshop which have been integrated into the design of the TAF include:

- Strengthening national-level engagement via inviting UNCCD Focal Points to kick-off meetings for post-investment projects and informing them of pre-investment projects, and the potential to share the lessons from the LDN tracking and measurement methodology with Focal Points to support the tracking of progress against national LDN targets
- The need for project developers to demonstrate sufficient local community consultation and support for the project idea, in order to be eligible for TAF support
- The need to reflect representation of the research and scientific community in TAF Governance
- The need to maintain a unified reporting process for all donors to avoid excessive transaction costs for the TAF PMU
- The need to further articulate future plans for scaling up the TAF in line with the expansion of the LDN Fund
- The need for the TAF to support the balance of the LDN Fund portfolio including representation from LDCs, SIDS and Africa constituencies were traditionally the enabling environment to prepare investment-ready projects is more challenging
- The need to make sure that the TAF is enhancing the quality of the projects being submitted to the LDN Fund and reduce environmental and social risk
- The importance of the TAF assisting project developers with developing more robust monitoring approaches for their projects
- The importance of sharing learning from the TAF and LDN Fund via the creation of a 'Learning Network'
- The need for the TAF to help the LDN Fund track the impact of projects on LDN (via a monitoring and tracking methodology)

Consultation interviews

Consultation interviews have been held with Mirova on the LDNF, including 'baseline' activities of the LDN Fund. The 'baseline' discussion focused on the existing activities of the LDN Fund and the likely scenario for the LDN Fund without the TAF in place, which has provided information for the development of Section 1.4 (Baseline Analysis and Gaps) of the Project Document.

The UNCCD CSO and GEF CSO Networks have also been consulted to provide their review and input into the Pro Doc and identify further partnership opportunities to further develop the TAF pipeline.

The GEF CSO Network

The GEF CSO network in their feedback requested a strengthening of the requirements placed on project developers to engage with CSOs during the implementation of their TAF project. As a result additional requirements have been added for post-LDN investment projects to invite CSOs (via the GEF and UNCCD CSO networks and local networks) to attend their TAF kick-off meeting, and for the smaller pre-investment projects for the project developer to inform the aforementioned CSO networks of the commencement of the project with accompanying information and contact details (the same procedure as for UNCCD focal points in the country).

The UNCCD CSO Network

The UNCCD CSO Network in their feedback also highlighted the need for more explicit requirements for project developers to engage with CSOs. This was accompanied with the following additional overarching points:

- A request for an increase in references to the importance of governance and land tenure in the ProDoC and the support provided by the TAF;
- A request for a change in language describing farmers, producers, users and workers as beneficiaries of LDN Fund investments and TAF projects to instead more active agents of change. This was accompanied with requests for clarification and further reference to the inclusion of these actors as potential project developers (in this case via cooperatives and social enterprises) and eligibility of CSOs/NGOs as potential TAF support recipients or partners;
- A request for increases in reference to gender issues beyond Section 6 and requests for clarification on points related to the evaluation of TAF performance related to gender (included in scope of mid-term and final evaluations of the TAF).

ProDoc Review Teleconference

A ProDoc Review Teleconference was held on the 22nd August 2018 attended by representatives from WWF, IDH, Mirova, UNCCD and AFD to discuss how review comments made on the first draft of the ProDoc have been incorporated and provide further review comments on the second draft of the ProDoc. Topics discussed during this teleconference included the following:

- GEF Intervention Strategy
- Project Financing and Budget
- Project Background and Situation Analysis
- Stakeholder Engagement
- Monitoring & Evaluation including the Results Framework
- Gender Equality and Women's Empowerment
- Technical Appendices
- Co-Financing
- Project Governance

Key areas of feedback discussed during the Pro-Doc Review Teleconference which have been integrated into the design of the TAF in the Pro-Doc include:

- A more detailed description of the approach to further fundraising and co-financing (beyond co-financing already secured) for the TAF
- Reference to the fact that the STAP is developing guidance on the neutrality principle, and the inclusion of this into the project assessment and selection process
- Reference to the development of an operational manual for the TAF in the Intervention Strategy which captures the project cycle and connection with the governing bodies
- Further refinement of the terms of reference of the governance bodies for the TAF

Documents | Title | Submitted | |-------|-----------| |-------|-----------|

In addition, provide a summary on how stakeholders will be consulted in project execution, the means and timing of engagement, how information will be disseminated, and an explanation of any resource requirements throughout the project/program cycle to ensure proper and meaningful stakeholder engagement.

Global stakeholder engagement

Engagement via the governance structure

Key global stakeholders will participate directly in the governance of the TAF via the LDN Fund and TAF Strategic Board. This is composed of the Executive Secretaries of the UNCCD, UNFCCC and CBD, a representative from CSOs, a representative from the scientific community chosen by the UNCCD Science-Policy Interface, a representative from a developed country party to the UNCCD and a representative from a developing country party to the UNCCD. They will provide guidance to the TAF Donor Committee and facilitate networking and engagement with key strategic partners, including governments of countries hosting LDN investments and governments supporting the LDN Fund/and or the LDN TAF.

The TAF Donor Committee will also represent the viewpoints of the TAF Donors and provide them with a decision-making role in the execution of the TAF.

Engagement via the learning network

The TAF will engage with the broader project developer and investor community via its Learning Network. Whilst this will be an open access network, key stakeholders in the world of SLM investment will be identified and invited to join so that learning and good practices are actively shared with these influencers in the community. The design of the Learning Network will also be responsive to key priorities and preferences expressed by members of the Network, and may adapt during implementation in response to these needs.

Local stakeholder engagement for projects

Requirements within the project selection criteria

The level of stakeholder participation in project design is one of the key criteria which is taken into account during project selection. Applicants to the TAF have to demonstrate that either key stakeholders have been meaningfully engaged and consulted and that their input has been considered in the TA proposal design, or that there is a detailed plan in this regard. Only projects that can demonstrate this will be selected for TAF support.

Information sharing & learning in project landscapes

One function of the TAF Learning Network is to facilitate the information sharing and learning process between project developers and their stakeholders within the landscapes they are operating in. The TAF PMU can enable sharing of data/evidence from the projects and investments in the field with identified stakeholders in the landscape, for example by organizing learning site visit(s) or workshop(s) with other local businesses, social enterprises, government, financial institutions and NGOs. These could focus on issues such as (but not limited to) effective spatial planning, land tenure management, inclusion of smallholders and communities in inclusive business models or new agronomic practices and technologies.

Select what role civil society will play in the project:

Consulted only; Yes

Member of Advisory Body; Contractor; Yes

Co-financier;

Member of project steering committee or equivalent decision-making body;

Executor or co-executor;

Other (Please explain)

A.4. Gender Equality and Women's Empowerment

Please briefly include below any gender dimensions relevant to the project, and any plans to address gender in project design (e.g. gender analysis).

The TAF considers gender equality as both a key driver and concern for sustainability. It will strive to integrate gender aspects across the TAF portfolio.

To be eligible for investment by the LDN Fund and/or the TAF, project developers will be expected to demonstrate that they incorporate gender equality concerns in the project design, and ensure that these aspects are maintained and improved during operation.

The TAF's approach to gender is based on the knowledge that gender mainstreaming is not just about gender balance or equal gender representation. Instead, it requires a contextual analysis of the needs, priorities, roles and experiences of women and men, and the identification of specific actions that help address gender risks or inequalities that may have emerged from this analysis^[1].

It follows that gender considerations are integrated into the full project cycle for both pre and post investment TA projects:

- 1) *Pre-investment:* TA support can be provided to identify risks and opportunities to the livelihoods of women and men, through greater productivity, job satisfaction, safety and stability and equal sharing of benefits;
- 2) *Post investment:* TA support for the creation and scaling up of viable, inclusive and gender responsive business models.

^[1] UNIDO Gender Guide 2015

Documents Title Submitted

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment?

Yes

If yes, please upload document or equivalent here

The starting point for all TAF interventions is the do-no-harm principle: project interventions must not negatively influence gender relations and dynamics within the project scope. The role of the TAF is to both enhance understanding of the baseline gender dynamics in the early project cycle, and to maximize opportunities for enhanced gender equality and empowerment. By considering how women and men participate in interventions, the TAF strives to enable LDN Fund investment projects that benefit both men and women and do no harm to either.

Pre-investment TA support

Projects must be gender sensitive in their formulation, even as early as the TAF application phase. The LDN TAF application form, as well as the LDNF Fund E&S Questionnaire contain questions that are focused on a project's gender aspects, and the Fund's assessment process will include an analysis of positive impacts.

All TAF-supported projects will include an awareness-raising part regarding gender. To this end, IDH has developed the **IDH Gender Toolkit**^[1]. This document guides program teams and partners on how to recognize opportunities related to gender in their programs. Following six programming steps, it provides tools on how to integrate gender aspects into project design, implementation, and how to develop gender sensitive indicators for M&E to support gender mainstreaming through the project cycle.

For pre-investment projects, this means that each TAF applicant will need to complete a section in the application form based on the IDH Gender Toolkit, relating to gender risks and opportunities.

It is not expected that the preliminary assessment addresses all listed matters in full, but the information needs to be sufficient to make an informed decision regarding whether a project falls very short of 'do-no-harm' (and therefore cannot be selected for TAF support) or has potential to be transformative (and therefore will have a better chance to be selected for TAF support).

In six questions, the applicant will be asked to:

- Identify the different roles, circumstances, and opportunities of female and male farmers/workers/managers;
- Identify how these roles, circumstances, and opportunities contribute to the impact of the project;
- Identify how the project itself may improve or deteriorate these circumstances and opportunities;
- Identify the different stakeholders in the project relevant supply chains/production landscape and how they influence the existing gender dynamics; and
- Identify gender-specific targets, outcomes and activities.

Through these six steps, the project developer's awareness will be assessed regarding potential gender issues, such as:

- Potential constraints to equal participation and value capture of both women and men;
- How gender roles in the project developer's partner farming household/ community / cooperatives, and affect equal participation and value capture of both women and men;
- Risk of gender based violence;
- Potential for transformative activities for farmers/workers (training/ career opportunities/ (health) services);
- Constraints for implementing best practices for corporate policies; and
- Identification of risks of not including gender in the intervention.

Post-investment projects

For post-investment projects, the TA needs assessment process will seek to validate the above analysis. Project developers applying for TAF funding will be asked to develop and submit the Gender Action Plan to the LDN Fund and TAF. Based on the identified risks and the potential for (transformative) interventions together with the project developer, the need and potential for TA support will be determined.

At the project implementation stage, Gender Action Plans are mandatory and they are expected to:

- Further build on the issues identified in the preliminary assessment;
- Propose specific actions within the existing structure of the project to address specific risks and constraints;
- Identify a plan for substantial and impactful participation by women within the stakeholder consultation process, the project implementation phase, and for responding to complaints and concerns related to gender dynamics whilst receiving support from the LDN Fund;
- Identify metrics for the monitoring & evaluation of gender impacts, including but not limited to: recruitment targets, gender balance within the skilled/managerial jobs, presence of specific programs aimed at gender equality, provisions for flexible working arrangements, and provisions for nursing mothers); and
- Demonstrate compliance with the LDN Fund's E&S standard on labor conditions which requires project developers to 'demonstrate the fair treatment, non-discrimination, and equal opportunity of workers.'

The TAF could potentially fund TA activities for post-investment projects to support more extensive plans regarding gender, both within the project area and for local communities.

TA on gender issues may include for example:

- Improving the enabling environment for women to access resources /services/finance/skills
- More effective prevention and response mechanisms for gender based violence
- Improved and inclusive policies, standards & regulations, such as strengthening of HR systems, developing a reporting and grievance mechanism on gender based violence & gender topics

Project management

Finally, the TAF is focused on awareness-raising on gender within its own staff, striving to integrate gender aspects within the TAF working culture. To this end IDH has identified specialized gender experts to consult on TAF projects throughout their project cycle. If required for specific projects external gender experts will be consulted (e.g. the gender experts on staff at WWF).

[1] <https://www.idhsustainabletrade.com/news/gender-toolkit-inspire-integrating-gender-aspects-supply-chain-approaches/>
If possible, indicate in which results area(s) the project is expected to contribute to gender equality:

Closing gender gaps in access to and control over natural resources; Yes

Improving women's participation and decision making Yes

Generating socio-economic benefits or services or women Yes

Will the project's results framework or logical framework include gender-sensitive indicators?

Yes

All relevant indicators are disaggregated by gender and reported upon in the M&E plan.

A.5. Risks

Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.

Risks	Risk Rating	Mitigation Measures
Low interest in LDN Fund/not enough projects for TAF to support	Low	There already exists a high interest in the LDN Fund. The UNCCD's global TSP has created an enabling environment to encourage project developers to come forward with potential LDN Fund investments and TAF activities.
Insufficient quality and/or relevance of proposals submitted to the TAF	Medium	<p>The TAF PMU will provide detailed information in the outreach materials distributed to potential project developer applications, which will include clear guidance on what is and isn't eligible for TAF support. Proposal templates provided to applicants will also provide clear explanations of the type of information being sought in each section.</p> <p>The TAF will use a combination of open calls, targeted RFPs and direct sourcing via its existing network to solicit applications. If the number of proposals of sufficient quality is too low, the TAF management may adjust their outreach strategy – for example with an increase in direct engagement with businesses and operations who are known to be competent but still have a significant need for TAF support.</p> <p>The fact that the LDN Fund will also mobilize their networks to encourage applications to the TAF will help make sure that projects relevant to the Fund are submitted to the TAF.</p>
Lack of engagement from project developers in the TA process once awarded.	Medium	<p>Once TA has been awarded the TAF PMU will work quickly to secure the delivery of the desired TA in order to maintain interest and momentum.</p> <p>Careful consideration will also be given to the selection of the TA provider either by the project developer or IDH. If it is IDH whom is sourcing the TA, the TAF PMU will ensure that the project developer is fully consulted and engaged with the process, and that they are satisfied with the provider selected.</p> <p>The TAF PMU will maintain frequent contact with project developers receiving TA and to receive 'real-time' feedback on the quality of the TA provided and how it can be improved (within the budget and resources available).</p>
Poor delivery of TA by TA providers	Medium	<p>The TAF PMU will build and maintain a roster of potential TA providers who can demonstrate adequate experience and qualifications and have been recommended by peer organizations (or have previously delivered high quality work for IDH or Mirova, or their partners).</p> <p>TA providers will be asked to provide a technical proposal to how they would deliver the TA, along with full CVs, examples and references for similar TA provided to other organizations, which will all be reviewed and assessed by the TAF PMU. This will help verify that the TA provider has the necessary skills and experience for the job.</p>
Lack of interest in TAF Learning Network	Low	<p>Both IDH and the LDN Fund have a substantive existing network of strong relationships project developers and other investors. Alongside this IDH and the LDN Fund have access to communications teams to engage with large numbers of target participants in the Learning Network.</p> <p>Given that participation and use of knowledge products will be free, and knowledge sharing will largely be carried out virtually, there will be no significant barriers for participants to engage in the network.</p>
Lack of government support/interest in the TAF	Medium	<p>The TAF PMU will coordinate with government UNCCD Focal Points and respective technical ministry/agency staff in each country where project developers receive support.</p> <p>UNCCD National Focal Points and government staff will also be invited to participate in kick-off workshops for post-investment projects located in their country. They will be invited to offer their input on how TA projects can support other national or local LDN efforts and provide learning opportunities for other businesses and organizations in the country. For pre-investment projects, project developers will be requested to inform the UNCCD National Focal Point of the project and respond to any queries they have.</p>
Poor coordination with LDN Fund	Low	<p>To ensure that any TA support is invested in projects with a good chance of eventually receiving LDN Fund investment, each TA proposal going to the Project Selection Committee will be accompanied by a letter of support of the relevant Mirova LDN Fund investment team member. This requirement will ensure full alignment between the TAF PMU activities and that of the LDN Fund manager.</p> <p>There will also be a coordination committee established bet</p>

		ween the TAF and LDN Fund to maintain coordination throughout project implementation.
Real or perceived conflicts of interest occurring in the project selection process	Medium	Projects are selected by the Project Selection Committee, the majority of whom are senior IDH staff independent of the TAF PMU, with no connection or engagement with the projects being considered for selection, allowing for an objective assessment of projects based on their merit.
Impacts of climate change negatively affecting productivity and reducing investor returns	Medium	One of the key technical assistance services of the TAF will be to provide most up-to-date knowledge on local climate impacts to ensure investors have full understanding of risk involved. The TAF can provide support to select the best SLM practices to increase resilience.

A.6. Institutional Arrangement and Coordination**Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.**

The functions of a Project Steering Committee will be fulfilled in the context of the TAF by two governing bodies (the LDN Fund and TAF Strategic Board, the TAF Donor Committee), and the Project Selection Committee. In Figure 7 (section 3 of the ProDoc) the relationship between the different governance bodies and their relation to the Project Management Unit (PMU) and the LDN Fund is summarized.

The TAF and the LDN Fund are overseen by a shared Strategic Board. The Strategic Board, based on reports from the PMU and the LDN Fund, provides guidance to the TAF Donor Committee and the Fund Advisory Board related to the LDN Fund's strategy, regulatory and market-driven factors and LDN aspects. Guidance can include, but is not limited to, industry insights, geographic and sector considerations, implementation of Environmental and Social standards and prevention and mitigation of potential reputational risk. Furthermore, the Strategic Board provides guidance regarding high level resource allocation and prioritization of LDN TAF activities, and reviews "public goods" generated by the LDN TAF PMU such as publications, toolkits, dissemination of best practices and tracking of LDN impacts.

The purpose of the LDN TAF Donor Committee is to provide aligned oversight for the operation of the LDN TAF. The TAF Donor Committee will interact with and take into consideration recommendations received from the Strategic Board. In its mandate to oversee the operations of the LDN TAF, the TAF Donor committee reviews and approves each LDN TAF Annual Plan and Report. Where relevant, this includes approval of a proposed regional focus or thematic focus of the LDN TAF. A non-member specialist may be invited to participate in Donor Committee meetings to provide expertise as required. The Donor Committee will also review and approve the TAF operational manual, including the Project Eligibility Criteria and Project Selection Criteria and, if necessary, propose any changes and amendments to these criteria.

The Project Selection Committee will be governed by the operational manual, including the Project Eligibility Criteria and Project Selection Criteria, as approved by the Donor Committee and, where applicable, with input from the Strategic Board and adjusted through the annual plan. The Project Selection Committee is separate from the TAF PMU and will include at least one non-IDH active member and has the option of including an observer from the Donor Committee. The mandate of this committee is to make the final decision on LDN TAF project selection, and, where needed, revise and sharpen, or decline, project funding decisions by the LDN TAF. The Project Selection Committee ensures alignment with the LDN Fund by requiring a letter of no-objection for approval of TAF projects.

The TAF PMU will play a coordinating role to ensure alignment and coherent implementation of the outputs and outcomes for the whole of the TAF. The PMU will be responsible for coordinating the implementation of all project activities; technical and operational monitoring and evaluation throughout the project; input for adaptive management; and preparing and submitting annual work plans, progress reports and financial reports to the Donor Committee.

The separate TAF governance bodies are described in more detail in the sections below. Please note the section below does not contain a description of the LDN Fund's Advisory Committee or Fund Investment Committee, as they are not part of the TAF's governance structure.

LDN Fund and TAF Strategic Board**Purpose**

The purpose of the LDN Fund and TAF Strategic Board (the Strategic Board) is to provide advice and recommendations on matters related to the management of the LDN Fund and associated LDN TAF. This guidance is intended to ensure that the LDN Fund and LDN TAF remain aligned with the objectives and scientific conceptual framework of the United Nations Convention to Combat Desertification (UNCCD) LDN Programme. The Board will also facilitate networking and engagement by key LDN strategic partners, including governments. The Board Secretariat is provided by the LDN Fund Management Company in close coordination with the TAF PMU.

Role as Independent Advisory Body

As an independent advisory body, the LDN Strategic Board shall be independent from both the LDN Fund management company and the TAF PMU. The Strategic Board shall not be involved in the day-to-day management of the LDN Fund or TAF PMU.

Formal administrative and legal accountability for the LDN Fund and LDN TAF rests within the governance structures and internal control frameworks of the respective management organizations, Mirova and IDH. For the LDN Fund, Mirova is fully accountable to LDN Fund Investors, while IDH as the LDN TAF manager is fully accountable towards the LDN TAF donors for the responsible use and administration of the funds received. Recommendations provided by the Strategic Board will be of an advisory and non-binding nature.

Responsibilities and Functions

The Strategic Board shall:

- a. Provide guidance to the Advisory Committee of the LDN Fund and to the LDN Fund Manager regarding the LDN Fund's strategy, regulatory and market-driven factors and LDN aspects. Guidance can include, but is not limited to, investment priorities, industry insights, geographic and sector portfolio balance, implementation of Environmental and Social standards and prevention and mitigation of potential reputational risk;
- b. Provide guidance to the Donor Committee of the LDN TAF regarding high level resource allocation and prioritization of LDN TAF activities and review "public goods" generated by the LDN TAF in the form of publications, toolkits, dissemination of best practices and tracking of LDN impacts;
- c. Provide guidance to enhance the continued alignment between the LDN Fund and the LDN TAF;
- d. Facilitate networking and engagement by key strategic partners, including governments of countries hosting LDN investments and governments supporting the LDN Fund and/or the LDN TAF, through:
 - i. Coordination and collaboration with other global and national level relevant initiatives, processes and funding mechanisms;
 - ii. Mainstreaming of LDN objectives through engagement with relevant strategic actors and institutions; and
 - iii. Mobilization of networks and organizations to share key communications and outreach materials.
- e. Perform other functions that are consistent with the mandate and provisions of their Terms of Engagement.

Appointment of LDN Strategic Board Members

- a. It is recognized that members of the Strategic Board bring not only individual expertise but also organizational affiliation and expertise. The Strategic Board will be composed of the following members:
 - i. The Executive Secretary of the UNCCD
 - ii. The Executive Secretary of the UNFCCC
 - iii. The Executive Secretary of the CBD
 - iv. One representative of Civil Society Organizations (CSOs) chosen by the UNCCD CSO panel among its members
 - v. One representative of the scientific community chosen by the UNCCD Science-Policy Interface
 - vi. One representative from a developed country party to the UNCCD identified through consultation with UNCCD parties; and
 - vii. One representative from a developing country party to the UNCCD identified through consultation with UNCCD parties
- b. The Strategic Board shall be chaired by the Executive Secretary of the UNCCD.
- c. The term of office for each representative member shall be three years, renewable once only for three years.

Meetings

- a. The presence of not less than [two-thirds] of the membership shall be required to constitute a quorum for the meeting of the LDN Strategic Board.
- b. The Strategic Board shall meet twice a year for the first three years, and at least once a year from the fourth year onward. Additional meetings may be scheduled as required.
- c. The aim will be to have least one meeting per year in a face to face setting, and the second meeting to take place online or by telephone conference call as agreed by the Board members.
- d. The Chairperson shall call a meeting of the Strategic Board. The Secretariat will notify Board Members at least eight weeks that a meeting has been called.
- e. The Chairperson may invite specialist experts to participate in Strategic Board meetings to provide their expertise as required. Board members may propose to invite Specialist experts, who are thought leaders and may be drawn from a variety of fields, such as sustainable agriculture and sustainable forestry.
- f. Only by exception may a Strategic Board member appoint a representative from the same organization or representative body to represent the Board member, with advance notification to be provided to the Secretariat prior to the Board meeting.

Conflict of Interest

- a. Being a member of the Strategic Board does not disqualify an organization from being involved in any of the LDN Fund and/or LDN TAF supported interventions or other activities.
- b. At the commencement of every meeting, the Chairperson shall ask members if they have any conflicts of interest to disclose. Any member with a conflict must disclose it. The conflict of interest will be registered in the Register of Conflict of Interest, and the member will recuse him/herself when the relevant aspect is being discussed.

TAF Donor Committee**Purpose**

The purpose of the LDN TAF Donor Committee is to provide aligned oversight for the operation of the LDN TAF. The TAF PMU will serve as the Secretariat of the Donor Committee and as such shall call and prepare Donor Committee meetings.

Roles and Responsibilities

Roles and responsibilities of the Donor Committee shall include:

- a. Interacting with and taking into consideration recommendations received from the Strategic Board of the LDN Fund and TAF;
- b. Reviewing and approving each LDN TAF Annual Plan and Report, including where relevant a proposed regional focus or thematic focus of the LDN TAF;
- c. Reviewing the LDN TAF Project Eligibility Criteria and Project Selection Criteria as initially defined in the GEF Project Document and if necessary proposing changes and amendments to these criteria;
- d. Supporting alignment between LDN TAF donors to enhance synchronized and harmonized implementation and reporting processes;
- e. Reviewing and approving the conditions under which new donors may be invited to contribute to the LDN TAF;
- f. Approving new members of the Donor Committee;
- g. Reviewing and approving the terms of reference for a possible shared mid-term and final evaluation, as well as any subsequent material changes to those terms of references; and
- h. Inviting non-member specialist experts to participate in Donor Committee meetings to provide their expertise as required.

Appointment of Donor Committee

- a. The Donor Committee will comprise at least two members, and may increase to up to seven members;
- b. Each donor organization to the LDN TAF may appoint one representative to the Donor Committee;
- c. In case there are more than seven donor organizations, the six main donors (ranked by financial contribution) have the right to be a member of the Donor Committee, and the remaining donor organizations may choose a representative to represent their joint interest in the Donor Committee;
- d. On an exceptional basis, another representative of the Donor organization may replace a Donor member for a specific meeting, with notification to be provided to the Secretariat in advance of the meeting; and
- e. The Donor Committee will select a Chairperson from among its members.

Meetings

- a. The presence of not less than two-thirds of the full membership of the Donor Committee shall be required to constitute a quorum for the meeting of the Donor Committee;
- b. During the first two years of TAF implementation, the Donor Committee will meet twice a year, of which at least once through an in-person meeting. Starting from year three, the number of meetings may be reduced to once a year as agreed among members of the Donor Committee;
- c. The LDN Fund management company and the UNCCD are invited to the Donor Committee meetings as observers;
- d. Decisions of the Donor Committee are taken on the basis of consensus. In case consensus cannot be reached, IDH and the individual donors will come to bilateral agreements on the decision to be made;
- e. Unless otherwise agreed, the first meeting is the Annual Plan meeting, which takes place in Q3, during which the Annual Plan and budget are discussed and approved, and the six month progress report is discussed and approved. The second meeting is the Annual Report meeting, which takes place in Q2. During this meeting, the Annual Report is discussed and finalized, and recommendations are provided for the coming period.
- f. The agenda and required documents for a Donor Committee meeting will be sent out by the Secretariat at least two weeks before the meeting. In the event that these reports have not been sent out at least two weeks before a meeting, the Secretariat will reschedule the meeting.

Conflict of interest

- a. Being a member of the Donor Committee does not disqualify an organization from being involved in any of the LDN Fund and/or LDN TAF supported interventions or other LDN TAF activities.
- b. At the commencement of every meeting, the Chairperson will ask Donor Committee members if they have any conflicts of interest to disclose. Any member with a conflict must disclose it. The conflict of interest will be registered in the Register of Conflict of Interest, and the member will recuse him/herself when the relevant aspect is being discussed.

The Project Selection Committee (PSC)

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PSC mandate

LDN TAF projects will be selected by the Project Selection Committee in line with the Donor Committee approved Operational Manual and Annual Plans. The PSC mandate includes:

1. Assess all proposals for potential support by the LDN TAF;
2. Make the final decision on LDN TAF project selection, and, where needed, revise and sharpen, or decline, project funding decisions by the LDN TAF;
3. Ensure alignment with the LDN TAF objectives and criteria;
4. Ensure alignment with the LDN Fund;
5. Trigger critical reflection and debate on TAF support strategies;
6. Ensure quality and value for money standards for deployment of LDN TAF resources; and
7. Ensure alignment with the LDN TAF Annual Plan.

PSC composition

1. As the LDN TAF is set up within IDH, projects selected to receive LDN TA support fall under the fiduciary responsibility of the IDH Executive Board.
2. The Project Selection Committee will be composed of three active members;
3. The IDH Executive Board will appoint a maximum of two senior IDH staff to the LDN TAF PSC who are separate of those whose role it is to originate and design LDN TAF projects. An independent, non-IDH expert will be recruited (with costs covered) as the third active member of the PSC.
4. The PMU develops a detailed ToR for the PSC and its individual members which will be presented to the Donor Committee for approval.
5. This process will be further detailed in the TAF Operations Manual when it is developed during the TAF start-up process (see timeline for Year 1 in Appendices).

PSC Operations

1. The TAF Manager will convene meetings of the PSC in principle on a monthly basis or as required to review projects to be signed within 1.5 months.
2. IDH will ensure the non-IDH member and, where applicable, the Donor Committee observer of the PSC can join the meeting remotely.
3. The LDN TAF manager will present the outline of the project and answer any questions that might come up during the meeting.
4. Other IDH staff may be invited to join meetings of the PSC to provide advice on relevant topics.
5. To ensure that any TA investment is contributing to LDN Fund investment, each TA proposal submitted to the PSC is accompanied by a letter of support from the relevant LDN Fund Manager. This requirement will ensure full alignment between the TAF manager's activities and that of the LDN Fund manager.
6. The PSC will take decisions based on a majority vote.
7. TA project selection will be governed by project eligibility and selection guidelines developed as part of the LDN TAF policy, agreed upon by the Donor Committee. The project selection process builds on the LDN Fund criteria and due diligence process.
8. The PSC will make the following recommendations relative to project selection:

- a. Approval: without specific conditions set by the PSC, the signing process can proceed;
 - b. Conditional approval: the conditions set by the PSC are to be integrated in the contract and the signing process can proceed (changes are confirmed by one of the PSC members before signing);
 - c. Withhold: If the project needs to be revised or there is a request for additional information, it is temporarily withheld and it can be discussed in the next PSC (after receipt of a revised project proposal and confirmation of the integrated revisions);
 - d. Rejection: If the PSC decides that the project does not meet the LDN TAF requirements.
9. The PSC may propose amendments to its terms of reference for consideration by the TAF Donor Committee.

Project Management Unit (PMU)

The PMU is hosted by IDH and will include the following staff positions. Each staff position will be 30% funded by the GEF in alignment with the percentage contribution between GEF and the other co-financing donors across the TAF (see Section 8: Project Financing and Budget for further information).

TAF Director

Strategic direction

- Accountability for the management and guidance of Senior Managers at a strategic level.
- Accountability for the control of TA quality, ensuring financial integrity and driving progress against targets.
- Ensures that data and information produced by the organization's partners relating to output, outcome and impact is reliable and credible.
- Responsibility for ensuring that TAF planning systematically anticipates problems and threats at least two years ahead.
- Responsibility for maintaining a working knowledge of commodity supply chain initiatives to allow benchmarking and challenge current practice.

Stakeholder management

- Accountability for convening major players in the relevant sectors, brings together strategic alliances and aligning sector coalitions.
- Assures adequate relations management with participating and non-participating actors, TAF partners and TAF governance bodies.
- Ensures political recognition of the TAF by national governments.

Networking

- Responsibility for the maintenance and expansion of the relevant TAF network and donor base, supporting colleagues doing similar work and contributing to the further strategic development of the TAF.
- Responsibility for sharing knowledge and outcomes externally from the organization through events and congresses.

Operational management

- Approval of GEF PPRs

Senior Manager

Strategic development

- Contribute constructively to policy development and strategic planning.
- Identifies problems, taking corrective actions based on experience and strategic reflection.
- Leads the review and planning process of the TAF.
 - Responsibility for ensuring the creation and alignment of constructive relationships with stakeholders to support TAF strategic aims.

Operational management

- Responsibility for ensuring the development and implementation of the TAF.
- Responsibility for monitoring progress and reporting on outcomes.
- Ensures that data and information produced by the organization's partners relating to output, outcome and impact is reliable and credible.
 - Responsibility for the organization of input from the project developers and implementing partners to enable Operations to run the required program administration and reporting. This includes the development of performance indicators for the management of pipeline deliverables.

Stakeholder management

- Responsibility for the proactive management of the sector network of stakeholder contacts on all levels, individually and collectively.

Networking

- Responsibility for the maintenance and expansion of the TAF network and donor base for further co-financing, supporting colleagues doing similar work and contributing to the further strategic development of the TAF.
- As directed, responsibility for sharing knowledge and outcomes externally from the organization through events and conferences.

Program Officer

Operational management

- Responsibility for supporting the development and implementation of the TAF, including administration, reporting, development of program pipeline deliverables, logistics and research, including management of contracting with grant recipients.
 - Supports the organization of input from the project developers and implementing partners to enable Operations to run the required administration and reporting. This includes the development of performance indicators for the management of pipeline deliverables.
 - Development of GEF PPRs
 - Management of the MTE and TE

Events and workshops

- Supports the planning, organization and coordination of events and workshops as required.

Stakeholder management and networking

- Maintain contacts with existing stakeholders and maintain the TAF's network and contribute to further development of the TAF.

Financial Controller

Financial planning, monitoring and reporting

- Accountability for the preparation of budgets, financial projections, statements and financial reports.

- Advises Managers and/or partners on financial planning, monitoring and reporting.
- Compiles and evaluates financial program information.
 - Analyses variances within budgets, signals financial risks and resolves them.

Audit

- Coordinates and enables the interim audit and the end year audit of the organization.
 - Advises Managers on the formal audit and reporting process.

Processes and procedures

- Designs, implements, evaluates and improves the processes and procedures for the financial management of the TAF. This includes providing accounting services so there are checks and balances as needed.

Supervision of financial administration

- Responsible for an efficient financial administration with easy availability of consolidated information.

Financial Officer

Financial administration

- Responsibility for reliable, timely and accurate financial administration. This includes processing of invoices and payments, data entry and document management.
 - Supports the Financial Controller in the monthly closure of the administration process.

Financial monitoring and reporting

- Assists in the preparation of budgets, financial projections, statements and reports, providing support as needed for data management and evaluation.
- Supports the Financial Controller as needed in design, implementation, evaluation and improvement of processes and procedures for the financial management of the TAF. This includes accounting and providing checks and balances.

General Executive / Legal Officer

Contract Management

- Manage the contract pipeline for the TAF.
- Follow the IDH TAF contract management procedure.
- Responsible for providing technical advice and support to Managers to ensure timely, efficient and improved contract management within TAF.
 - Maintain both the digital and paper contract archive.

Legal assistance

- Assure legal risks on both IDH organizational as well as TAF level are adequately addressed and mitigated.
- Provide legal advice to the TAF PMU where needed.
- Provide legal advice at IDH organizational level where needed.
 - Provide legal advice on the governance structure of the TAF (including the contracting structure for that program, competition compliance, tendering etc.).

General IDH processes and procedures

- Design, implement, evaluate and improve the processes and procedures related to legal matters (mostly contract management) within the programs and on organizational level. This includes providing legal assistance and services to ensure all checks and balances needed.
- Prepare and deliver management information where required to the Management Team, Supervisory Board, Ministry and other stakeholders in cooperation with the Operations Team, specifically the Financial Controller.

General Executive / Communications Officer

Communication strategy

- Ensures the development, implementation and monitoring of TAF corporate communication strategy and translates it into practical communication means.
 - Responsibility to maintain a working knowledge of comparable initiatives to ensure a comprehensive understanding of communication best practice.

Communication materials

- Develops or coordinates the development of corporate and TAF specific communication means as needed (including presentations, events, PR, digital media, etcetera).
- Contributes to the development of corporate documents such as annual plans, annual and progress reports as needed.
 - Responsibility for the maintenance of a credible website for the TAF that is able to provide all stakeholders with access to the information that they need.

Stakeholder management

- Develops effective alliances and manages relations with press and media.
 - Provides communication support to colleagues for adequate relationship management at corporate and TAF level.

Networking

- Responsibility for the maintenance and expansion of the TAF network and donor base.
- Responsibility for sharing knowledge and outcomes externally from the organization through events and congresses.

For specific technical topics the PMU may hire targeted consulting support if this expertise is not available within IDH.

The Role of WWF

WWF-US is the legal entity acting as the GEF Agency to ensure the GEF contribution to the LDN Fund TAF complies with the GEF due diligence process. The WWF GEF Agency represents GEF interests at the Donor committee and the WWF GEF Agency has an oversight function of the LDN Fund TAF process, workplan and overall effectiveness. WWF is not a donor to the LDN Fund TAF and therefore does not represent WWF's interests in the LDN Fund TAF governance.

WWF is a non-profit organization and cannot be a project developer aiming to qualify for LDN Fund financial investment through TAF support. WWF is a network of around 100 offices and like other expert international conservation organizations, can offer its worldwide expertise on sustainable land management specifically in the forest sector. It will work with Mirova and IDH to help in identifying potential project developers in places best positioned for progressing toward Land Degradation Neutrality.

In case WWF is seeking to provide technical assistance supported by the TAF to a project developer, the WWF GEF Agency will inform the Donors Committee and the Project Selection Committee.

Global level coordination

At the global level, the TAF will operate in close relationship with the LDN Fund under the overall guidance of the UNCCD. Both the TAF and the LDN Fund are being created to accompany the adoption of LDN targets in country members of the UNCCD. To promote SDG 15.3 at country level, the UNCCD has established a global 'LDN target-setting programme' (TSP), which is designed to assist countries in adopting voluntary LDN targets. This global programme is implemented in cooperation with numerous partners, including the GEF. This coordination is formalized within the LDN Fund and TAF Strategic Board as described in Section 3: Project Governance.

For projects supported by the TAF, the TAF manager and the LDN Fund manager will ensure close working coordination with countries' national institutions and the UNCCD focal point to ensure that the projects are in line with the LDN targets.

Coordination will also be achieved with the relevant existing portfolio of WWF GEF projects via active communication, knowledge sharing and an invitation to the implementing teams for these projects to join the TAF Learning Network.

Coordination with GEF-funded projects implemented by other organizations

WWF and IDH frequently collaborate with organizations implementing other GEF-funded land degradation projects. Either through bilateral communications via their contact points, or multi-lateral communications (e.g. with the Coalition for Private Investment in Conservation (CPIIC)'s Scaling up and Demonstrating the Value of Blended Finance in Conservation GEF Proposal) they will share information on the TAF, raise awareness amongst these organizations and actively seek opportunities for further coordination. For example, there may be project partners which these organizations could bring forward for an application for TAF support.

The Coalition for Private Investment in Conservation (CPIIC) aims to facilitate the scaling of conservation investment by creating blueprints for the successful delivery of investable conservation projects, connect pipeline providers of such projects with deal structuring support, and convene conservation project delivery parties with investors to execute investable deals. CPIIC's GEF project will provide non-grant financing for six conservation investments, complemented by linked grant funding from the Rockefeller Foundation and other donors. CPIIC's approach and mandate is thus different from the LDN TAF, which focuses on pipeline development and maximising social and environmental benefits for LDN Fund investment projects. CPIIC's approach includes two multi-stakeholder working groups – Forest Landscape Conservation and Restoration and Sustainable Agricultural Intensification – that may produce investment blueprints relevant to the LDN Fund's focused objective. Some of the organizations active in developing the LDN Fund and the TAF are also CPIIC members (e.g., Mirova and WWF) and will be able to ensure that the approaches are complementary.

The TAF PMU will coordinate with the GEF-funded IUCN LDN Target Setting Programme – for example to work with the Programme to raise awareness of the TAF amongst participating governments, who may wish to refer relevant project developers in their country to apply for TAF support. The Programme may also be able to assist in making connections with government representatives in countries where TAF-supported projects are planned, to engage them in events such as project kick-offs and other relevant meetings. The IUCN TSP Project Manager has also participated in the Kick-Off Workshop for the development of this Project Document.

The TAF PMU will also assess how the lessons and methodologies applied in the Conservation International "Enabling the use of global data sources to assess and monitor land degradation at multiple scales" GEF project could inform the development of the LDN impact measurement and tracking tool to be used by project developers and the LDN Fund to track long term measurements of the LDN impact of projects (Under Outcome 1.3). In particular they will assess how the Trends. Earth tool developed by the project (which assesses and monitors status and trends in land degradation using remote sensing technology) could be applied in the context of the tracking tool.

The GEF 7 Food Systems, Land Use, and Restoration Impact Program and Sustainable Forest Management (SFM) Impact Programs

The TAF PMU will assess the most appropriate and effective way to coordinate with both, the Food Systems, Land Use, and Restoration and Sustainable Forest Management (SFM) Impact Programs and projects funded by them. For example they may be invited to join the TAF Learning Network (described in further detail in Section 2). There is strong alignment with the goal of the Food Systems, Land Use and Restoration Impact Program to ensure that productive lands are embedded within landscapes that provide ecosystem services as well as protect natural ecosystems and soil and the objectives of projects supported by the TAF. The drylands component of the Sustainable Forest Management Impact Program, which will focus on collaborative approaches to productive and conservation land uses that provide for livelihoods whilst preserving the ecological integrity and global environmental value of ecosystems, also aligns strongly with TAF project objectives.

Coordination with other sustainable land use technical assistance facilities and incubators

Examples of other sustainable land use TA facilities are provided in the Baseline Analysis. Both WWF and IDH have existing networks and relationships with the organizations implementing these facilities.

IDH aims to coordinate with other similar funds and TA facilities, including the &Green Fund, the RABO fund, P4F but also regional and national funds and TA facilities. This coordination would include:

- (for pre LDN Fund investment projects) information exchange on overlapping pipeline and TA support, to ensure additionality;
- (for pre LDN Fund investment projects) introduce projects that do not go on to receive LDN Fund investment due to not fitting with the LDN Fund's portfolio needs (as opposed to quality issues) with other potential investors;
- (knowledge sharing) convene learning network to scale up SLM investments.

Coordination with the Green Climate Fund (GCF)

Projects with high potential for significant climate change mitigation or adaptation co-benefits, and strong linkages with existing GCF Implementing Entities, will be flagged by the TAF Project Management Unit (PMU) team during the selection process for TA support. These then may be shared with the WWF GEF Agency for discussion with WWF's GCF team as to whether GCF co-finance could be relevant if the project is eventually selected for LDN Fund support.

The TAF PMU team will also pay attention to the progress of the GCF's Private Sector Facility and the release of RFPs which are relevant for any projects in the TAF pipeline. This could be a potential source of co-finance, or even alternative finance for projects receiving TAF support.

Coordination with other projects and initiatives implemented by IDH

The TAF Project Management Unit (PMU) within IDH will work alongside the implementation teams for a number of relevant initiatives and programmes for the TAF. This includes:

The &Green Fund (2016-2020)

IDH led the development and fundraising phase of the &Green Fund until incorporation and is still actively involved in pipeline development. The &Green Fund uses grant financing to de-risk commercial financing of deforestation-and peat-conversion free land-use. IDH will coordinate with the Fund by sharing non-commercially sensitive lessons and good practice. It will ensure that there isn't overlap between support provided by the TAF with support provided by the &Green Fund.

The &Green Fund is an investment fund with a different investment strategy than LDN Fund. &Green provides credit or guarantees to finance commodity supply chain projects in jurisdictions with progressive forest and/or peatlands protection strategies & policies, and as such invests in 'eligible' jurisdictions only. &Green does not provide grants or non-commercial investment. All &Green investments must be additional and leverage significant 3rd party financial participation. There may thus be cases in the future where LDN Fund and &Green fund jointly invest.

Smallholder Finance Facility (2015-present)

The Smallholder Finance Facility (SFF) offers support for investments in crucial supply chains, co-financing smallholder farmers – together with supply chain actors – in order to improve their productivity and livelihoods. The facility aims to invest up to \$50 million into upstream supply chain projects over the coming five years, by providing a combination of technical assistance, conditional grants and debt instruments.

IDH manages the Facility and runs its day-to-day operations jointly with the Netherlands Development Finance Company (FMO). It also takes part in the joint investment committee for assessing project proposals.

IDH will coordinate with the SFF by sharing non-commercially sensitive lessons and good practice. It will ensure that there isn't overlap between support provided by TAF with support provided by the Facility. If there are also projects which aren't suitable for TAF but maybe suited to SFF, TAF will share them onwards and visa-versa.

Global Coffee Platform (2016-ongoing)

In March 2016, the Sustainable Coffee Platform (SCP) merged with the 4C-Association into the Global Coffee Platform (GCP).

The Sustainable Coffee Platform (SCP, 2012-2016) was a public private facility of stakeholders that aimed to bring global sustainable coffee production and sourcing practices to scale. This included: preserving natural resources; improving farmers' livelihoods; building resilience of farmers. The SCP achieved this by facilitating pre-competitive cooperation between stakeholders and aligning public and private investments.

The Platform was run by a secretariat led by IDH and steered by the representatives from the European Coffee Federation, Conservation International, Nestlé, Jacobs Douwe Egberts, Tchibo and Hivos, all represented in the Platform's Steering Committee. National coordinators in each country oversaw Platform activities and made sure interventions were in line with country needs and strategy.

The TAF will coordinate with the GCP in case there are potential projects and project developers which may be eligible for LDN Fund financing and TAF support. Information and lessons will also be shared informally regarding achieving LDN in coffee-producing landscapes.

Better Cotton Initiative Growth & Innovation TA Fund (2016-2020)

IDH is the fund manager of the Better Cotton Initiative Growth & Innovation TA Fund (BCI GIF). BCI GIF has a global project portfolio managed in partnership with businesses, civil society partners and governmental bodies. The Fund supports Better Cotton projects in more than 20 countries across five regions of the world.

TAF will coordinate with BCI GIF in case there are potential projects and project developers which might be eligible for LDN Fund financing and TAF support. Information and lessons will also be shared informally regarding achieving LDN in cotton-producing landscapes.

Cocoa Challenge Fund (2016-2020)

IDH is the secretariat and implementer of the Cocoa Challenge Fund. The Fund co-finances the development of financial products for cooperatives and farmers by banks and micro-finance institutions; and improves the management capacities of cocoa cooperatives and farmers in the use of financial products made available to them.

TAF will coordinate with the Cocoa Challenge Fund in case there are potential finance providers or banks in the programme which might be eligible for LDN Fund financing and TAF support. Information and lessons will also be shared informally regarding how to effectively support finance providers and banks in developing financial products for sustainable land use and LDN.

Additional Information not well elaborated at PIF Stage:

A.7. Benefits

Describe the socioeconomic benefits to be delivered by the project at the national and local levels. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF)?

The TAF will directly contribute to increased private and public investment in SLM and land restoration, especially in the poorest and lowest capacity GEF recipient countries, including LDCs and SIDS. TAF activities will enable project developers to enhance the positive social impacts of their projects, by for example assisting developers to integrate effective smallholder outgrower schemes into their production models and adapt projects to enhance their potential positive outcomes for women, youth and vulnerable groups. Examples of these measures are provided in Section 2.2. of the Project Document.

Regarding the Global Environmental Benefits this project will contribute to Results Area 6 - Enhance capacity of countries to implement MEAs (multilateral environmental agreements) and mainstream into national and sub-national policy, planning financial and legal frameworks, in two ways. Firstly, post-investment projects will invite UNCCD National Focal Points and other relevant government stakeholders to the kick-off workshops for their projects, which will help increase government awareness of potential models for private investment in LDN. A key element of these TAF projects will be the use of the LDN measurement and tracking tool, and by attending these workshops and remaining in communication with TAF projects, the relevant government agenc(es) can assess how the tool could be applied in the public sector to help report against their national LDN targets, if they have made a target to set a target as part of the UNCCD. It is estimated that during the five year period of this GEF project UNCCD Focal Points will attend kick off workshops in at least six countries and apply what they learn to the national target setting and measurement process.

Secondly, government agencies may join the TAF Learning Network where they will have the opportunity to learn about TAF projects and the LDN measurement and tracking tools being used. Learning about these measurement and tracking tools may be of use for national efforts to track progress against their LDN targets.

A.8. Knowledge Management

Elaborate on the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives (e.g. participate in trainings, conferences, stakeholder exchanges, virtual networks, project twinning) and plans for the project to assess and document in a user-friendly form (e.g. lessons learned briefs, engaging websites, guidebooks based on experience) and share these experiences and expertise (e.g. participate in community of practices, organize seminars, trainings and conferences) with relevant stakeholders.

The knowledge management and communication approach will consist of three main elements:

1. Publications

Publications will compile lessons learned, experiences and opinions among the various stakeholders involved in a project (e.g. project developers, investors, experts supporting the LDN Fund, NGOs, local authorities), and will disseminate results and impacts achieved among stakeholders. On an annual basis that TAF PMU will develop a plan for publication development according to:

- Key learning areas that have arisen or are anticipated in the near future
- The progress of the TAF portfolio
- The capacity of the team and
- The calendar of forthcoming events and opportunities to distribute publications to the relevant audience.

Examples of the types of publications that could be developed include:

- Case studies of TAF-supported projects
- Briefings on particularly important issues where the TAF is generating new learning
- Annual progress reports (TBC)
- Briefing documents targeted at the TAF Learning Network, and short reports from Learning Network events

2. Website and social media

The IDH TAF website will be updated on at least a monthly basis and will be the primary means of collating and disseminating information from the TAF and sharing lessons learned. The IDH TAF website will contain information on the TAF application process, eligibility and project selection criteria and links to the application form. The website will also contain information on the projects that have been selected for TAF support and summary project profiles.

A "LDN Fund/TAF Library" is planned within the TAF website that will be tagged for enhanced usability. All publications and case studies will be publically available.

In addition, the website will feature fast-cycle news items such as the TAF calendar of events, a newsroom with links to news coverage featuring the TAF or its members, a blog for field notes, and features articles and photos. The blog will also feature articles from TAF recipients, technical experts, and specialists (i.e. focused articles on key features of the TAF approach, such as gender, environmental and social safeguards, and robust monitoring).

TAF news, blogs, articles and publications will be broadcast via IDH's social media channels (e.g. Twitter), and if possible the relevant WWF and Mirova social media channels. The TAF PMU will further encourage project developers and partners to share TAF communications via their own social media accounts to expand its reach.

3. Workshops and External Events

The hallmark of the TAF's in-person knowledge dissemination strategy will be its "Learning Network" for stakeholders. The Learning Network facilitates communication between project developers, local stakeholders and the TAF to improve understanding of specific project landscapes; to increase understanding of financial deal structures and finally to increase the exposure of project developers to international fora. Specifically, the Learning Network will promote:

(i) Learning within project landscapes

In order to facilitate communication and learning between the TAF, project developers and other stakeholders working in their local context, the TAF will request that its recipients share their experiences at workshops and other local meetings within the landscape that they are operating. The TAF will also lead interactive events for sharing data and experiences from the projects and investments in the field among the various partners. Key topics for learning include issues such as effective spatial planning, land tenure, inclusion of smallholders and communities, agronomic practices, and more.

(ii) Learning regarding deal structuring

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Building scalable business models that are investment-ready is a critical process for project developers. In order to bridge the gap between project formulation/implementation and financial structuring, the TAF will directly engage in this learning process and organize tailored-events on deal structuring, targeted at recipients of TAF support. Key learning activities include systematic reflection and documentation ("action-research"), and convening of closed and open learning events for project developers and investor partners such as impact investors.

(iii) Events and conferences

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In order to enhance learning and share the lessons of the TAF at a global level, events will be used to elevate TAF experiences to the regional and international level. The TAF will be present at annual events organized by UNCCD, and UNFCCC COPs, the Oslo REDD Exchange, World Economic Forum, and other international meetings. IDH also organizes a biennial Innovation Forum with key partners from their target landscapes and the global level, with the next one scheduled in December 2018.¹¹ This will be an excellent opportunity to share learning from the TAF process, and invite TAF partners to learn from broader work within IDH.

Finally, representatives from the TAF may also attend local and regional events together with project developers and partners to further raise awareness of the TAF and relevant projects it is supporting. This can help build relationships and support the exchange of information with national/local stakeholders including government, the business community, civil society/NGOs, research institutions and communities.

Information from other TA facilities

In addition, in order to make full use of available and relevant data, the TAF will establish a review process to provide the most up-to-date knowledge and lessons learned from other sustainable land use TA facilities to project developers and members of the Learning Network. This includes information from other relevant organizations such as the Moringa Fund, Africa Agriculture and Trade Investment Fund, and African Agriculture Fund TA Facilities. The Knowledge Management process will draw from the full use of lessons and experiences from these organizations.

Expected Outcomes

Overall, the Learning Network and the broader knowledge management and communications approach is expected to increase the knowledge of LDN project developers and investors on good practice models for SLM investment and lessons learnt from other projects, helping them to improve the performance and impact of their own projects. In order to keep the Knowledge Management and Communications approach adaptive and reflective of the reality of its users, feedback shall be sought at the end of each external event from the participants and usage and download rates of the web materials will be annually monitored.

[1] More information on the first IDH forum (February 2017), "Business solutions for sustainable landscapes" can be found here: <https://www.idhsustainabletrade.com/uploaded/2017/02/Landscape-Forum-Booklet.pdf>.

B. Description of the consistency of the project with:**B.1. Consistency with National Priorities**

Describe the consistency of the project with nation strategies and plans or reports and assessments under relevant conventions such as NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

The LDN Target Setting Programme (TSP) is a process by which the UNCCD Secretariat and the Global Mechanism of the UNCCD are supporting interested countries in the national land degradation neutrality (LDN) target setting process, including the definition of national baselines, targets and associated measures to achieve LDN by 2030. This creates an enabling environment for potential LDN Fund investments and TAF activities, as it demonstrates that there is political support for combatting land degradation. The TSP, as it will expand, will become a powerful tool to help the Fund identify investment opportunities. With over 110 countries already committed, it is expected that most projects supported by the TAF and the LDN Fund will be part of the TSP. The LDN Fund can also play a role to raise the project's visibility and therefore increase local political and financial support. LDN targets are typically established at national level in close coordination with other public policies related to land use under other frameworks, including Rio conventions, i.e. the UNFCCC (Nationally Determined Contributions) and CBD (National Biodiversity Strategies and Action Plans). As the LDN TSP expands, such coordination will increase.

Applicants for TAF support will be required to describe how their project fits with and supports relevant national plans and priorities, and demonstrate evidence of government engagement and support, and wherever possible UNCCD Focal Points who lead and report on the target setting process to the UNCCD in each country. This will be taken into account in the scoring approach to encourage project developers to maximize their efforts in this regard and fully align their projects with national plans and priorities. See section 2.2 of the Project Document for more detail on how this factors into the project selection process.

It is also anticipated that for post-investment projects UNCCD National Focal Points will be invited to the project kick-off workshop, and regularly updated on project progress, including knowledge sharing events so that their input can be incorporated in project implementation and the results and knowledge generated can be used by the government in its own LDN targets setting, monitoring and planning process. All pre-investment project developers will be required to inform the UNCCD National Focal Point of the project and will be encouraged to actively communicate progress to the Focal Point.

C. Describe The Budgeted M & E Plan:

The M&E process will be overseen by the TAF Director and implemented by the Senior Manager and Program Officer, in conjunction with the Financial Controller and Financial Officer regarding financial reporting.

The M&E process and indicators

The TAF PMU will track its own implementation progress and results on an ongoing basis. The following Monitoring & Evaluation plan has been collaboratively developed with stakeholders from UNCCD, Mirova, IDH and WWF and reflects the best practices identified in the Open Standards (WWF Program and Project Management Standard). The plan utilizes the indicators identified in the Results Management Framework, which have been selected to be SMART—Specific, Measurable, Achievable, Relevant and Time-Specific.^[1]

The following section lays out how the TAF PMU will plan, implement, monitor, and report its progress towards achieving its core objectives and outcomes in the Results Management Framework, in addition to its plans for adapting its own approach to continuously improve performance. A reporting schedule is at the core of the M&E plan, whereby a Project Progress Report, is prepared at six months and 12 months of every implementation year.

M&E for TAF General Objectives

The general objective of the TAF is to provide project preparation and TA services to build a balanced portfolio of effective projects for the LDN Fund and increase knowledge and awareness of models for LDN investment across the investor and project developer community. Progress towards this objective will be measured by three indicators which are further described in the results framework:

Indicator G1: Defined as the number of projects approved for investment from the LDN Fund (or a similar investment fund) after pre-investment TAF support, the G1 indicator will be tracked through communication between the TAF PMU and the LDN Fund. This indicator will be monitored at Year 3 and Year 5 of project implementation. Data reporting will disaggregate the approved projects by country grouping (e.g. LDCs, Africa, SIDS, Asia-Pacific, LAC etc.) and by year of TAF support (e.g. first year, second year etc.).

Indicator G2: This indicator measures the contribution of pre-investment TAF-supported projects to a balanced LDN Fund portfolio, whereby balancing needs are defined at the bi-annual meetings by the TAF Donor Committee and integrated into the annual work plan.^[2] For example, the TAF and LDN Fund and the TAF Donor Committee may identify a particular geographic region or country grouping (e.g. SIDS) as requiring greater representation in the portfolio. Data will be disaggregated by country grouping (e.g. LDCs, Africa, SIDS, Asia-Pacific, LAC etc.), by type of project developer, by sector, and by total investment project size. This indicator will be monitored annually by the TAF PMU, and will be based on communications received from the LDN Fund.

Indicator G3: This indicator measures the extent to which post-investment TAF-supported LDN Fund projects are implemented more effectively and with greater potential for transformational SLM, land restoration impact, and environmental and social co-benefits. The term "implemented more effectively" is measured against a pre-defined project scorecard jointly prepared by the project developer and the TAF PMU at the start of the TAF intervention (See Section 9: Appendix in the Project Document). The scorecard is tailored to determine how each individual project can improve performance on SLM, land restoration, and broader environmental and social indicators than they would have without TAF support. Performance scorecards are completed annually by the TAF and the project developer; results are shared at the TAF and LDNF annual meeting and through the Project Progress Report (PPR).

Indicator G.4: This indicator measures the number of country government representatives reporting enhanced capacity to implement MEAs and mainstream them into national and sub-national policy, planning financial and legal frameworks. Post-investment project developers will invite UNCCD National Focal Points and other relevant government stakeholders to the kick-off workshops for their projects, which will help increase government awareness of potential models for private investment in LDN. By attending these workshops and remaining in communication with TAF projects they can also learn about the use of the LDN measurement and tracking tool and how it could be applied in the public sector to help report against national LDN targets. This indicator will be measured through communication with the UNCCD National Focal Points and other government representatives whom have attended kick-off workshops for post-investment projects asking them what they have learnt and how they have applied it in the context of the country's UNCCD LDN targets and programmes or projects, national policy, planning, financial and/or legal frameworks.

M&E for TAF Component 1

The objective for Component 1 is to improve technical and operational processes and the SLM and land restoration impact of (potential) LDN Fund projects. The TAF will monitor three indicators towards this objective:

Indicator C1.1: C1 seeks to determine if TAF support results in project proposals of a higher technical quality being submitted to the LDN Fund than would have otherwise occurred. The indicator is defined as the number of eligible projects considered for investment by the LDN Fund after TAF pre-investment support. The data will be monitored via regular communication between the TAF PMU and the LDN Fund and disaggregated by country grouping. It will be annually reported.

Indicator C1.2: This indicator determines if project developers have greater capacity to implement projects to a higher technical standard. The indicator is defined as the percentage of project developer and key stakeholder whose capacity building needs are met at the end of TAF post-investment support. Before providing TAF post-investment support, the areas of capacity building needs are identified for each project individually. Together with the project developer (and the LDN Fund) it will be agreed which capacity building needs will be supported by the TAF and measurable targets will be set. The TAF PMU will then monitor the percentage of project developer and key stakeholder capacity building needs are met on an annual basis, from year two of implementation onwards. Data will be disaggregated by country grouping and by year of TAF support.

Indicator C1.3: This indicator measures if project developers have achieved a greater ability to monitor their performance against LDN indicators on social and environmental impacts, and to report this to the LDN Fund to practice adaptive management more effectively both in the TAF and LDN Fund. The data collection will be informed through the meetings between the TAF and the project developers, and the indicator will be measured by the number of project developers using monitoring data to practice adaptive management as a result of receiving technical assistance. Adaptive management is defined as a systematic process for continually improving management policies to maximize LDN, social and environmental impacts based on data (through project performance scorecards). Monitoring data includes data on LDN, social and environmental project performance, mobilized through the soil organic carbon toolkit, remote sensing toolkit development, LDN data platform and TAF-supported baseline studies, which are summarized annually in LDN and E&S performance scorecards.

M&E for TAF Component 2

Effective knowledge management and project monitoring and evaluation is the overall objective of TAF Component 2. Progress towards meeting this objective is partitioned into two sub-objectives, which are measured against four indicators. All three indicators will disaggregate data findings by year of TAF support, in order to measure the evolving impact of the TAF.

C2.1 objective: The first objective under Component 2 is that its activities are designed to ensure that monitoring & evaluation across the TAF is carried out effectively and is used for adaptive management.

C2.1 indicator: This indicator tracks the number of IDH and LDN Fund planning meetings or workshops where M&E data (including RF indicators) was discussed. Data from the workshops and meetings is then integrated into the annual workplan and budget which is submitted to the donor committee.

C2.2 objective: The second objective under Component 2 activities is that awareness and knowledge of successful models for SLM and land restoration investment and LDN impact are made available across the wider project developer and investor community.

C2.2a indicator: This indicator measures the number of publically available knowledge products developed by the TAF PMU (potentially together with LDN Fund and or project developers). Knowledge products can be reports, presentations, blogs, web articles and other products that aid the dissemination of knowledge to others. The TAF PMU will report on this indicator annually from Year two onwards in the PPR.

C2.2b indicator: The TAF PMU will report on the number of (virtual or physical) meetings of the TAF Learning Network, specifying the core topics of the Learning Network events. Topics will likely include: financial deal structuring, locally-specific technical issues, data sharing, spatial planning, land tenure, inclusion of smallholders and communities, agronomic techniques, etc. The C2.2b indicator will be reported upon annually.

Adaptive management measures: continual improvement/mitigating underperformance

IDH will convene a bi-annual donor committee meeting between the TAF and LDN Fund to review the PPR and to determine if the TAF is effectively meeting its objectives. The remit of the meeting may include:

- A review of M&E data from the TAF to identify areas for potential adaptation to continually improve TAF performance;
- The ability to adapt the TAF's support priorities to improve balance in the LDNF pipeline;
- Other topics as deemed necessary by the TAF, LDNF, and project developers; and
- IDH will include a summary of these donor committee meetings in its progress reports to donors via the annual workplan and budget.

M&E Summary Budget

Line item	Total
Salaries and Benefits	\$53,757
Consultants (MTR and Final Evaluation)	\$39,751
Donor Workshops	\$23,244
TOTAL M&E	\$116,752
TOTAL PROJECT BUDGET	\$2,000,000
% M&E OF TOTAL PROJECT BUDGET	0.06

N.B. Monitoring and Evaluation costs are slightly lower than recommended for an average GEF project; however, costs are lower than average because field data is not required for the M&E for the TAF's performance (as distinct from the M&E capacity building that the TAF will perform as part of its activities). The M&E of the TAF is designed to internally monitor the TAF's own capacity at supporting a portfolio of LDN-ready projects.

^[1] The successful implementation of LDN Fund projects will contribute towards the impacts contained in the PMAT. Given that the TAF is designed to provide technical assistance towards the realization of an effective and balanced project pipeline for the LDN Fund (as opposed being directly responsible for the funding and implementation of this pipeline), the application of the GEF Land Degradation Tracking Tool (GEF-6) within the TAF itself is beyond its remit.

^[2] The potential balancing role of the TAF is described further in Section 2.2 of the Pro Doc.

PART III: Certification by GEF partner agency(ies)

A. GEF Agency(ies) certification

GEF Agency Coordinator	Date	Project Contact Person	Telephone	Email
Herve LeFeuvre	10/2/2018	Astrid Breuer	2024954630	astrid.breuer@wwfus.org

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

Please refer to Section 9: Appendix of the Project Document for the Results Framework on pg. 123.

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Review Comment 1: How the LDN TAF will be able to prioritize GEF eligible countries and in particular poor countries and countries with low capacity, including LDCs and SIDS, rather than middle income or developed countries.

The TAF targets developing countries, which will include developing GEF recipient countries. The representation of poor countries and countries with low capacity such as LDCs and SIDS in the LDN Fund pipeline will be assessed by the TAF PMU together with the LDN Fund during each annual review. If necessary, actions for the TAF to take to strengthen outreach to project developers in these countries will be included in the following year's Action Plan for review and approval by the TAF Donor Committee.

To mobilise such pre-investment TA requests, the TAF can propose, in close coordination with the LDN Fund, to pro-actively target potential type of project developers using the following process:

Desk research and network mobilization: the TAF PMU through desk research and through mobilizing its network (including IDH regional offices, UNCCD and its CSO network, LDN Fund, WWF, GEF and its CSO network and AFD) will develop a long-list of potential target organizations and or initiatives;

Outreach: The TAF PMU contacts the organizations and initiatives on the long-list. Outreach activities can include setting up:

- Bilateral exchange and meetings;
- Hosting targeted information events, webinars, scoping missions and project visits;
- Online communications, such as through IDH newsletters, website and social media; and
- TAF communications around LDN (both LDNF and TAF) during major public events such as COPs (CDB, UNFCCC and UNCCD) and the REDD forum can be increased.

Partnerships: where relevant the TAF PMU could also identify potential applicants via wider programs and partnerships, including via the UNCCD, IDH landscapes programs, supply chain and innovative finance programs. Partnerships with other relevant platforms and programmes which work in SLM and land restoration will also be identified;

Requests for proposals: The TAF can target specific regions, sectors or types of project developers by issuing specific requests for proposals; and

'Convening' new partners for project pipeline development: Bringing new potential partners together and supporting them to explore joint investment projects, e.g. a local bank and a coffee trader developing a joint new credit project, or an NGO, a supplier of agricultural inputs, and a farming co-operative developing an innovative joint investment proposal.

Review Comment 2: Given the limited amount of TAF funding an indicative list of countries and identified projects reflecting the TAF functions would be useful.

There are no specific countries or projects selected yet for TAF support, and it will run an open application for projects. As a result it isn't possible to specify an indicative list of countries or projects.

Review Comment 3: We expect to see a process to clarify the TAF governance (selection of the executing agency, legal status, steering committee, implementation arrangements, sub-project selection...).

The governance of the TAF is described in Section A.6 of this document and Section 3 of the ProDoc

Review Comment 4: In the same spirit, the relationships between the TAF and the LDN Fund on the governance and operational levels should be clarified. The option of a common advisory committee may also be explored...

This clarification is provided in Section A.6 of this document and Section 3 of the ProDoc, which includes the LDN Fund and TAF Strategic Board acting as a joint advisory committee.

Review Comment 5: Different governance options/models should be explored. The advantages and limits of each models should be carefully analyzed, also considering that the TAF will be only be able to play its deal enabling role if its operations align with the fund manager. - The accountability aspects and the relationships with UNCCD should be assessed. - This is why we suggest to include the Global Mechanism (GM) as a potential executing partner to ensure consistency with UNCCD objectives, LDN targets in the countries and alignment with the LDNF.

These models have been explored and are captured in Section A.6 of this document and Section 3 of the ProDoc

Review Comment 6: Please indicate the number of countries or sub-projects that will be supported in the Corporate Result 6 (CR6= "Enhance capacity of countries to implement MEAs and mainstream into national and sub- national policy, planning financial and legal frameworks").

This will occur in at least six countries.

Review Comment 7: Please, confirm cofinancing at CEO approval.

Co-financing is confirmed and is included in Section A of this document.

Council Review comment: Strong environmental and social safeguards are pivotal for the LDN Fund to be successful and supportive to the implementation of the UNCCD. The current draft of the safeguards refers to the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Forests, and Fisheries in the Context of National Food Security (VGGT) but does not derive the implications of the VGGTs for the design of the safeguards themselves. Given the high demand for land and the challenges that many smallholder farmers need to face in securing their rights to land, the Technical Assistance Facility needs to revise the current Environmental and Social Safeguards to align them with the VGGTs. Investments in Land Degradation Neutrality projects that are not in line with the voluntary guidelines risk doing harm. Therefore, the revision of the Environmental and Social Safeguards as described above is a matter of urgency and should be one of the first tasks of the Technical Assistance Facility.

It is not a task of the TAF to develop the safeguards system of the LDN Fund. The LDN Fund Environment and Social Management System is based on International Finance Corporation (IFC)'s Performance Standards and on the Voluntary Guidelines on the Responsible Governance of Tenure (VGGT), which means that any investment made by the LDNF is consistent with internationally recognized safeguards systems. The role of the TAF is to support projects to meet the LDNF ESS and become eligible for investment. This has been incorporated into Section 5 of the ProDoc.

[ProDoc GEF Review Comments](#)

4. Safeguards

The project takes into account potential risks. However, the section 5 on safeguards is rudimentary, with two short paragraphs (p.97). This text is not enough informative to reflect the safeguard standards, borrowed from the LDN Fund's social and environmental framework, including land tenure, Indigenous People, and gender issues. The framework, the principles, and the safeguard standards should be summarized in the project document, and full supporting documents being annexed and/or hyperlinks provided. Please, complete. When appropriate, please, make reference to GEF policies, guidelines, and documents, the most recent being stakeholders engagement, indigenous people, and gender.

RESPONSE:

The GEF-funded assistance to the TAF is subject to the WWF safeguards (SIPP), whereas the projects funded by LDNF will be subject to the LDNF safeguards (ESS). This has been clarified now throughout the ProDoc and the CEO Endorsement Request, including more details in the Section 5 on Safeguards, the link to the WWF SIPP has been included, and the WWF GEF Safeguards Categorization Memo has been annexed.

However, about the Global Environment Benefits, we take note of the mention of the GEF6 table (as the indicator does not have an equivalent in the GEF7 framework), but please make reference to the GEF7 core benefits and explain the case.

RESPONSE:

Acknowledged and integrated on page 66 of the ProDoc.

Most of the comments raised at PIF level are addressed. However, some points deserve some clarifications: The Technical Assistance Facility and the Project Selection Committee are solely composed of IDH staff. We wonder if the Project Selection Committee should not include more external/neutral observers, to avoid potential conflicts of interest. It is mentioned that the PSC will be independent to the PMU, but as a matter of fact, they will be all IDH staff... Please, clarify.

RESPONSE:

Acknowledged and integrated in section 3 of the ProDoc, as below. Agreed that the PSC is not independent of the PMU, rather it is separate. In response to the GEF review, the project proponents have added an external (non-IDH) member and the option of an observer from the Donor Committee to the Project Selection Committee.

The Project Selection Committee will be governed by the operational manual, including the Project Eligibility Criteria and Project Selection Criteria, as approved by the Donor Committee and, where applicable, with input from the Strategic Board and adjusted through the annual plan. The Project Selection Committee is separate from the TAF PMU and will include at least one non-IDH active member and has the option of including an observer from the Donor Committee. The mandate of this committee is to make the final decision on LDN TAF project selection, and, where needed, revise and sharpen, or decline, project funding decisions by the LDN TAF. The Project Selection Committee ensures alignment with the LDN Fund by requiring a letter of no-objection for approval of TAF projects.

- Is it reasonable to let the Project Selection Committee to make the final decision on the LDN TAF project selection? The PSC should ensure alignment of the TAF project with LDN objectives and criteria, and "proposes a selection of projects". However, the "final decision" should be taken by the LDN Fund and TAF Strategic Board, and not only by, basically, IDH staff.

RESPONSE:

The LDN TAF is set up within the wider IDH organization which means that projects selected to receive LDN TA support fall under the fiduciary responsibility of the IDH Executive Board. Project selection therefore takes place within IDH (the PSC) so as not to jeopardize the fiduciary responsibility of the IDH Executive Board.

Furthermore, in the project selection process agility and responsiveness to private sector timeliness and fund requirements will be key to the effectiveness and the success of the LDN TAF. The Project Selection Committee therefore has been set up to have the ability to meet and make decisions on a monthly basis, or where specific cases require so, more often.

The Project Selection Committee is governed by the Operational Manual as approved by the Donor Committee with input from the Strategic Board, and therefore is strongly aligned with the LDN Fund and embedded in the initiative's overall governance.

In addition, the Project Selection Committee ensures alignment with the LDN Fund by requiring a letter of no-objection for approval of TAF projects.

Integrated in section 3 of the ProDoc

A non-IDH expert active member and the possibility of an observer from the Donor Committee are added to the Project Selection Committee to ensure project selection decisions are not only done by IDH staff. The budget was modified accordingly to reflect the requested additional member of the PSC (Sections 7 and 8).

- How is IDH making the distinction with potentially similar initiatives (&Green, CPIC, etc.)?

RESPONSE:

Clarified and integrated on page 33 and 35 of the ProDoc

- In our understanding, one ambition of the LDN fund is not only to develop operational restoration projects, but to invest in potential landscapes and value chains where the LDN fund financed projects can catalyze national and local sources of financing (development banks, microfinance networks...) to plan a transformational change at scale (landscape or value chain). Could it be possible to include this selection criteria? It would also be a way to make the distinction with other funds (Moringa Agroforestry fund for instance).

RESPONSE:

The LDN Fund indeed aspires to invest in potential landscapes and value chains where LDN Fund financed projects can catalyze national and local sources of financing (development banks, microfinance networks...) to plan transformational change at scale (landscape or value chain). Although not explicitly framed in the ProDoc in one specific criteria, the set of selection criteria applied by the LDN Fund aim to prioritize selection of projects that achieve the above described goal.

The same applies to the TAF. The current pre-investment selection criteria already include criteria such as scale of field level impact, level of stakeholder participation and alignment with national LDN plans and targets. Projects with high potential for transformational change at scale will score high on these criteria, which increases the likelihood that the project will be selected for TAF support.

Integrated on page 47 of the ProDoc

An additional selection criterion was added referring to the project's potential for *catalyzing national and local sources of financing*. The selection criteria will be presented to the Donor Committee for review and approval.

Please, clarify the modus vivendi between the Strategic Board, the donor committee, and the project selection committee.

RESPONSE:

Clarified and integrated in Section 3 of the ProDoc (pgs. 77-78)

- The figure 7 summarizing the TAF and the LDN fund governance should be completed to include all the different bodies, including the project management unit, and the Project Selection Committee. Please, complete.

RESPONSE:

Integrated in Section 3 of the ProDoc (pg. 78).

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS.

A. Provide detailed funding amount of the PPG activities financing status in the table below:

Project Preparation Activities Implemented	GEF/LDCF/SCCF Amount (\$)		
	Budgeted Amount	Amount Spent To date	Amount Committed
PPG Grant Approved at PIF: 50,000			
Project Development Consultants – fees	49,000	44,100.32	
Project Development Consultants - expenses	1,000	1,914	
Total	50,000	46,014.32	

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/CBIT Trust Funds or to your Agency (and/or revolving fund that will be set up)

ANNEX E: GEF 7 Core Indicator Worksheet

Use this Worksheet to compute those indicator values as required in Part I, Table G to the extent applicable to your proposed project. Progress in programming against these targets for the program will be aggregated and reported at any time during the replenishment period. There is no need to complete this table for climate adaptation projects financed solely through LDCF and SCCF.

ANNEX F: Project Taxonomy Worksheet

Use this Worksheet to list down the taxonomic information required under Part1 by ticking the most relevant keywords/topics/themes that best describes the project

ANNEX G: Project Budget Table

Please attach a project budget table.