Norad

1. General

1.1 Name of grant recipient: Earth Innovation Institute

1.2 Norad agreement number: **QZA-0701 QZA–16/0162 -Forests, Farms and Finance Initiative**

1.3 Agreement period: **2016-2020**

1.4 Reporting year (year being reported on): 2018

1.5 Country/countries of implementation and geographic area within the(se) country/countries if relevant: **Brazil (Acre, AC, Mato Grosso, MT, and Lower Amazon, LA, Pará), Colombia, Indonesia (Central Kalimantan and West Papua), and Peru**

2. Results - Project status

Outcome 1: Public and private sector deliver funds for low-emission rural development (LED-R) strategies to local governments, smallholders and communities in Brazil (BR), Indonesia (IN), Peru (PE) and Colombia (CO).					
Indicator		**Short Description**	**Baseline**	**Target Y3**	**Source[1]**
Funding pledged by targeted agricultural companies and businesses (million USD)[2]		*Description of pledges*	0	3	1, 2
Progress in 2018	Target delayed. No funding pledged. Since the implementation of the project we shifted our approach from single private companies to larger sourcing agreements with associations (more details under Outcome 3.1 and 2.5, Deviations). Taking this and the recommendations from our mid-term review into consideration, we proposed the revision of this indicator in 2019.				
Funding pledged by targeted donor countries/states (million USD)		*Description of pledges*	0	3	3
Progress in 2018	Target exceeded. In 2016, ~USD 10 million was pledged by the German gov. to Acre (AC); and in 2017, ~USD 50 million combined were pledged by the German and UK governments to Mato Grosso (MT), totalizing USD 60 million pledged. In 2018 U.K., Norway and Germany committed USD 0,4 to FINAGRO´s Instrumento. Financiero para la Transformación Productiva. Sostenible (ITPS) pilot through Vision Amazonia Program (A1-A2).				
Funding received in target jurisdictions from capped California (CA) companies (million USD)		*Description of funding received.*	0	2	4
Progress in 2018	Target delayed. No funding to report. CA govt has not yet implemented the international offset provision of CA's Assembly Bill 32 (AB32). EII continued to support this process by advising California Air Resources Board (CARB) and attending public hearings (virtually and in-person meetings) (see more under 1.1.7 and outcome 4).				

[1]**Data source:**

1. Meeting notes	17. Meeting notes	29. Documentation of benefit sharing for funds delivered. Documentation of FPIC.
2. Design documents	18. EII reports	
3. Official government communications	19. Article of Establishment	30. Meeting minutes of TPS dialogues to establish reference levels and performance targets
4. Company and / or California government communications	20. Meeting minutes	
	21. Other documents	31. Relevant draft regulations and regulations
5. INPE Prodes, Hansen et al. 2013	22. Published report/analysis	32. Indigenous People Councils
6. Hansen et al	23. Document or PPT slide deck	33. Ministry of Forestry and Environment; Provincial Government of West Papua
7. Official government docs and reports	24. Workshop minutes establishing regional performance targets	
8. Reports from donors and/or from civil society	25. Meeting minutes of TPS governance structures	34. EII/INOBU Reports
		35. PPT slide decks
9. Meetings and exchange visit minutes	26. Interviews with key stakeholders and project partners regarding perception of transparency	36. Analysis Document
10. Field survey documents in reports		37. Departmental Plans
11. Other reports		38. Websites
12. Documents with instruments designed		39. Media coverage
	27. Meeting minutes of TPS dialogues	40. Annual reports
13. Communications	28. Participant lists of dialogues to track stakeholder representation and participation	41 Company & roundtables docs
14. Concept Notes		42. Draft plan(s), plan(s) vetted with local actors, reports from monit. implementation of the plan(s) (official documents)
15. EII and CA internal notes and documents		
16. Online Platform		43. Reports from UFOPA monitoring center.

[2] All the values that were in foreign currency different than US dollars were converted to US dollars using Oanda's exchange of 12.31.2018.

Funding received by target sub-national jurisdictions (million USD)	*Description of funding received*	0	5	3

Progress in 2018	Target exceeded. In AC, the REM AC Phase II Program received ~USD 8,4 million from KfW and ~ 13,4 million from BEIS (source: SEPLANS and IMC 2018). In MT, the government received ~ USD 5,7 million, as the first large disbursement part of the USD 19 million commitment to support the LED-R strategy of MT (Communications during PCI Executive Committee).

Deforestation declines in target jurisdictions (% reduction below historical average) — **Progress in 2018:** Numbers revised using official national monitoring data. Real deforestation declines in target regions for Y3: MT: 71%; AC 72%, LA: 81%, CKal: 58%; WP: 48%; Colombia: 46%; PE-AM: -27% (data and calculations available upon request).			
Mato Grosso	65	68	5
Acre	72	72	5
Lower Amazon	79	80	5
Central Kalimantan	55	56	6
West Papua	47	47	6
Colombia	43	44	6
Peruvian Amazon	-31	-29	6

Project-specific Outcome Indicator

Local governments in target jurisdictions receiving incentives for slowing deforestation (number of municipalities or districts)	Green Counties Program / PA	1		7, 8

Progress in 2018	Target for the project exceeded in previous years. In 2018, EII continued to support SISA's program and its work to support 10 municipalities that are receiving support through the SISA program (via implementation of the REM program) to contain deforestation influenced in the margins of the Federal Roads 364 and 31. EII also developed a map of beneficiaries of the phase 1 of the program, including the places most benefited and areas most vulnerable to deforestation (A3).

Small-scale farmers and communities (f&c) supported to improve their production systems through Territorial Performance System (1000's of f&c receiving support)	3	6	3, 7, 8, 10

Progress in 2018	Target exceeded. In 2018 In the LA, a total of 5,780 families, ~12,820 people are already benefiting from improved, more sustainable management of their fisheries. In AC 2,500 small producers we supported through the technical - scientific cooperation agreement with Cooperacre to promote low emission products in international markets (A4). In IN, over 1000 smallholder oil palm farmers have been facilitated to obtain RSPO/ISPO certifications in Kotawaringin Barat and Seruyan districts (A5-15).

Intermediary Outcome 1.1.i: Regionally-tailored mechanisms to attract climate finance for local governments, smallholders and communities in Brazil, Indonesia, Peru and Colombia are formally endorsed by governments of target jurisdictions

Regionally tailored mechanisms developed	0	1	1, 2

Progress in 2018	Target met. The Agricultural Facility (AF) was officially established and launched in Seruyan district (A16-18). The facility is fully staffed and a 5-year roadmap plan developed that identifies short and long-term program strategies (see more under output 1.1.3).

Output Level

Indicators	Baseline	Target Y3	Source1
Output 1.1.1: TP Fund and monitoring system designed and implemented in Mato Grosso (MT), Acre (AC) and Lower Amazon (LA), Pará (PA) (Brazil) to attract matching and performance-based finance and deliver to smallholders and local governments			
TP Funds designed (# of jurisdictions)	Draft /MT	0	2, 7, 13, 14

Progress in 2018	No progress to report in 2018. EII BR was finally launched in 2018 (A19), which was required by the Amazon Fund (AF) as we sought approval for the TP Fund. However, in 2018 the AF only accepted proposals through 2 specific public calls for projects, and it was a complicated time due to the national elections. EII will discuss the implementation of the TP Fund with the AF in 2019.

Territorial monitoring platforms launched to support TP Fund (# of jurisdictions)	5	1	16

Progress in 2018	Target for the project exceeded in previous years. In 2018 EII expanded and updated information in the AC and the PCI-MT customized platforms to measure performance, as well as the Produce Protect Platform.

Output 1.1.2: Green Forest Bond (GFB) designed and beginning implementation in Brazil			
GFB structure for BR progressed with World Bank (WB)/MIGA and Brazilian public banks	0	1	2

Progress in 2018	Target partially met. FT advanced the structure of GFB for BR in previous years (A20-23), and led engagement with BNDES to attain support to implement a GFB pilot linked to the implementation of the Brazilian Forest Code. However, due to elections in BR in 2018 the discussions with BNDES stalled. In 2019 FT is re-approaching BNDES and we are analyzing the feasibility of moving forward with the concept of GB pilot in Brazil.

Output 1.1.3: Financial Mechanism (e.g. an agricultural facility) designed for delivering climate finance to high-performing Districts in Central Kalimantan and West Papua, Indonesia)			
Financial mechanism design completed and institutional arrangement determined	0	1	2, 7, 13, 14

Progress in 2018	Target met. The AF was officially established in 2018 in Seruyan district (A16-18). Two Standard Operational Procedures were developed describing official institutional and financial management protocols (A24-26). The facility is fully staffed and a 5-year roadmap plan was developed identifying short and long-term program strategies. A pilot training program was held on Dec, 2018 for 58 smallholders in Seruyan district in collaboration with Musirawas oil palm company (A27-29). A second training targeting 100 smallholders is planned for early 2019.

Output 1.1.4: Analysis and convening in support of the implementation of a package of incentives (e.g. with Colombian FINAGRO program) for low-emission rural development in the Colombian Amazon (relates to Intermediary Outcome 1.1.i)			
Package of Incentives design document completed with participation of Min of Ag.	0	0	2, 17

Progress in 2018	No target to report in 2018. The ITPS was designed in 2017 and its implementation was planned to start in 2018. However, the ITPS pilot did not start in 2018 as planned because there were difficulties identified on how the funds would be managed at the end of 2021, when the Amazon Vision (AV) program ends. We are solving those issues and planning to start implementation of the ITPS in 2019.

Output 1.1.5: Business Plan for Low-emission Rural Development for Peruvian Amazon regions to attract private investment

Peruvian low-emissions rural development document completed		0	0	2, 7, 8 17, 18
Progress in 2018	Target met. The business plan for LED-R was planned for 2017, but it finalized in 2018 (A30). Our new partner MDA, with support from EII's team completed an analysis for LED-R alternatives (coffee and cocoa agroforestry systems). The analysis includes: 1) a cost-benefit analysis of 2 LED-R alternatives for the Peruvian Amazon that can enhance the value of the forest or reduce the pressure on them; b) a description of incentives for LED-R in Peruvian Amazon designed to promote multilevel alignment and cooperation to reduce deforestation; c) a proposal of instruments to incorporate results-based public spending as a way of transfering resources to the reg. govts. to promote LED-R; and d) a proposal for strengthening cooperation and governance between public and private sector at regional and local level. The analysis obtained feedback from regional governments, and is being revised in 2019.			

Output 1.1.6: GCF performance system (GCF PS) designed and implemented, attracting finance from new sources (GCF member states & provinces of BR, IN, PE)

Number of GCF members with jurisdiction-wide performance platforms for monitoring deforestation, sustainable commodities, and GHG emissions reductions reported.	Draft GCF PS	2	16
Progress 2018	Target for the project exceeded in previous years. EII continued to expand and update information on the GCF Impact platform to monitor performance of all 35 GCF members located in the tropics and the "Produceprotect.com" platform to help companies find sustainable jurisdictions and products. EII also worked closely with partners to maintain and upgrade tailored platforms in AC and MT.		

Output 1.1.7: Analysis, exchange visits, and convening to support California (CA) government completion and implementation of REDD offset system

# of meetings and workshops with CA govt	Brazil, Indonesia	2	2	15
Progress in 2018	Target met. In 2018 we provided advice to the govt. of CA in the preparation of the CA's Climate Summit (e.g.A31-32), and supported engagement of govts from PE, CO, and Indigenous peoples (IPs) during meetings in CA (e.g. A33). We also co-convened a meeting with the GCF Secretariat that culminated in the *Principles of Collaboration between IP and subnational governments* (A34) released during the GCF Annual meeting. Later in the year EII team also organized and delivered to Governor Brown a letter by renowned scientists in support of the inclusion of REDD+ offsets under California's cap-and-trade program (A35) and IP representatives (A36) at the CARB meeting in Nov. 2018.			

Outcome 2.1: State-wide LED-R strategies designed and implemented in MT, AC, and PA, BR					
2.1 Level of implementation of REDD+ related policy/measure (standardized reporting indicator 2.1)					
Status of Implementation uses Scale from Standard Reporting indicators					
Progress Name and Type of policy/measure	**Location and Policy Level**	**Baseline**	**Target Y3**	**Source 1**	**Impact on Gender; Transparency; Sust; livelihoods;**
Amazon Fund, Forest Code, Public Credit Programs (ABC & Pronaf) and state-level REDD+-related policies (AC SISA, MT REDD, PA Green Counties Program) integrated within state low-emission development strategy	MT	4	5	7, 8	Impacts on all the elements above
	LA, PA	1	3	7, 8	Id
	AC	4	4	7, 8	Id
Progress in 2018	Target partially met. In MT (5) the project contributed to the design and finalization of the statute and the legal structure of the PCI (A38-39), including the *Value, Engagment and Communication Working Group* within the PCI (A40), which aims to connect and facilitate partnerships between companies and producers in socio-environmental regional projects. In AC (4), EII supported the CEVA (SISA's Commission for Validation and Monitoring) towards a more equitable distribution of benefits from the REM program (A37). In the LA, PA (2), EII and Sapopema collaborated with SEDEME and SEDAP to support components of the Pará Sustentável program (A41-42) linked to fisheries and aquaculture, but the program lost momentum as the gov. shifted its focus to the 2018 state elections.				
Intermediary Outcome 2.1.i: Existing state-level policies in MT, AC and LA, PA, respectively, are aligned with one another and with national government policies and laws (e.g., National REDD Strategy)					
Key State level policies aligned with national policies	MT	0	X	7, 8	Id
	LA, PA	0	0	7, 8	Id
	AC	0	0	7, 8	Id

Progress in 2018	No target to report in 2018. AC's FREL and its SISA program are aligned with the Resolutions from the National Commission on REDD+ (CONAREDD+), including the use of payment for the REDD+ from the REM Program Phase 2 in AC. MT's FREL is also aligned with the CONAREDD+ (see more under 2.1.1). In MT, we advised the State's Climate Change Coordination team about the need for a participatory process to implement MT's REDD + System following national safeguards. We also participated in multisector meetings to design the National Safeguards Information System (A43-46) to ensure alignment with the REDD+ state systems of AC and MT.				

Intermediary Outcome 2.1.ii: Strategy documents finalized for each target jurisdiction with endorsement of key sectors (e.g. governments, private sector, NGOs) in MT, AC, and LA, Pará

Integrated landholder incentives created	MT	0	X	7, 8	Id
	LA, PA	0	0	7, 8	Id
	AC	0	1	7, 8	Id
Progress in 2018	Target partially met. In MT the PCI strategy continued to be implemented with our support (see progress on 2.1 above). In AC we continued to support the full implementation of the SISA Program including launching Sociobiodiversity subprogram (A48-49). Nonetheless, integrated landholder incentives still must be further developed under these programs				

Intermediary Outcome 2.1.iii: Multi-sector dialogues are launched and multi-sector governance structures are developed in support to public policy alignment in MT, AC, and PA

Multi-stakeholder governance established	MT	0	X	19, 20, 21	Gender; Transparency; Sust. Livelihoods (G,T,SL)
	LA, PA	0	1	Id	Id
	AC	0	X	Id	Id
Progress in 2018	Target partially met. In the LA, Sapopema and EII carried out multi-stakeholder dialogues on fisheries and aquaculture through a series of multi-stakeholder meetings in all 13 LA municipalities. To modify the Seguro Defeso policy: 1 workshop and 3 meetings, 99 participants. To develop partnerships between community associations and companies for sustainable pirarucu: 5 workshops and 4 meetings, 116 participants. To discuss LED-R strategies: 5 meetings, 349 participants. To develop Sectoral participatory planning for a fish-based LED-R Strategy: 4 meetings, 50 participants. To strengthen governance capacity and design LED-R strategies, 9 meetings, 235 participants. Finally, to prepare or revise 4 Utilization Plans for PAEs and reserves to strengthen governance: 17 meetings, 1,627 participants (A47). A draft of governance structure for the LA was developed and will be finalized in 2019. In MT, we continued active engagement in the PCI Executive Committee to support the implementation of the PCI Strategy, and in 2018 we provided technical support to develop the legal structure of the PCI and led a working group to engage private sector towards the implementation of the strategy (see more under 1.1). In AC we continued to be part of the Sociobiodiversity Committee and the Scientific Committee of the SISA program, in support of the implementation of the SISA program.				

Intermediary Outcome 2.1.iv: Fish based low carbon protein production strategy integrating aquaculture and managed fisheries established on a low emission rural development (LED-R) trajectory in the Lower Amazon, Pará

Implementation of a reg. fish-based LED strategy for the LA. Level of Implementation range is 0-2.0=developing plan, 1=plan, & monitoring system in place, 2=co- management policies & incentives implemented	LA, PA	0	1	18, 21, 42	G,T, SL
Progress in 2018	Target delayed. In 2018 Sapopema and partners revised the draft LA Plan (A50) and produced a complete document for final revision and approval by partners and municipal gov. The new state government that entered in 2019 is planning to create regional fisheries governance structures and will use the LA Plan that EII helped develop as a reference.				
Number of várzea communities where families are shifting to sustainable aquaculture & managed fisheries.	LA, PA	0	2	18, 21, 43	G,T, SL
Progress in 2018	Target exceeded. We are working with 5-6 communities on pirarucu management and sustainable supply chains (A47,A50-52)				
#of várzea (floodplain) communities where families are reducing cattle herds as shift to sustainable aquaculture & managed	LA, PA	0	0	18, 21, 43	G,T, SL
Progress in 2018	No target to report in 2018. The new government has the intent to develop sustainable fisheries and aquaculture to begin implementation in 2020 under the new Plano Pluri-Anual (PPA) that defines budget priorities for the next 4 years. This will support the transition from cattle to sustainable aquaculture and fisheries down the line. Therefore, since the policies needed to create conditions for this shift are not yet in place, we propose to remove this indicator (A136)				

Output Level

Indicators	Baseline	Target Y3	Source 1
Output 2.1.1: Multi-sector dialogues supported for defining state-wide goals and strategies in each target state, compatible with national REDD			
# of states with published **proposals for reconciling** state-level reference levels (RELs) and natl. RELS	0	1	7, 16

Progress in 2018	Target no longer relevant. This is because [Resolution n. 6](#) from BR CONAREDD+ (BR National Commission on REDD+) (A54) established the allocation of emission reductions to states and the federal government. Thus, it is no longer relevant for states to establish their reference levels independently. Nonetheless, MT and AC have done in the past (see previous reports) and their proposals are aligned with the federal directive.			
Territorial multi-stakeholder governance structures supported (# of jurisdictions)		1	1	7, 19,
Progress in 2018	Target delayed for 2018. We continued to support multistakeholder structures in MT ([PCI](#)) (A55) and AC (SISA program and its Committees). In the LA, Sapopema supported multi-stakeholder dialogues on fisheries and aquaculture through meetings in all 13 LA municipalities and 55 regional meetings (A47 and under 2.1iv). From these meetings, the plenary approved a governance structure for the LA but it has not yet been implemented. The new state government is planning to create regional fisheries governance structures and will use the LA Plan (A50) that we helped to develop as a reference.			

Output 2.1.2: Analysis indicates minimum-cost pathway to full compliance with Forest Code

Analysis document for each target jurisdiction		Stickler et. al 2013	0	22
Progress in 2018	Target unmet and changed. In 2019 we proposed to change this output to provide concrete examples of how the Forest Code Article 41 (i.e., the provision for positive incentives to farmers) and the Environmental Reservation Quotes, CRA (which allows trading of forest legal reserves among properties) could be put into practice. A report will be prepared in 2019.			

Output 2.1.3: Analysis indicates ways of aligning state strategies with national REDD regime, credit programs (e.g. ABC, PRONAF)

Analysis document or powerpoint deck		0	0	23
Progress in 2018	Target delayed. EII continued to actively follow the national REDD directives and safeguards system in 2018, including supporting its construction, but with the elections the process has stalled. We will conduct analysis in 2019.			

Output 2.1.4: Technical support system for smallholders and communities designed and ready for implementation through the TP Fund

Published analysis of technical support and rural extension needs and options for addressing needs		0	0	22
Progress in 2018	No target to report in 2018. In the LA, Sapopema supported local communities to develop the pirarucu sustainable supply chain (training, monitoring and a study of this supply chain) (A53-53).			

Output 2.1.5: Territorial Performance System for managed fisheries and aquaculture established and guiding LED-R in the Lower Amazon region (relates to intermediary Outcomes 2.1.i to 2.1iii and also Outcome 3).

# municipalities with functional co-management systems supported by state (Pará) and/or federal govt agencies. (Functional = regular patrols & citations to most/all communities)		0	1	22
Progress in 2018	Target delayed. In 2018 the federal govt transferred the responsibility of managing fisheries from the federal govt to state govts. Then, SEMAS-PA began to develop a legislation for the governor to sign giving the state the authority to manage fisheries. The legislation is still under analysis and Sapopema & EII are supporting this process (A168).			
# of Lower Amazon municipalities formally adhering to plan for fish-based LED-R strategy		0	3	22
Progress in 2018	Target delayed due to the situation described above. In 2019, the new government is making this a priority and we plan to capitalize on this momentum to get the targets back on track.			
# of municipalities where revised incentives (eg. Seguro Defeso and PRONAF) are implemented		0	2	22
Progress in 2018	Target delayed. Seguro defeso is a national policy which applies to all municipalities within the country simultaneously. The continuing upheaval in the federal government fisheries sector has meant that for most of 2018, the Amazon committee responsible for developing and proposing the revised SD policy was unable to meet. Discussions continued, but it was not possible to officially submit the proposal developed by EII and Sapopema to the full committee.			
# of beneficiaries from the revised policies (in '000s).		0	0	22
Progress in 2018	No target to report in 2018. However, this target may be delayed due to difficulties described above in revising the SD policy.			
University-based GIS and monitoring system established and adaptively monitoring trends in regional		0	1	22
Progress in 2018	Target partially met. A basic GIS for fisheries has been produced, but it is not yet linked to a fisheries database.			
University-based monitoring system established and adaptively monitoring trends in regional fisheries		0	2	22
Progress in 2018	Target unmet and changed. EII and Sapopema have been monitoring household fishing in a sample of communities as part of a long-term initiative. Additionally, we are testing a pilot Citizen Science Project (with a very small grant from WCS working with municipal schools in two riverine communities (A167). We plan to integrate this target with the same monitoring above (since the goal is to have one single monitoring system) and therefore we request the removal of this indicator.			
Sustainable supply chains (commercial linkages between fishers, buyers and processors and consumers) in the Lower Amazon are developed, integrating fisher associations and commercial fish buyers who value sustainable low emission fish products through contracts between fisher associations & companies. Indicator: # of contracts		0	2	22

Progress in 2018	Target met. Sapopema collaborated with the Santarém office of SEBRAE (Brazilian Support to Small and Micro Enterprises) to develop the local supply chain for managed fisheries, connecting community management associations with local restaurants and supermarkets interested in purchasing sustainably managed pirarucu through a method called "Business Rounds". In the first harvest season, 6 contracts totaling 7.1 tons of pirarucu from 3 communities were negotiated at a price 65% higher than the prevailing market price (A52-53). In coming years, we will continue to expand the network of pirarucu management associations and develop markets for sustainably managed pirarucu (A50-53).

Sustainable supply chains developed in the LA integrating fisher associations and commercial fish buyers who value sustainable low emission fish products. Indicator: volume market through the contracts described in the indicator above. Unit = 10 tons	0	1	22
Progress in 2018 Target partially met. As described above, 6 contracts totaling 7.1 tons of pirarucu from 3 communities were negotiated in 2018. Thirty fishers were involved.			
# of fishers and fish farmers involved in contracts with commercial fish buyers.	0	60	22
Progress in 2018 Target partially achieved. Two related activities were undertaken during 2018: one focused on pirarucu management (A51) and the second on developing the sustainable supply chain for pirarucu (A52-53) and 30 fishers were involved in contracts with commercial fish buyers.			

NICFI Standard Indicators		Your organization or partner(s)' contribution, see footnote[3]	
Safeguard category		**Country case/process**	**Source**
2.2.1. Consistency between national forests programmes and international conventions and agreements		UNFCCC REDD, GCF REDD+, SES, NY Declaration on Forests (NYDF), Rio Branco Declaration (RBD), TPS processes (TPS Ps)	25
Progress in 2018	In MT and AC, 3FI partners together with local actors, continued to support govts. to implement local strategies, PCI in MT and SISA in AC in accordance with national and international conventions and agreements (eg. A59).		
2.2.2. Transparent and effective national forest governance structures		Natl. laws and regional TPS Ps	26, 27
Progress in 2018	Our project is mainly focused in supporting subnational governments. The TPS approach fostered by the project in the target regions is based on transparent, multi-stakeholder governance structures and monitoring platforms (see more under outcome 2.1.iii and outputs 1.1.6 and 2.1.1).		
2.2.3. Respect the knowledge and rights of IPs and local communities		REDD+ SES, RBD, TPS Ps	7, 28, 29
Progress in 2018	In MT, EII provided capacity building to IPs about the state's REDD System and the REM Program through workshops and materials (A56-58) as well as technical assistance to the REM Program implementation process and engagement with IPs (A59). In AC, EII interviewed IP leaderships and prepared a study on the experience of successful collaboration between IPs and the gov of AC (A60-62), which was shared with GCF delegates during the GCF annual meeting in California. In the LA, EII has been working with traditional floodplain communities to develop Utilization Plans for managed fisheries and pirarucu management plans based on local knowledge and land use rights (eg A63).		
2.2.4. The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities		REDD+ SES, RBD, TPS Ps	27, 28, 29
Progress in 2018	EII co-convened a workshop with IP, federal and state govt officials in BR during the 1st semester advance climate change mitigation strategies (A64-65), and in September it co-convened the *GCF Working Group meeting of Global Committee of IPs and TCs* (A66-68) that resulted in the *Principles on Collaboration between IPs/TCs and Subnational govts*. Additionally, EII supported the attendance of Brazilian IP leadership including the President of FEPOIMT to the California Summit and GCF annual meeting. In the LA, we continued to work to ensure direct participation of traditional fishers and varzea communities to create the LA Development Plan for the Sustainable Fisheries and Aquaculture for the region (A50).		

---

[3] 2 EII and partners' contributions to safeguards:

2.2.1: Create alignment and integration of national and jurisdictional reference levels (RLs) through bottom-up regional performance targets and RLs that are informed by external rules and market forces (CGF, NYDF, RBD)

2.2.2: Multi-stakeholder TPS governance structures builds broad support for effective governance policy that supports implementation of national policies. Monitoring platforms promote transparency of policy implementation at regional scales.

2.2.3: Multi-sector dialogues ensure participation of indigenous peoples and local communities in regional planning (including implementation of FLIC) and value their contribution to forest protection through benefit sharing mechanisms

2.2.4: Multi-sector dialogues ensure participation of indigenous peoples and local communities in regional planning and design of benefit sharing frameworks for TPS incentive systems and supports implementation of FPIC.

2.2.5: Multi-sector dialogues builds broader support for existing or expanded networks of protected areas and indigenous territories. 2.2.6: TPS process builds political, business, and social case for low-deforestation & emissions rural development and improves enabling conditions for policy implementation, lowering risk reversals through flagging political or corporate will be reduced

2.27: Establishment of performance targets related to production at the scale of an entire jurisdiction through TPS lowers risk of leakage.

2.2.5. Conservation of natural forests and biological diversity and enhancement of other social and environmental benefits	TPS Ps	27
Progress in 2018	In MT, EII, IPAM and local partners continued to support the implementation of the PCI and the SisREDD, both of which aim to protect forests and reduce deforestation, including forest restoration and reforestation. In AC EII supported the implementation of the SISA program, including the design and launch of its Sociobiodiversity Program (A48-49). In the LA, the main activities in 2018 sought to conserve floodplain habitat and aquatic biodiversity and strengthen local and regional capacity to conserve and sustainably manage floodplain habitat and biodiversity. For example, a legislation for sustainable management of pirarucu was proposed (A69) and a sustainable supply chain for managed pirarucu was developed (A50-53).	
2.2.6. Actions to address the risks of reversals	TPS Ps	7, 27
Progress in 2018	Our inclusive and large-scale approach, systemically reduces the risk of leakage and reversal by integrating production and forest conservation. We expanded our partnership with the farm sector in MT and AC (eg. MoU with Cooperacre, (A4), and are one of the few NGOs in BR to partner with farm organizations in pursuit of sustainable rural development strategies, even in the face of with a growing "anti-forest" movement. We also established new partnerships with the Govts in Tocantins, Maranhão and Piauí states to design their state LED-R strategies. In the LA, EII and Sapopema's approach is to maintain the broad stakeholder support in the participatory planning process of fisheries management so it can be sustained across election cycles and collaborate with the new governor of PA in developing sustainable fisheries and aquaculture in the LA.	
2.2.7. Actions to reduce the displacement of emissions	TPS Ps	30
Progress in 2018	See 2.2.6. Also, in the case of the LA, the fish-based strategy seeks to create conditions that encourage producers to shift from beef to fish production rather than promoting an agenda of directly seeking to reduce emissions through increases in cattle yeilds. Our approach reduces emissions by drastically reducing the carbon footprint of the regional protein source. This strategy is described in A70.	

Outcome 2.2: Integrated province-wide LED-R strategies are designed and implemented in Central Kalimantan (CKal) and West Papua (WP), IN
2.1 Level of implementation of REDD+ related policy/measure (standardized reporting indicator 2.1)
Most of the progress made in IN has been at the District level; the selection of EII/INOBU by C KI and W Papua govts as the responsible partners for the UNDP/GCF grants should allow most targets for provinces to be achieved.
Status of Implementation uses Scale from Standard Reporting indicators

Progress Name and Type of policy/measure	**Location and Policy Level**	**Baseline e**	**Target Y3**	**Source1**	**Impact on Gender; Transparency; Sustainable livelihoods; Red. Deforestation**
National policies on REDD, customary land acknowledgment and agriculture master plan are aligned/harmonized at the provincial and district level to achieve LED-R	Subnational (lesson-learned can be used to advocate for changes at the natl level)	3	5	7, 8	Gender; Transparency; Sustainable livelihoods; Red. Deforestation
Progress in 2018	Target delayed (level 4). In 2018 INOBU supported the preparation of the REDD+ Action plan for Seruyan district including an Environmental Carrying Capacity assessment (DDDT), and establishing FRELs and district baseline and BAU scenarios (71-84). The action plan is expected to be completed in 2019 and registered in the REDD+ National Registry System.				
Relevant policies proposed and /or enacted recognizing customary land rights	Ckal and WP	2	4	31, 32	Id.
Progress in 2018	Target partially met (4). A regulation draft for customary right acknowledgement in WP is currently being discussed in the Parliament (A85). In Fakfak district, a district level regulation for customary right acknowledgement has been completed. Furthermore, the District Head of Fakfak established a Working Group (WG) on acknowledging the rights of IPs through the issuance of a Decree in Nov 2018 (A86-95) The WG will assist in expediting the process of acknowledging the rights of indigenous people in the entire district.				

Hectares of land (std. reporting indicator 2.3.a) to which IPs and forest dependent communities gain rights over and have access						
Country and Location	**Name of indigenous groups/ forest dependent community**	**Type of rights and access to land**	**Baseline**	**Hectares gained (Y) Target**	**Source1**	**Gender**

Indonesia, (CKal)	Primarily Dayak and independent smallholders	Mapping of indigenous community lands as the first step to relinquish the lands from the state forest area. The maps will be submitted to initiate the process of formal removal of indigenous lands from state forests	0	1000	32	Given the collective nature of Dayak customary tenure, women will likely gain informal access to land (rather than individual titles) when territories are formally recognized by the state. The case may be different for smallholders. Methods for evaluating women's access to land will be defined in first year of project.

Progress in 2018	Target exceeded. INOBU's mapping succeed mapped 1.958 Dayak smallholders covering 5.568,02 hectares of land. The total of all independent smallholders is 6268 covering 19.258,13 hectares of land. INOBU initiated the process of land legalization within state forest in Kotawaringin Barat district. This activity comprised of three processes: [1] facilitating independent smallholders to obtain land right through TORA scheme – this was initiated in Umpang village with a total area of land being proposed to obtain legalization covering 1.293,37 hectares; [2] identifying villages that still have forest cover to be registered for land legalization – this was proposed in 28 villages in Kotawaringin Barat with a total area of forest cover identified is 34.162 hectares; [3] providing support for proposed spatial changes on farmers' land legalization in Seruyan – this was carried out by providing maps of farmers' land that have been mapped by INOBU to support the legalization proposal (A96-110).

Indonesia, (WP)	Diversity of ethnicities	Formal removal of community territory from state forest areas controlled by the Ministry of Forestry	0	500	33	

Progress in 2018	Target exceeded. 575 smallholders were mapped by INOBU, covering 1.109,99 hectares. The legal process for removing community territory from the forest estate requires formal approval by the Ministry of Environment and Forestry at the national level. The Indigenous Peoples working group in Fakfak district will continue to move this process forward in 2019.

Intermediary Outcome 2.2.i: In CKal and WP, provincial REDD programs aligned with provincial LED-R strategies and Natl. policies

Provincial REDD programs aligned with relevant national policies	Location	Baseline	Target for 2018	Source1
	Ckal	0	1	7, 8
	WP	0	0	7, 8

Progress in 2018	Target partially met. In 2018 INOBU supported the preparation of the REDD+ action plan for Seruyan district in alignment with the national policies, including an analysis of the environmental carrying capacity, or DDDT. The registration of the REDD+ action plan in the REDD+ National Registry System is anticipated for 2019 (A74-84).

Output Level	Frequency of Reporting: Annual

Indicators	Baseline	Target Y3	Source[1]
Output 2.2.1: Evidence-based value proposition for policy alignment and integration developed for target jurisdictions in IN			
Document describing results of analysis of value proposition for individual Provinces	0	0	34

Progress in 2018	No target to report in 2018. This target was aimed for 2017 and exceeded (See 2017 Report).

Indicators	Baseline	Target Y3	Source[1]
Output 2.2.2: Proposal for implementation of customary land rights regulation in WP			
Document and/or ppt slide decks summarizing results of analysis of MK35 implementation for each province.	1	1	34

Progress in 2018	Target met (A86-87). The draft of regulation for customary right acknowledgement in WP is currently being discussed in the Parliament. In Fakfak, a district level regulation for customary right acknowledgement has been enacted. A working group on acknowledging the rights of indigenous people was also established through a Decree in November 2018 (A90).

Indicators	Baseline	Target Y3	Source[1]
Output 2.2.3: Analysis and convening to incorporate C. Kalimantan Road Map into District Development Plans			
District-level meetings and presentations to discuss inclusion of C Kal Roadmap targets into Development Plans	1	1	17, 35

Progress in 2018	Target exceeded. In 2018 INOBU facilitated 2 key district level stakeholder meetings to support the initiation of the KLHS process, or Strategic Environmental Assessment; SEA) and RPPLH (Environmental Protection and Management Plan) for Seruyan district. These processes are required by law to prepare a mid-term development plan at district and provincial levels. The first meeting was a public consultation to discuss the environmental carrying capacity assessment (DDDT) and initiate LED-R planning processes, and included representatives from district government agencies, the palm oil industry, and smallholder producer groups. A KLHS document was produced in Q3 and follow up discussions were held with the Seruyan government (A76-83).

Indicators	Baseline	Target Y3	Source[1]
Output 2.2.4: Strategy developed and convening to support villages as they adopt LED-R performance targets			
Village-level meetings and presentations to discuss inclusion of C Kal Roadmap targets into Development Plans	0	3	17, 35

Progress in 2018	Target exceeded. INOBU initiated land legalization processes for 28 villages within Kotawaringin Barat state forest through the TORA scheme. INOBU also initiated the deforestation and forest fire free village program in the buffer zone of Tanjung Puting National Park through inclusion of strategies in village spatial planning processes, discussed in 6 village meetings conducted in four sub-districts, and development of village level spatial planning documents (A5-6). In addition, over 1000 smallholder oil palm farmers have been supported to obtain RSPO/ISPO certifications in Kotawaringin Barat and Seruyan districts (A5-A15).

Output 2.2.5: Proposal for WP Provincial LED-R strategy developed using WP's Special Autonomy Status law			
Documents and powerpoint slide decks providing input to LED-R design for W Papua.	0	0	17, 21,35

Progress in 2018	No target to report in 2018. In 2018 the project reactivated the District multistakeholder WG on Papuan Nutmeg to support sustainable indigenous nutmeg production in Fakfak. The WG has made progress in 5 main areas: 1) development of nutmeg agribusiness, including coordinating with related institutions in the development of production, processing, marketing and access to finance/capital and enhancing the human resources development of nutmeg farmers; 2) advocate nutmeg management policies in Fakfak district; 3) provide a database needed in developing nutmeg-based micro small and medium enterprises (MSMEs); 4) facilitate a conducive situation for the development of nutmeg-based MSMEs; and 5) develop information networks and cooperation with related parties from within and outside of the country related to protection, governance and trade procedures for nutmeg (A86-94 and A111-113).

NICFI Standard Indicators	Your organization or partner(s)' contribution, see footnote3	
Safeguard category	Country case/process	Source
2.2.1. Consistency between national forests programmes and international conventions and agreements	UNFCCC REDD, GCF REDD+, SES, NYDF, RBD), TPS Ps	25
Progress in 2018	Nothing to report at this time	
2.2.2. Transparent and effective national forest governance structures	Natl. laws and regional TPS Ps	26, 27
Progress in 2018	Nothing to report at this time. This is not a goal of the project.	
2.2.3. Respect for the knowledge and rights of indigenous peoples and members of local communities	REDD+ SES, RBD, TPS Ps	27, 28, 29
Progress in 2018	The project's work in Indonesia has focused on legalization of land rights in Kotawaringin Barat district and promoting the acknowledgement of IP lands in West Papua (A96-110).	
2.2.4. The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities	REDD+ SES, RBD, TPS Ps	27, 28, 29
Progress in 2018	INOBU supported the LED-R process in WP targeted at IP nutmeg farmers and worked directly with smallholders to facilitate their legal recognition and RSPO certification in Seruyan District in C. Kal. INOBU and EII also supported AMAN to participate in the GCF IP working group that culminated in the creation of principles for collaborations between subnational govts and IPs (more under output 1.1.7).	
2.2.5. Conservation of natural forests and biological diversity and enhancement of other social and environmental benefits	TPS Ps	27
Progress in 2018	RSPO certification for smallholders is producing environmental benefits through the use of best management practices for sustainable palm oil production, and economic benefits including price premiums for certified products.	
2.2.6. Actions to address the risks of reversals	TPS Ps	7, 27
Progress in 2018	Nothing to report at this time.	
2.2.7. Actions to reduce the displacement of emissions	TPS Ps	30
Progress in 2018	INOBU and EII continued work at the national, province, and district levels through jurisdictional-wide interventions across entire regions; given the large spatial areas that are targeted, the risk of displacement of emissions is reduced.	

Outcome 2.3: REDD+ related initiatives implemented in Colombia (CO) as part of integrated LED-R strategy through linkages with national zero-deforestation sectoral programs and Departmental Development Plans					
2.1 Level of implementation of REDD+ related policy/measure (standardized reporting indicator 2.1)					
Status of Implementation uses Scale from Standard Reporting indicators.					
Progress Name and Type of policy/measure	Location and Policy Level	Baseline	Target Y3	Source 1	Impact on Gender; Transparency; Sust. livelihoods; Red. Deforestation
National and local instruments (e.g. Amazon Vision (AV) 2020 Program, agricultural credit programs and public- private partnerships) are linked to support low-emission rural development in the Amazon	Colombia National	3	4	7, 21, 22	Gender; Transparency; Sust. livelihoods; Red. Def.
Progress in 2018	Target met (4) public private partnerships. The Sustainable Territories Roundtable proposal for pilots in 4 municipalities (Finlandia, San Vicente de Chucurí, Maní, and Fundación) was completed, with an integrated vision of the territory and changes in production systems for increasing sustainability and emissions reduction (A114-121). We will look for funding to implement this proposal in 2019.				

2.3.i: Existing instruments related to low-emission rural development and deforestation reduction are aligned with one another in target jurisdiction(s)					
Policies affecting deforestation aligned in one target jurisdiction	Dept	0	0	7, 21, 22	Id

Progress in 2018	No target to report in 2018. EII began to work with the gov. of Caquetá to integrate the LED-R strategy with the Public Policy for Rural Sustainable Development, the Climate Change Integrated Management Plan and the Indigenous Public Policy (A126-128). EII also began to work with the Territorial Planning Group to update all municipal Territorial Planning Schemes with a focus on reducing deforestation and promoting sustainability (A114-121).

Output Level			
Indicators	**Baseline**	**Target Y3**	**Source1**
Output 2.3.1: Evidence-based value proposition for policy alignment and integration of existing policies to promote LED-R in CO			
Document describing results of analysis of value proposition targeted to relevant government sectors (peace process, agriculture sector) or jurisdictions.	0	1	36

Progress in 2018	Target exceeded in previous years. In addition, in 2018 the STR proposed to implement pilots in 4 municipalities (Finlandia, San Vicente de Chucurí, Maní, and Fundación) with an integrated vision of the territory and changes in production systems for increasing sustainability and emissions reduction (see outcome 2.3 above)

Output 2.3.2: National/jurisdictional agendas (at least one jurisdiction) for sustainable agriculture aligned to national INDCs and existing LED-R and sustainable development policies			
# of jurisdictions committed to implement sustainability agendas	0	0	7, 13
# of sectors committed to the implementation of sustainability agendas	0	1	7, 13

Progress in 2018	Target exceeded in previous years. In 2018, the government of Caquetá continued committed to implement sustainable agendas and a LED-R strategy. Additionally, 8 producers' federations (Fedecafé, Fedecacao, Asocolflores, Augura, Fedegán, Fedearroz, Fedepalma and SAC) continued committed to implement pilots in the municipalities selected by STR. The gov. of Putumayo also committed to begin the development of a LED-R agenda for the region (direct communications with EII team).

Output 2.3.3: Proposals of jurisdictional programs for Departments to adopt targets for reducing deforestation			
Progress in 2018	No progress to report in 2018. However, in 2019 we plan to define the level of deforestation reduction in Caquetá and Putumayo in line with their LED-R strategies and associated Public Policies.	0	0	14, 37

NICFI Standard Indicators	Your organization or partner(s)' contribution, see footnote3	
Safeguard category	**Country case/process**	**Source1**
2.2.1. Consistency between national forests programmes and international conventions and agreements	UNFCCC REDD, GCF REDD+, SES, NYDF, RBD), TPS Ps	25

Progress in 2018	Activities at the subnational level (e.g the ITPS pilot) are coordinated with the Amazon Vision program at the national level (A24); national policies are always considered (e.g. the Climate Change CONPES); and our efforts are coordinated with international donors to support LED-R in Colombia (e.g. KfW, BioCarbon Fund, and others, A1-A26).

2.2.2. Transparent and effective national forest governance structures	Natl. laws and regional TPS Ps	26, 27

Progress in 2018	EII is monitoring Caquetá's progress towards LED-R through the GCFImpact and the ProduceProtect platforms (1.1.6).

2.2.3. Respect for the knowledge and rights of indigenous peoples and members of local communities	REDD+ SES, RBD, TPS Ps	27, 28, 29

Progress in 2018	To adjust the biodynamic model used for the ITPS implementation, we conducted 2 workshops with potential beneficiaries to include their inputs and to gather local information, one in Caquetá and one in Guaviare (A169).

2.2.4. The full and effective participation of relevant stakeholders, in particular IPs and local communities	REDD+ SES, RBD, TPS Ps	27, 28, 29

Progress in 2018	We analyzed Caquetá´s public policies on IPs to make recommendations on how the IPs perspective can be included in the LED-R strategy (A126-128). In 2019, workshops will be held with IP leaders to define key issues to be integrated to Caquetá's LE-R strategy.

2.2.5. Conservation of natural forests and biological diversity and enhancement of other social and environmental benefits	TPS Ps	27

Progress in 2018	Reduced pressure on forests is expected through the implementation of the ITPS (output 1.1.4) mechanism.

2.2.6. Actions to address the risks of reversals	TPS Ps	7, 27

Progress in 2018	Nothing to report at this time.

2.2.7. Actions to reduce the displacement of emissions	TPS Ps	30

Progress in 2018	Putumayo's commitment to develop a LED-R strategy will help reduce emission displacement from Caquetá due to the expansion of extensive cattle ranching

Outcome 2.4: Integrated LED-R strategy implemented in the Peruvian Amazon (PE Am)
2.1 Level of implementation of REDD+ related policy/measure (standardized reporting indicator 2.1)

Status of Implementation uses Scale from Standard Reporting indicators					
Progress Name and Type of policy/measure	**Location and Policy Level**	**Baseline**	**Target Y3**	**Source1**	**Impact on Gender; Transparency; Sust. livelihoods; Red. Deforestation**
Regional Amazon LED-R strategy connects national REDD and agricultural finance to support zero-net deforestation	Peru, national and subnational	2	4	7, 8, 13	Gender; Transparency; Sustainable livelihoods; Red. Def.

Progress in 2018	Target met (4). Workshops and meetings with regional governments of Loreto, Madre de Dios, Amazonas and Huanuco were carried in 2018 to share the strategic approach of LED-R in the Peruvian Amazon (A132-135), and an auto evaluation of regional policies for these 4 regions were done with technical teams and political authorities to set-up a baseline for LED-R strategies (A172-176). Using these baselines as references, EII supported the design of 6 UNDP/GCF-TF Projects (Window A) in the Peruvian Amazon, and 5 of these proposals were approved. We expect that with the complementary funds we will achieve 3FI's goal of constructing integrated LED-R strategies in Amazonas, Huanuco, Loreto, San Martin and Ucayali. Unfortunately, due to political decisions, Madre de Dios project was not presented to Window A. However, in 2019 Madre de Dios' new administration requested EII's support to design and implement the project proposal prepared for Window A in 2018. Additionally, workshops were carried out in San Martin to validate the LED-R goal´s proposal developed in 2017.

Intermediary Outcome 2.4.i: PE Am. LED-R strategy designed in alignment with the National Strategy for Forests and Climate (ENBCC)					
PE. Am. LED-R strategy designed	Peru, subnational	0	1	7, 8, 13	Id

Progress in 2018	Target delayed. In 2018 EII worked with four new regional governments to engage them in the strategic relevance of the LED-R approach. Since 2018 was a year of elections for regional governors, most of the activities were rescheduled for 2019. Initial conversations were carried with authorities elected and more were schedule for 2019. Therefore, we propose to change the target to 2020 (A183).

Output Level	**Frequency of Reporting: Annual**		
Indicators	**Baseline**	**Target Y3**	**Source1**
Output 2.4.1: Evidence-based value proposition for policy alignment (including regional-national alignment) and integration is developed for target jurisdictions in Peru			
Report summarizing results of analysis and convening to assess costs and benefits of 2 or 3 low-emission development options for the Peruvian Amazon region	0	1	8, 11, 18, 35

Progress in 2018	Target met. The cost-benefit analysis was first scheduled for 2017, but it was completed in 2018 (A170) MDA conducted the analysis with 2 alternatives of LED R for the Peruvian Amazon. This analysis was done for coffee and cocoa agroforestry systems with a focus on how technical improvement together with conditional financial incentives can improve their production while reducing deforestation.

Output 2.4.2: Proposal to include targets for reducing deforestation to Peruvian Regional Governments is developed			
# of Number of regional governments for which proposals are completed	0	1	8, 18, 35

Progress in 2018	Target partially achieved (for 3 regions). A preliminary analysis of regional public policies was done for regional governments of Amazonas, Huanuco, Loreto and Madre de Dios as part of the preparation of the proposals for the GCF-UNDP Window A (A177-182. At least six workshops were held with regional technical teams to review their regional policies and assess their alignment with international commitments and LED-R goals (A132-135). This analysis was incorporated in UNDP/GCF-TF projects (Window A). A complete proposal for targets to reduce deforestation in these regions should be completed on 2019.

Output 2.4.3: Proposals for Regional Strategies for Forest and Climate to support the implementation of the National Strategy for Forest and Climate (ENBCC) and to allow the compliance of the signers of the Under2MoU and the RBD			
# of regional government for which reports (proposals) are completed	0	1	8, 18, 35

Progress in 2018	Target met in the previous year (Ucayali and San Martin). As mentioned above, in 2018 EII worked with four new regional governments to introduce the importance of LED-R (see more under 2.4.i).

NICFI Standard Indicators	**Your organization or partner(s)' contribution, see footnote3**	
Safeguard category	**Country case/process**	**Source1**
2.2.1. Consistency between national forests programmes and international conventions and agreements	UNFCCC REDD, GCF REDD+, SES, NYDF, RBD), TPS Ps	25

Progress in 2018	EII held four meetings with MINAM to propose ways to integrate international commitments to LED-R Strategy. Activities planned under outcome 2.4 (Regional LED-R strategies) began to analyze the alignment and complementarity of regional plans with REDD+ international agreements and the national instruments in Peru.

2.2.2. Transparent and effective national forest governance structures	Natl. laws and regional TPS Ps	26, 27

Progress in 2018	Nothing to report at this time.

2.2.3. Respect for the knowledge and rights of indigenous peoples and members of local communities	REDD+ SES, RBD, TPS Ps	27, 28, 29

Progress in 2018	The LED-R goals and strategy proposals will continue to be discussed with representative organizations of regional indigenous peoples to adequately incorporate their interests and proposals for LED-R.		
2.2.4. The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities	REDD+ SES, RBD, TPS Ps	27, 28, 29	
Progress in 2018	Two approved executive resolutions already mandate the inclusion of key actors, including indigenous groups, local communities and small producers in the design of regional LED-R strategies. Additional resolutions are planned to be approved in 2019.		
2.2.5. Conservation of natural forests and biological diversity and enhancement of other social and environmental benefits	TPS Ps	27	
Progress in 2018	Proposed LED-R goals for each region consider biodiversity and the conservation and management of primary forests. Goals related to businesses based on biological resources and forest products and services are included.		
2.2.6. Actions to address the risks of reversals	TPS Ps	7, 27	
Progress in 2018	During 2018, EII engaged newly elected authorities to reduce the risks of delaying the preparation of the LED-R strategies. As a result, new authorities are already engaged with the project and the development of the LED-R Strategies.		
2.2.7. Actions to reduce the displacement of emissions	TPS Ps	30	
Progress in 2018	Analysis to assess potential for leakage will be completed when activities to achieve regional LED-R goals are developed. However, working at regional (jurisdictional) scales reduces leakage risks. Alignment of LED-R strategies of 5 Amazonian regions will further ensure that displacement of emissions is avoided.		

Outcome 3.1: Supply chain actors including the Norwegian soy-dependent industries and Chinese government (palm oil, soy, beef) preferentially source agricultural commodities from high-performing states and provinces.			
Indicator	**Baseline**	**Target Y3**	**Data Source1**
# of private-public partnerships created to support jurisdictional sourcing (std. reporting indicator 2.3.1)	1	2	38, 39, 40
Progress in 2018: Target met, but changed. Seeking for change at scale, we shifted our focus from engaging individual companies to larger bodies with sectoral representation (eg. European Feed Manufacturers' Federation (FEFAC), TFA). We believe this approach is much more significant than stimulating unilateral declarations of companies. In the case of soy, these institutions represent 100s of companies and an enormous purchasing power. However, because of the size of the volume involved in these negotiations, this process evolves more slowly and requires well planned actions from the 3FI partners (eg. EII and Solidaridad) and others involved. In early 2019, reflecting on this and on the recommendations from our mid-term review (A28-29) we proposed to change this indicator to the "adoption of the Balikpapan Jurisdictional Framework" (A27). But we still would like to report that in 2018 we secured a commitment (to be signed in 2019) from Cacao Vital, a Medellín based company to buy all the cocoa from the UNDP-GCF Window A project to be produced in El Doncello, and that in Indonesia, INOBU completed its first sale of RSPO-certified, smallholder palm oil to Unilever in 2018.			
# of govs (natl, state) committed to sourcing soy, beef and/or palm oil from sustainable jurisdictions	0	1	3
Progress in 2018: Target unmet and changed. As we began to implement the project the political and economic context severely changed due to new political leadership in U.S. and Brazil and trading battles between the U.S and China, including a larger demand for soy produced in Brazil. In early 2019, reflecting on this and on the recommendations from our mid-term review we proposed to change this indicator (A27-29) to "number of mechanisms for using CO2 emission reductions as positive incentives for sourcing agreements". We hope that these incentives can spur both public and private commitments towards jurisdictional			
% of imports of soy, beef and palm oil procured in compliance with governmental sustainable sourcing commitments — Soy	0	2	7, 8
% of imports of soy, beef and palm oil procured in compliance with governmental sustainable sourcing commitments — Palm	0	1	7, 8
Progress in 2018: Target unmet and changed. Based on the explanation above, we proposed to change this indicator to be "government-government negotiations of sustainable sourcing include positive incentives associated with emissions reductions (# of discussions)" to be reported from 2019 onwards (A27).			
# of private sector commitments to source commodities from sustainable jurisdictions (# of businesses)	5	3	41
Progress in 2018: Target unmet and changed. Seeking for change at scale, we shifted our focus from engaging individual companies to larger bodies with sectoral representation (see more details under the top indicator of outcome 3.1). In early 2019, reflecting on this and on the recommendations from our mid-term review we proposed to change this indicator to "number of collaborative partnerships between companies and "green" jurisdictions (A27-29).			
Intermediary Outcome 3.1.i: Draft agreements between supply chain actors (including Norwegian and Chinese soy-dependent industries) designed to support the sourcing of agricultural commodities from high-performing states and provinces			
Draft agreement designed	0	1	7, 41
Progress in 2018: Target unmet and changed. See explanation under the top indicator of outcome 3.1 above. In early 2019, reflecting on this and the recommendations from our mid-term review we proposed to change this indicator to the adoption of the "Balikpapan Jurisdictional Framework" by international sustainable sourcing processes (A27-29).			
Status of Implementation uses scale from standard reporting indicator (Standard reporting indicator 3.1.1)			

Type of policy/ practice change/ transparency measure	Company; Commodity; Location	Baseline	Target Y3	Data Source 1	Stakeholders involved
Jurisdictional Sourcing Strategies / Policies	Denofa, Grupo Amaggi, Unilever, Cargill, etc.; Soy; MT, BR	2	4	41	Private sector, Sub-ntl. Govs, Producers
	JBS, Mafrig, McDonalds; Beef; MT, BR	1	4	41	Id
	Wilmar, Sinar Mas, Unilever, Nestle Oil and National Commitments on Sustainable Palm Oil such as FONAP (Germany), MVO (The Netherlands)	2	4	41	Id

Progress in 2018	Target delayed. As explained above under the top indicator of outcome 3.1 above, our focus has shifted from individual companies to processes with larger representation (eg. TFA, CGF).

Output Level

Indicator	Baseline	Target Y3	Source1
Output 3.1.1: Analysis of potential climate change mitigation impacts, cost implications, and procurement options for sourcing, by China, of commodities from sustainable, low-deforestation jurisdictions			

Target unmet and changed. Based on the explanation described in the top indicator of outcome 3.1 above, we proposed to change this output to: "Balikpapan Jurisdictional Framework" (BJF) finalized, establishing guiding principles and rules for collaborations between companies and tropical forest governments to address deforestation)"

Indicator	Baseline	Target Y3	Source1
Analyses and meetings summarized in reports describing options for jurisdictional procurement of soy, beef and palm oil by China (1 report per commodity)	0	2	34, 36

Progress in 2018	Target partially achieved and changed. Solidaridad China convened meetings and discussed the impacts of beef production and climate change, which happened especially during the launching of China's Roundtable on Sustainable Livestock (A137-140). Solidaridad China is also leading the work to develop China's Responsible Soy Sourcing Guidelines (A137,141&143). The first meeting was held in April in Beijing with ten companies from the soy crushing and feed sector in attendance (COFCO, Wilmar, Sinograin, Hopefull, Jiusan, CP Group, New Hope, Shuanghui, Yuwang Group) in addition to representatives from China National Vegetable Oils Association, China Animal Agriculture Association, China Soybean Industry Association, Ministry of Environment, and CCICED. There was an additional side event organized during the RTRS Annual conference in Lille, France in which high level representatives from Hopefull Group, China Soybean Industry Association and Jiusan Group attended to present the development of the China Responsible Soy Sourcing Guidelines. However, in early 2019 we proposed to change this indicator to "online summary of the GCF TF review process" to reflect the changes in the main output 3.1.1. We will continue to support China's Roundtable on Sustainable Livestock under the new proposed Output 3.1.5, and China's Responsible Soy Sourcing Guidelines through the new proposed Output 3.1.2 (A27-A29)

Indicator	Baseline	Target Y3	Source1
# Meetings with Chinese gov and corporate rep. to discuss jurisdictional procurement options	0	3	8, 17, 18

Progress in 2018	Target met and changed. Solidaridad, EII and GRSB supported the creation of China's Roundtable on Sustainable Beef, including its launching in Beijing in March 2018 (A138-140). EII met staff of the Brazilian Embassy in Beijing and made connections with the international affairs team of the Ministry of Agriculture in 2018. Solidaridad China also supported meetings between Chinese corporate representatives and government officials in Pará, BR (A142). However, in early 2019, based on the reflections and changes highlighted above we proposed to change this indicator to "online summary of the of public review process" (A27).

Output 3.1.2: Support for workshops, road shows, and exchange visits to develop procurement agreements between states that produce soy (MT, PA), beef (MT, PA, AC) and palm oil (CKal) and Chinese government			

Progress in 2018	Target met and changed. Solidaridad organized a road show with representatives of soybean industries from China to the State of Pará, BR to visit gov. authorities and soy producing properties in the state in Nov. 2018 (A142). However, to accommodate the reflections explained under outcome 3.1, we proposed to change is output to "Support for workshops and meetings to foster the establishment of sustainable sourcing frameworks for China-Brazil (soy, beef) and China-Indonesia (palm oil) linking each nation's climate policies" (A27).

Output 3.1.3: Support for meetings between CA and Chinese governments to discuss possible incl. of sust. sourcing in China-CA MOU			
Number of exchange visits & meetings between leading oilseed processing provinces & national government stakeholders and target producer jurisdictions	0	1	8,18, 39, 9

Progress in 2018	Target delayed. We determined that China and CA were not ready for this discussion in 2018. Thus, EII and Solidaridad China opted to focus their efforts toward meetings between Chinese, Brazilian and European parties in 2018 to respond to opportunities to advance jurisdictional sourcing discussions.

Output 3.1.4: Jurisdictional Sustainability Working Group and Forests, Farms and Finance Initiative (3FI) develop and disseminate unifying definitions, concepts, and best practices			
Published report summarizing findings of JWG and 3FI consultations and discussion	0	1	22

Progress in 2018	EII and GCF TF led the "Balikpapan Challenge: Agricultural Production and Tropical Deforestation" process resulting in principles an definitions for fostering company-government partnerships to address deforestation, to be brought to fruition in 2019 at annual meeting of GCF TF.

Output 3.1.5: Annual jurisdictional sustainability guidebook published and disseminated			

Progress in 2018	Target met and changed. The State of Jurisdictional Sustainability was published in 2018 and has been widely disseminated in 4 languages. However, since output 3.1.4 and 3.1.5 were closely related, and based on our reflections explained under outcome 3.1, we proposed to update this output to a new activity consisting of continuing to update the SJS study and releasing results through the GCFImpact.org platform.			
Output 3.1.6: Report with case studies on procurement strategies and the costs and benefits of conventional (farm-by-farm) sourcing versus jurisdictional/territorial sourcing published and disseminated				
Jurisdictional Sourcing Report (one per beef, soy, palm oil)		0	1	22
Progress in 2018	Target partially met. Through invitation from World Bank, EII and INOBU decided to redirect this work and prepared three reports with case studies on jurisdictional procurement. One for soy (A147), one for beef (A148) and one for palm oil (A149)			
Output 3.1.7: Options assessment for jurisdictional certification is conducted, published and discussed with Boards of RSPO, RTRS				
Options Assessment Reports		0	1	
Progress in 2018	Target met. RTRS, with support from EII developed a proposal to implement a jurisdictional pilot project in conjunction with Itaipu Binacional in 2017, but due to the elections in 2018 and leadership transition at Itaipu the proposal did not advance. We are waiting a response from Itaipu, and positioning RTRS to pursue a Plan B for its pilot in the region of MATOPI, BR.			
Output 3.1.8: Analysis and convening in support of jurisdictional certification pilots for RSPO and RTRS in CKal and MT				
# of meetings involving at least 3 roundtables to discuss jurisdictional certification		0	1	
Progress in 2018	Target changed. Despite the fact that the roundtables did not meet all at once to discuss jurisdictional certification, representatives of GRSB, RSPO, RTRS, GRSB and GTPS met at different opportunities and advanced the consideration of the jurisdictional approach and pilots as part of the Balikpapan Steering Committee (A152). Meetings were held around the Oslo REDDX (A150-151) and the California Climate Summit to discuss issues related to jurisdictional certification/sourcing.			
Output 3.1.9: Government-Government sourcing agreement between Mato Groso and China for the purchase of sustainable				
PCI translated into a set of jurisdictional rules		0	X	
Progress in 2018	Target delayed until 2019. In 2018 we focused our efforts to establish the PCI governance structure as an independent institution.			
PCI targets incorporated into Sustainable Municipality Program (PMS Govt program) action plans of 30 municipalities with highest deforestation or highest recent deforestation, either creating new action plans or re-activating existing plans		0	15	
Progress in 2018	Target delayed. We held PMS meetings in Lucas do Rio Verde, with representatives of 14 municipalities of the Alto Teles Pires Consortium, MT (A153-155). However, due to the election period it was not possible to engage local actors in multi sectoral groups to draft/update their plans. This will be planned for 2019.			
Climate change case of soy agreement developed for, and discussed with relevant actors in China, Brazil		0	X	
Progress in 2018	Target unmet and changed. In 2019 we proposed to change this target to "Options assessment for linking China and Indonesia climate policies to favor sustainable soy trade published" (A27).			
Climate change incentive for sustainable soy trade designed and beginning implementation		0	1	
Progress in 2018	No target to report in 2018. Leadership transition at APROSOJA delayed negotiations. However, EII, FEFAC and Solidaridad China convened a working group with producers/processors associations (eg. Aprosoja, Abiove), government (PCI), buyers (CSIA, COFCO, FEFAC) and others to develop a plan for Carbon Neutral Soy from MT, BR.			
# of subnational governments where the PCI model is introduced beyond Mato Grosso		0	0	
Progress in 2018	Target exceeded. In 2018 we introduced the PCI concept to the states of Maranhão (A156) and Tocantins. We were able to secure funds from Moore Foundation to support them to develop their own strategies following the PCI example.			
Output 3.1.10: Business case for low carbon, poverty-alleviating protein from aquaculture in MT and wild fisheries in PA				
Sustainability/GHG assessments of Peixe da Amazonia (PdA, Acre) public-private-community model and Mato Grosso aquaculture under consideration by SEDEC (for new IPEIXE--Fish Institute in Mato Grosso) finalized and published		0	1	
Progress in 2018	Target delayed. EII is actively engaging with the govt and private sectors to design a strategy for fish farming in MT. However, there hasn't been a decision on the future of the IPeixe-MT, and on top of that MT faced serious budget issues and elections in 2018. We expect things to be defined in 2019.			
Aquaculture included in Mato Grosso's state- wide PCI		0	1	
Progress in 2018	Target delayed. The PCI targets will be revised in 2020 and we are engaging the sector to seek the inclusion of specific targets by then. In 2018 we engaged the sector to identify the challenges for the sector.			
Segregated fish from wild fisheries included in "Pará Sustentavel" plan.		0	0	
Progress in 2018	Target no longer relevant and changed. The Pará Sustentável Program was largely dismantled and integrated into SEMAS. It is not clear if the Pará Sustentável will be adopted by the new state government. Two new policy initiatives developed in late 2018 that will put in place regulatory frameworks for achieving the objective of separating fish from capture fisheries and aquaculture. The first is the Document of Origin regulation that IBAMA plans to implement to track fish purchased by and sold by fish merchants. SEMAS is also in the process of integrating capture fisheries and possibly aquaculture into the SISPAS system to track fish moving through the fish supply chain. Therefore, we proposed a new Indicator (A27): "Stage of implementation of the Document of Origin and SISPAS systems" with a target for one system in 2019 and another in 2020.			
Marketing and business plans for aquaculture developed in consultation with andgreen.com fund, private sector, state governments, and potential investors/markets focused on Mato Grosso		0	0	

Progress in 2018	Target delayed. EII is actively engaging govt and private sector to design a strategy for fish farming in MT. However, due to the elections in 2018 and serious budget issue faced in MT in 2018, this was not a priority for the govt. in MT.		
Supply chain, marketing and business plan for pirarucu wild fishery completed and discussed with private sector, communities and government		0	0
Progress in 2018	No target to report at this time. Sapopema finished a draft supply chain mapping of pirarucu for the LA.		
Market and sustainability assessment of intervention impacts		0	0
Progress in 2018	No target to report at this time. This activity is planned for 2019-2020.		

Output 3.1.11: Feasibility study of pork and poultry as low-carbon protein industries that could alleviate poverty and reduce greenhouse gas emissions

Study of the two industries (pork, chicken) completed for Mato Grosso		0	0
Progress in 2018	Target met. The study for these industries was carried out (A157). From this study, EII will design a strategy for these supply chains in 2019.		

Outcome 4: Incentives to achieve REDD+ efforts are established through the new international climate regime and/or other climate, environment and development funding streams*

Intermediary Outcome 4.1 Increased awareness of development benefits of tropical forests by target groups globally[1]

Indicator	Baseline	Milestone 1 (Year 2, 2019)	Target (Year 2, 2020)	Source
Target groups' recognition, articulation, and utilization of the health, hydrological, or resilience benefits of forests 1agricultural finance to support zero-net deforestation	Public support for results-based REDD+ agreements is currently largely limited to the forest sector (new expressions of support = 0)	Non-forest sectoral development constituencies publicly express support for decisions to create access to results-based REDD+ finance and/or accelerate inclusion of international forest offsets in cap-and-trade systems in part based on research findings if EII research findings indicate that such support is warranted (target groups = 2; 25% chance of success)	Non-forest sectoral development constituencies publicly express support for decisions to create access to results-based REDD+ finance and/or accelerate inclusion of international forest offsets in cap-and-trade systems in part based on research findings if EII research findings indicate that such streamlining is warranted (target groups = 2 additional; 25% chance of success)	
Progress in 2018	Presentation given at an academic seminar on deforestation and malaria at the American University, DC (A158). Released a blog: "Five Questions for Earth Innovation Institute's New Chief Economist" (A159); held media engagement through *Tastytrade Connect the Dots Podcast* and CBC Radio (A160). Submitted a paper for publication entitled *World Development*: Bauhoff, S., Busch, J. "Does Deforestation Increase Malaria Prevalence? Evidence from Health Surveys and Satellite Data" and contracted a research collaborator for new paper "Tropical Deforestation and Dredging Costs for Hydroelectric Dams" to be finalized in 2019.			

Intermediary Outcome 4.2 Confidence in REDD+ initiatives reflected by increased access to results-based finance[2]

Indicator	Baseline	Milestone 1 (Year 2, 2019)	Target (Year 2, 2020)	Source[1]
Project-specific outcome 2: Confidence in REDD+ initiatives reflected by increased access to results-based finance	Sources of results-based finance for REDD+ are currently limited to a few bilateral sources (i.e., Norway's NICFI and Germany's REDD+ Early Movers Program), while access to other prospective sources are constrained by risk aversion (newly accessible sources = 0)	Staff and board members of relevant target groups take decisions to streamline or create access to results-based REDD+ finance and/or accelerate inclusion of international forest offsets in cap-and-trade systems based on research findings if EII research findings indicate that such streamlining is warranted (target groups = 2; 50% chance of success)	Staff and board members of relevant target groups take decisions to streamline or create access to result-based REDD+ finance and/or accelerate inclusion of international forest offsets in cap-and-trade systems based on research findings if EII research findings indicate that such streamlining is warranted (target groups = 2 additional; 50% chance of success)	
Progress in 2018	EII held media engagement through "The most important country for the global climate no one is talking about", *Vox in Dec* 2018. Released a blog "2018: Hope for tropical forests in a hot, angry world," (A161). Revised and resubmitted paper to *Nature Climate Change*; since accepted: Busch, J.B., Engelmann, J., Cook-Patton, S., Griscom, B., Kroeger, T., Possingham, H., Shyamsundar, P. "Low-Cost Opportunities for Carbon Dioxide Removal Through Tropical Reforestation". EII also contracted a research collaborator for new paper, "What Drives Deforestation and What Stops It? A Five-Year Update" to be finalized in 2019.			

Intermediary Outcome 4.3 Diversification of funding sources for performance-based REDD+ initiatives3				
Indicator	**Baseline**	**Milestone 1 (Year 2, 2019)**	**Target (Year 2, 2020)**	**Source[1]**
Target groups' increased willingness to include REDD+ in their climate finance programs3	Current sources and mechanisms of funding for climate and forest conservation (current sources = 2: public funding and voluntary carbon offsets)	Staff and board members of relevant target groups decide to accelerate inclusion of international forest offsets in cap-and-trade systems or pilot other innovative finance for REDD+ in part based on research findings if EII research findings indicate that such streamlining warranted (target groups = 2; 50% chance of success)	Staff and board members of relevant target groups decide to accelerate inclusion of international forest offsets in cap-and-trade systems or pilot other innovative finance for REDD+ in part based on research findings if EII research findings indicate that such streamlining is warranted (target groups = 2 additional; 50% chance of success)	
Progress in 2018	EII actively engaged around the CARB meeting to consider the endorsement of the Tropical Forest Standard (TFS). This included strong attendance from EII and writing, coordinating, and reading a Letter in support of CARB endorsing the TFS from EII, (A162) and coordinating and reading letters of support from Jane Goodall (A163) and an endorsement from 120+ scientists (A36). Additionally, we released the following blogs: 1) "California's Opportunity to Set the Standard for Tropical Forest Credits" (A164); "Tropical forest conservation in the Bolsonaro era," (A165). Media engagement: "How Carbon Trading Became a Way of Life for California's Yurok Tribe", New Yorker (A166).			

Output Level (frequency of reporting: annual)				
Indicators			**Baseline**	**Target Y1**	**Source1**

Output 4.1.1: Publication series			
Number of EII publications (working papers, policy papers, research papers, briefs, essays, notes); proxy indicator of distribution of publications (average page views and/or downloads per publication); Number of manuscripts submitted to a peer-reviewed academic journal for publication, if warranted	0	0-1; 75; 0-1	
Progress in 2018	Target met. Investment made in meeting future targets. We contracted a research collaborator for a new paper: "Tropical Deforestation and Dredging Costs for Hydroelectric Dams" and submitted a paper to *World Development:* Bauhoff, S., Busch, J. "Does Deforestation Increase Malaria Prevalence? Evidence from Health Surveys and Satellite Data".		
Ongoing analysis through blog posts	0	1-2	Id
Progress in 2018	Target met. One blog released entitled: "Five Questions for Earth Innovation Institute's New Chief Economist,".		
Number of features in EII's e-newsletter	0	0-1	Id
Progress in 2018	Target met. EII released a newsletter: "Five Questions for Earth Innovation Institute's New Chief Economist,".		
Number of media mentions	0	0-1	Id
Progress in 2018	Target exceeded. We held media engagement in 2 opportunities: 1) "Clima, Clima, Climate Chameleon", *Tastytrade Connect the Dots Podcast*, Busch, and "The 'Trump of the Tropics' is now in charge of the lungs of the planet. Here's why that's scary." *CBC Radio*, Nepstad.		
Output 4.1.2: Outreach strategy for development benefits of tropical forests			
Number of events, meetings, expert groups, or substantive communication with relevant actors or policy makers[1]	0	0-1	
Progress in 2018	Target met. We presented at an academic seminar on deforestation and malaria, American University, Washington, DC, Busch.		
Output 4.2.1: Publication series			
Number of EII publications (working papers, policy papers, research papers, briefs, essays, notes); proxy indicator of distribution of publications (average page views and/or downloads per publication); Number of manuscripts submitted to a peer-reviewed academic journal for publication, if warranted	0	0-1; 75; 0-1	
Progress in 2018	Target met. Investment made in meeting future targets: we contracted a research collaborator for a new paper: "Tropical Deforestation and Dredging Costs for Hydroelectric Dams" and submitted a paper to *World Development:* Bauhoff, S., Busch, J. "Does Deforestation Increase Malaria Prevalence? Evidence from Health Surveys and Satellite Data".		
Ongoing analysis through blog posts	0	1-2	Id
Progress in 2018	Target met. EII released the blog: "2018: Hope for tropical forests in a hot, angry world," Nepstad.		
Number of features in EII's e-newsletter	0	0-1	Id
Progress in 2018	Target met. EII published newsletter: "2018: Hope for tropical forests in a hot, angry world," Nepstad.		
Number of media mentions	0	0-1	Id
Progress in 2018	Target met. Media engagement on "The most important country for the global climate no one is talking about", *Vox*, Busch.		

Output 4.2.2: Outreach strategy for confidence in REDD+			
Number of substantive, targeted, high-level briefings, events, meetings or other substantive communication with relevant policymakers, opinion leaders, and media[2]	0	0-1	Id
Progress in 2018 Target met. For more details see above.			
Output 4.3.1: Publication series			
Number of EII publications (working papers, policy papers, research papers, briefs, essays, notes); proxy indicator of distribution of publications (average page views and/or downloads per publication); Number of manuscripts submitted to a peer-reviewed academic journal for publication, if warranted	0	0-1; 75; 0-1	
Progress in 2018 Target exceeded. In 2018 we wrote coordinated and read a Letter from EII in support of CARB endorsing the TFS, and coordinated and read a letter of support from Jane Goodall (A163) and an endorsement from 120+ scientists (A36).			
Ongoing analysis through blog posts	0	1-2	Id
Progress in 2018 Target met. Two blogs released: "California's Opportunity to Set the Standard for Tropical Forest Credits," Busch, (A164); and "Tropical forest conservation in the Bolsonaro era," Nepstad (A165).			
Number of features in EII's e-newsletter	0	0-1	Id
Progress in 2018 Target exceeded. There were two mentions in the EII newsletter: "California's Opportunity to Set the Standard for Tropical Forest Credits" (A164); and "Tropical forest conservation in the Bolsonaro era," Nepstad (A165).			
Number of media mentions	0	0-1	Id
Progress in 2018 Target met. Media Engagement: Blog "How Carbon Trading Became a Way of Life for California's Yurok Tribe," New Yorker, DiGiano (A166).			
Output 4.3.2: Outreach strategy for innovative funding sources			
Number of events, meetings, expert groups, or substantive communication with relevant actors or policy makers3policymakers, opinion leaders, and media[3]	0	0-1	Id
Progress in 2018 Target met. Five EII staff contributed to meeting of California Air Resources Board to consider endorsement of the Tropical Forest Standard.			

2.2 Efficiency (how efficiently project resources have been turned into Outputs):

Despite some changes proposed in 2019, the Outcomes and Outputs aimed by the project continue to be very ambitious for the existing budget. Thus, we have to be extremely efficient and always seek to seize opportunities for strategic interventions, to collaborate with other meetings/processes, and to keep project partners aligned. When opportunities open up and demand a deeper level of support than we are able to provide with existing resources, we seek additional resources. This general strategy is working well, except for frequent delays in capturing necessary additional funding when major new opportunities appear. For some concrete examples of how we have effectively turned resources into outputs, see A98.

2.3 Choose one or more representative example(s) of results at outcome level. Please describe the chain of events leading to the result in line with Norad's template for results examples (annex 1). If it is too early to describe outcomes, please explain the reasons for this.

As said in previous reports, this project seeks to achieve large-scale systemic changes that cannot happen within one or two years, but instead are the results of multiple years of continued work and dedication. For example, it took over 6 years of work from strong political leadership and support from 3FI and local partners for the SISA program in Acre, Brazil be running and benefiting local communities. Nonetheless, some processes are moving fast close to come to fruition. For example, in 2018 we expected the ITPS to be delivering incentives (special loans) to producers in Colombia in exchange for conserving forests and adopting better agricultural practices (see more under outcome 1, output 1.1.4). However, The ITPS pilot did not start in 2018 as planned because there are still difficulties with how the funds will be managed at the end of 2021, when the Vision Amazonia program ends. Thus, we spent a good portion of 2018 working with gov. officials and local partners to find a solution for this problem to implement the pilot. Thus, we prefer to provide full chain of events when this or another success story comes to full fruition.

2.4 Risks (that have affected the implementation of the project)

Internal (EII and Consortium): The project continues to have a very tight USD budget at the current NOK:USD rate of exchange. *Mitigation:* The project's spending and USD continued to be monitored on a monthly basis, and the results are incorporated into regular project planning.

External:

Elections and new governments: in BR, CO, and PE there were changes in the national and subnational governments in 2018. During election years it is challenging to engage gov. officials since their focus is on the elections. In addition, right after elections newly elected or appointed officials require a high-level of engagement to build rapport and trust, and often some capacity building. A few drastic changes required a deep re-assessment of the planned activities to find synergies and opportunities to work under new environments. This is the case of BR where the newly elected President wants to lax environmental regulations and enforcement to promote agricultural expansion. These transitions can slow processes and even stall them (eg. TPS Fund, output 1.1.1 and output 2.1.5). *Mitigation:* during the election period we focused on engaging other stakeholders such as the

private sector and traditional communities; took on analytical activities that could be carried directly by our team (eg. finalize the State of Jurisdictional Sustainability Assessment); strived to keep our neutrality and openness (eg. EII is pursuing engagement with BR's national government); and immediately engaged newcomers to keep momentum and identify opportunities to collaborate (eg. EII met with new governors in PE even before they were inaugurated).

Alignment among different groups and initiatives in target regions: In BR NGOs and producers' associations are drifting even further apart due to polarization (conservation x production), making multi-stakeholder dialogues very challenging. Also, in Peru different NGOs continue to REDD initiatives without coordination. *Mitigation:* EII and a few partners continue to dialogue and collaborate with all sides and to identify points of convergence among different groups and initiatives in BR. In PE, EII prepared a matrix of synergies among different projects on forests and climate change at the national level, and addition to this matrix, meetings have been held with MINAM to seek coordination between these initiatives based on their synergies.

Lack of financial support to implement LED-R plans: processes such as MT-PCI strategy, AC-SISA Program, the implementation of production-protection pilots in PE, and Sustainable Territories in CO, all require large sums of funding that are beyond the capacity of our project. *Mitigation:* we continue to analyze and support multiple financial mechanisms to attract funds to support these process (see Outcome 1). Also, in 2018 we supported 10 governments (Acre, BR, Amazonas, Piura, Loreto, San Martin, Ucayali, Huanuco, PE, Caquetá, CO, and Central Kalimantan and West Papua in IN) to access funds through the UNDP-GCF-TF Window A (AXX) to advance their LED-R strategies.

2.5 Deviations: To what extent has the Project been implemented as planned (country, region, thematic area)? Please provide an account and assessment of deviations from the latest approved implementation plan and Project Document/Application and describe what has been done to deal with the deviations.

As we discussed with local stakeholders, we realized that under the current political and economic scenario in Brazil an analysis to provide concrete examples of how the Forest Code Article 41 (i.e., the provision for positive incentives to farmers) and the Environmental Reservation Quotes, CRA (which allows trading of forest legal reserves among properties) could be put into practice, would be more helpful then the analyses of the costs to implement the Forest Code, and therefore proposed this change under output 2.1.2 (proposal made in Feb., 2019, A27).

As we sought to implement the intermediary outcome 2.1.iv and discussed this with the local government authorities, we understood that the policies needed to create conditions for the shift to allow the change to report on *#of várzea (floodplain) communities where families are reducing cattle herds as shift to sustainable aquaculture & managed* under intermediary outcome 2.1.iv, are not yet in place, but planned to be created in 2020, and thus we propose to remove this indicator (A136).

As we implemented the project we also realized that the 2 indicators related to the monitoring system under output 2.1.4 are intrinsically related, thus we propose to remove indicator *University-based monitoring system established and adaptively monitoring trends in regional fisheries and aquaculture and plan implementation with local stakeholders*, since this will be included under the same monitoring system developed in the indicator *University-based GIS and monitoring system established and adaptively monitoring trends in regional fisheries and aquaculture and plan implementation with local stakeholders*, and our goal is to develop one single system.

In 2018 we initiated a deeper engagement of 4 new governments elected (Huanuco, Amazonas, Loreto, and Piura), and therefore were not able to finalize the LED-R strategy for the Peruvian Amazon. We believe 2020 would be a more realistic timeframe to achieve this target (see more under IO 2.4.i) .

Since the beginning of the grant, it has become clear that there is potential for this project to support a process that culminates in a global framework for jurisdictional sourcing of sustainable, low-deforestation commodities that is adopted by major markets—the EU (FEFAC/FEDIOL) and China. This is the opportunity that the Balikpapan Challenge of the GCF Task Force, co-convened with EII, is designed to seize. Thus, we shifted our approach from single private company commitments to larger sourcing agreements with associations (eg. Aprosoja, Abiove, Fefac, CSIA). However, because of the size of the volume involved in these negotiations—for example, China and FEFAC are roughly 80% of global trade in soy-- this process evolves more slowly and requires well planned actions from the 3FI partners. Thus, reflecting on this and the recommendations from our mid-term review (A28) we decided to review and propose some new outputs and indicators under Outcome 3.1 (proposal made in Feb., 2019, A27). The changes proposed relate to the intermediary outcome 3.1.i, and outputs 3.1.1, 3.1.2, 3.1.4, and are all explained in more details as we reported in these sections.

In MT, the IPeixes was suspended and the aquaculture strategy in the state is being restructured. The process was stalled in 2018 due to the elections and economic crisis in MT. EII is currently discussing with state officials the best way to support them effectively towards the development of a low carbon aquaculture business plan for MT and this has delayed the implementation of the indicator "*Mato Grosso aquaculture under consideration by SEDEC (for new IPEIXE--Fish Institute in Mato Grosso) finalized and published*" we hope to obtain more clarity on this by the end of the 1st semester of 2019 and will inform Norad. Also, in the LA, one of our goals under output 3.1.10 was to incorporate segregated fish from wild fisheries into the Pará Sustentável Program, but the Program was largely dismantled and integrated into SEMAS and it is not clear if the Pará Sustentável will be adopted by the new state government. It now appears that two tracking systems, one being developed by the Pará State Secretariat of environment (SEMAS) and the other by IBAMA should make it possible to differentiate between fish from wild fisheries and aquaculture and track them through their respective supply chains. In 2019 we proposed to change this indicator to: "Stage of implementation of the Document of Origin and SISPAS systems" (proposal made in Feb., 2019, A27).

In IN, the overall the project implementation was according to the plan, while minor deviations still occurred. Activity 2.2.1

was not fully completed in 2018 since INOBU was focusing on integrating the LED-R to the govt planning documents before they finalized the REDD+ strategy. This is because government, at all levels has no clear authority in related to REDD+ development. The only clear possibility provided by the regulation is to integrate the action plan through RPPLH (jurisdiction wide environmental protection document), in which also includes a carrying capacity assessments (DDDT). These assessments can serve as the basis to develop REDD+.

There were also delays, but they didn't necessarily lead to deviations in the project, only slowed its implementation. For example, In CO, we were not able to start the ITPS pilot in 2018 (output 1.1.4), but we have been working with all the partners to find a solution for the issue of how the funds will be managed after the end of the Amazon Vision program. In the LA and MT, in BR, and in PE activities slowed down in 2018, especially due to elections and the following transition period, but we are optimistic that they will get back on track by the 2nd semester of 2019.

2.5   **Coordination with other relevant actors in the geographic areas targeted by the Project**.
The jurisdictional approach assumes collective, multi-sectoral, consensual work. Therefore, EII and its partners keep permanent coordination with national organizations, national and local governments, NGOs, agriculture sector organizations and other relevant actors involved in the low-carbon development strategies. For example, in CO EII regional team created a Territorial Planning Group in Caquetá, with all ONG´s and other key institutions working on Caquetá's Territorial Planning to develop a shared long-term vision and to coordinate our actions to have a higher impact. The group includes TNC-CO, Fondo Acción, Fondo Patrimonio, SINCHI, IGAC, GIZ, EII, Gobernación de Caquetá, and others. For more concrete examples of collaborations in target regions, please see A99.

3.   Cross-cutting issues
Anti-corruption: The project is contributing to reduced corruption in target regions through innovative mechanisms for participatory governance and transparent monitoring platforms (eg. Output 1.1.1 - 1.1.6) and by supporting national and regional policies that improve environmental governance (Outcome 2). We are seeking to establish transparent, neutral mechanisms for channeling climate finance to actors making verifiable progress towards reducing deforestation, including producers and governments (eg. outcome 1).
Human rights, including the rights of marginalized groups: We continued to promote jurisdiction-wide dialogues among producers, communities, companies and local governments to develop and revise shared environmental and social performance indicators. In WP we continued to advocate for the acknowledgment of IPs rights and also enabling them to participate in a sustainable market to get economic benefits for nutmeg production (see outcome 2.2). We, in collaboration with the GCF have also facilitated the launching of the *Principles for Collaboration & Partnership Between Subnational Governments, Indigenous Peoples & Local Communities* development of GCF members and indigenous peoples and local communities (see Output 1.1.7). In the LA, the project supports local (and often marginalized) communities to better manage their fisheries, and has capacitated thousands of fishers and communities in 2018 (see output 1, std indicators). We also supported the participation of IP people during the CA's Climate Summit in San Francisco in Sept. and CARB meeting in Nov. 2018.
Women's rights and gender equality: In 2018 we tracked participating on women in processes carried across different regions, especially through lists of participations. Also, AC, PE, and CO EII teams hired gender specialists to review all the activities proposed under UNDP-GCF Window A (these projects are supporting the development and implementation of LED-R plans in the target regions of the 3FI project) and proposed best ways to include the gender perspective. This process is helping us to integrate gender considerations in all activities being carried in the regions, from meetings and workshops for the LED-R strategy to selections of households to pilot activities.

4. Financial report
Will be submitted separately, and also included as annex A184.

5. Results monitoring and evaluations
EII went through a mi-term evaluation process in 2018 to measure the impacts of the project up to date and to obtain recommendations to revise and improve the implementation of the remainder of the project (AXX).

6. Date and attestation
I am authorized to enter into legally binding agreements on behalf of the grant recipient, and attest that to the best of my knowledge and belief the information given in this report is correct.

    Date: May 1, 2019.

Daniel Nepstad
Executive Director and President of Earth Innovation Institute
Attachments:
- Please see all attachments (184 total, including a table of acronyms as A171) at this link:
https://drive.google.com/drive/folders/1wa-CG2U-FIkIvVB0d8_Uw41pSy-Eq2PK?usp=sharing