Darwin Initiative Main: Annual Report

To be completed with reference to the "Project Reporting Information Note":
(https://www.darwininitiative.org.uk/resources/information-notes/)

It is expected that this report will be a **maximum of 20 pages** in length, excluding annexes)

Submission Deadline: 30th April 2024

Submit to: **BCF-Reports@niras.com including your project ref in the subject line**

Darwin Initiative Project Information

Project reference	30-007
Project title	Biocredits Investment Operations
Country/ies	Uganda and Zambia
Lead Partner	The International Institute for Environment and Development
Project partner(s)	Conserve Global, Tondwa Conservation Limited, Value Nature, EcoTrust Uganda
Darwin Initiative grant value	£525,573.00
Start/end dates of project	April 2023 - March 2026
Reporting period (e.g. Apr 2023 – Mar 2024) and number (e.g. Annual Report 1, 2, 3)	Apr 2022 – Mar 2024, Annual Report #1
Project Leader name	Mr. Paul ▇▇
Project website/blog/social media	*Darwin Biocredits Investment Operations* *IIED Project Page*
Report author(s) and date	IIED: Anna ▇▇, Sydney ▇▇, Paul ▇▇, Ife ▇▇i Tondwa Conservation Limited: Donatella ▇▇, Craig ▇▇, Simon ▇▇ Value Nature: Simon ▇▇ EcoTrust: Pauline ▇▇, Freddie ▇▇ Dianah ▇▇ Conserve Global: Harriet ▇▇ May 9 2024

1.   Project summary

Biodiversity degradation is reaching unprecedented rates, and biodiversity conservation and restoration efforts are often underfunded leading to negative impacts on the environment and those living in biodiversity rich areas. Notably, Indigenous Peoples and Local Communities at the forefront of biodiversity loss and conservation on not receiving the funding nor the support required. "Biocredits" are an emerging approach to finance biodiversity that benefits Indigenous People and Local Communities.

The drivers of biodiversity loss particularly of *Pan troglodytes* (Eastern Chimpanzees) and *Panthera leo* (Lion) are different at each of the project sites and have been identified and described below by the project partners through ongoing research and experience on-site. However, they both share the common conservation dilemma of a lack of long-term finance for conservation and community empowerment. Darwin BIO will pilot biocredit schemes in the Northern Albertine Rift (Uganda) and the Tondwa Game Management Area (Zambia) for the sale of credits to finance community led conservation, reducing poverty and protecting and restoring biodiversity.

Both site's challenges speak to a wider challenge of biodiversity conservation and restoration efforts being underfunded, or the "biodiversity funding gap". The funding gap for actions under the CBD is estimated to be between US$ 598 billion and 824 billion per year[iv]. Additionally, where funding is available it often takes a long time to access and does not reach those at the forefront of biodiversity loss and conservation and restoration efforts. The need to increase funding to Indigenous people and local communities is also relevant because of the key role they play in facing the biodiversity crisis in an equitable manner. For example, Indigenous People safeguard 80% of the remaining biodiversity, despite making up less than 5% of the world's population.

Biodiversity credits are a way to mobilise private sector funding and channel the funds directly to local male and female land managers, ensuring impact for every dollar that is raised for conservation activities. Indicators 0.2, 0.3, and 0.4 speak to this challenge directly, and all other indicators contribute to addressing the challenges mentioned above. Biocredits do so by increasing the monetary value that is associated with intact ecosystems and increasing the amount of funding that is available to both safeguard and restore biodiversity.

Additionally, Indigenous Peoples and local communities are often excluded from biodiversity conservation and restoration projects, which has in the past had negative impacts on their livelihoods and self-sovereignty. This project addresses this issue by taking an approach through which local communities take a leading role in the design and implementation of the biodiversity credit scheme, include in activities such as community visioning and biodiversity monitoring (Indicator 4.1, 4.2).

The problems of biodiversity loss and threat, the resulting impacts on local communities and lack of funding to make change were identified by partner organisations (Tondwa Conservation Ltd and EcoTrust), and therefore the project was designed in conjunction with IIED to address the issues.

Tondwa Game Management Area - Zambia

Located in Zambia's Northern Province, Tondwa GMA (439 km^2) forms part of a vast ecosystem that stretches from Nsumbu National Park on the shores of Lake Tanganyika westwards to Mweru Wantipa and Lusenga Plains National Parks. Long overlooked, Tondwa is the key to the connectivity and long-term integrity of this landscape. Tondwa comprises a series of large wetlands and lakes surrounded by floodplain grasslands which give way to Miombo woodland on inter-drainage ridges. Tondwa contains small patches of Sumbu-Itigi Thicket, an extremely dense and, in many cases, nearly impenetrable tangle of evergreen or deciduous woody scrambling shrubs and small trees with a sparse ground flora layer. A steeply rising escarpment bounds the area in the south-east.
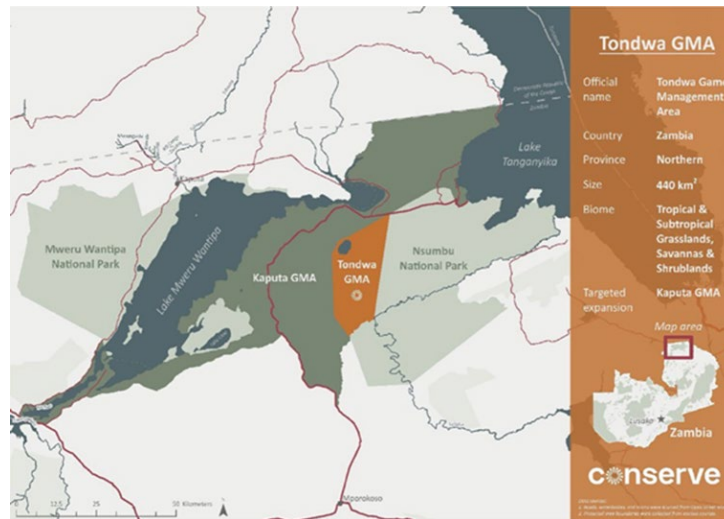
The Tondwa Game Management Area in northern Zambia is a key area for the connectivity and long-term integrity of the Nsumbu-Mweru Wantipa landscape. Tondwa was once famed for its large herds and stunning landscapes. However, sustained and increasing poaching pressure and a lack of investment from prior hunting operators, despite long leases, led to under-resourced and under-capacitated management of the area. As a result, large mammal populations suffered significant declines. Populations of most species are beginning to recover thanks to threat-alleviating efforts of the NTCP focused on the adjacent Nsumbu National Park over the last six years. However most – if not all – species still occur at population densities well below historical levels. Biocredits revenue will be used to restore the landscape and create enabling conditions to support the expansion of a neighbouring elephant population *(Loxodonta africana)* from Nsumbu National Park and, in the longer term, the restoration of lion populations (*Panthera leo melanochaita*).

Tondwa falls under the jurisdiction of the Nsama Chiefdom and Nsama Community Resources Board (NCRB), both presided over by Senior Chief Nsama as Senior Chief and Patron respectively. GMAs in Zambia are overseen by the Department of National Parks and Wildlife (DNPW). Baobab Safaris Limited (BSL), a reputable and ethical hunting outfitter, holds the lease for Tondwa until the end of 2029 and conducts a limited number of hunting safaris to Tondwa each year. BSL is responsible for payment of the annual lease fee to DNPW, and all license and quota fees associated with hunting.

Northern Albertine Rift - Uganda

The Tropical High Forests and woodlands in the Northern Albertine Rift have been degraded over the years resulting in the fragmentation of once densely forested areas. The core protected areas have lost the connecting natural vegetation, which is critical for the long-term survival of the wildlife in the corridor, particularly the Eastern Chimpanzee (*Pan troglodytes*). The degradation applies to both private/communal forests as well as central forest reserves. Between 1986 and 2002, it is estimated that over 110 km2 of forest was cleared within 15 km of Bugoma, and about 90km2 was cleared within 15km of Budongo[i]. A central challenge to conservation initiatives in the corridor has been the absence of sustainable long-term financing to enable the uptake of conservation initiatives beyond initial donor support. This biocredits project therefore presents an opportunity for addressing this finance gap.
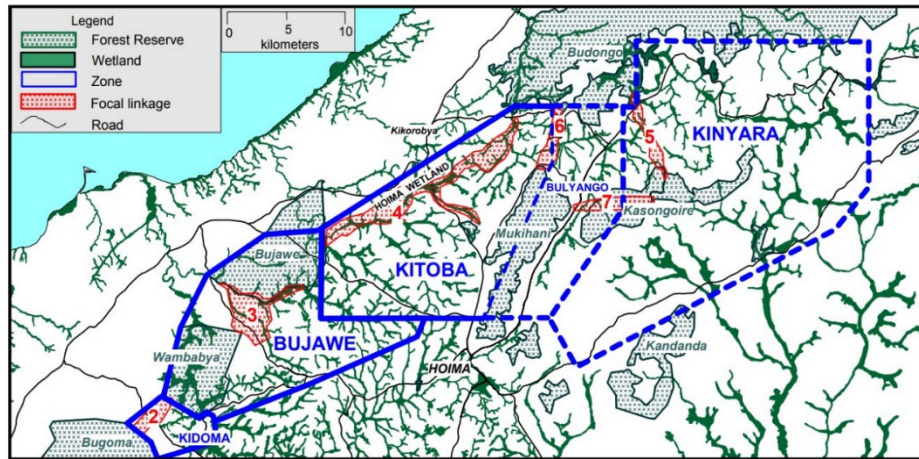
2.   Project stakeholders/ partners

The project partnership consists of the International Institute of Environment and Development, Value Nature, Tondwa Conservation Limited, Conserve Global, and Ecotrust Uganda. The partnership was established based on joint interest to advance the biodiversity credit market by piloting the mechanism and thus providing proof of concept to the international biodiversity finance community.

IIED convened the partnership based on past experiences working with Value Nature and EcoTrust Uganda. IIED had been working with Value Nature in various global forum on biodiversity credits. Value Nature then connected IIED to both Tondwa Conservation Limited and Conserve Global. The partnership is therefore based on shared interests in biodiversity credits and passed experience working together.

All partners were involved in the planning of the project from the proposal stage. IIED plays the role of convener to facilitate the joint planning, and in this respect "holds the pen" on the log frame, activities and reporting to the funding, however, all decisions regarding the planning and implementation of the project are made jointly.

The project partners meet every month to provide updates between the two project sites, as well as on topics pertaining to international demand and development of international policy and standards. This has proven to be an effective way to stay up to date with the timeline of the project as well as the quickly developing biodiversity credit market.

One key strength that has occurred due to the collaboration is learning across sites. For example, upon learning about the methodology for community engagement that EcoTrust has undertaken, the team on Zambia (Conserve Global and Tondwa Conservation Limited) will be using the same method (GALS methodology).

It is through this GALS methodology that the Uganda and Zambia team have been engaging the local communities. Additionally, the team in Zambia has been coordinating their activities with the Frankfurt Zoological Society (FZS) to ensure that they are building on one another and safeguard against the community experiencing consultation fatigue.

Additionally, both sites are working with technical specialists on biodiversity monitoring (Biometrio in Zambia and Pivotal in Uganda) as well as biodiversity credit standards (Verra in Zambia and Plan Vivo in Uganda) to ensure that the projects are aligning with biodiversity credit standards, increasing the effectiveness of the mechanisms in turn increasing the ready-ness of the credits to be sold.

3.   Project progress

Please note that changes to the log frame have been requested and, though they haven't been formally approved, it was advised by the funder to use an updated version of the log frame from Dec 2023. Please reach out with any questions.

3.1 Progress in carrying out project Activities

The following section provides an update for the activities that were planned in reporting period (Year 1, April 2023-March 2024), some additional activities are included given that they were completed ahead of schedule.

1.2 Market survey conducted to identify biocredit buyers (Yr 1 Q1-Q4) – completed

IIED worked with WBSCD and the BCA to conduct a market survey. It received 29 responses, which is an adequate sample size given the nascency of the market. It found that buyers are interested in biocredits that support meeting corporate nature strategies and targets; have high credibility and quality; are not overly complex; and potentially focus on segments of biodiversity at manageable scales, but which have real concrete and verified benefits; are fungible if possible, but fungibility is not a deal breaker; are geographically diverse, not necessarily directly linked to a company's operations on the ground; and are preferably linked/stacked with carbon credits. These findings align with the characteristics of the biocredits being sold within this project.

2.1 Project site biophysical assessment completed through a combination of satellite imagery and desk review, with relevant ground truthing where need to identify reference sites and relevant habitats for biodiversity scoring. (Yr 1 Q1-Q2) – completed

In Uganda, biophysical assessment is complete and GIS imagery has been collected and analysed for landcover baseline mapping for future change detection analyses. The data and project information note has been shared with Plan Vivo (the certifier for the site).

In Zambia, the biophysical assessment comprised an unsupervised land cover classification based on satellite imagery and was combined with field sample plots and site familiarity to identify available habitats for biodiversity scoring. The available habitats were then interrogated for practicality in terms of deploying and retrieving the biodiversity monitoring equipment to identify proposed sites for the location of the monitoring arrays.

2.2 Project design completed for each site to determine number and location of biosensors (camera traps and bioacoustic recorders) for deployment in each habitat and relevant reference sites

In Uganda, the project PIN has been developed and has already been submitted to the certifier (Plan Vivo). Please find the project PIN attached in supplementary material (NB- this is confidential).

In Zambia a total of 40 cameras and 48 bioacoustic sensors will be deployed to obtain samples of the project area. These will be deployed in a series of 8 representative areas (modules) which are randomly distributed within the survey area. Within a module there will be three to five sampling points (nodes) which are to be placed in the same vegetation type. Each node will be active for at least one to two periods of 30 days within each 12-month cycle, and will be equipped with five camera traps, and six bioacoustics sensors. The use of five sampling points per node will account for the variability in the detection probability of animals in the sampling area while reducing the risk of not obtaining any data for a node in case of malfunctioning devices or loss of equipment.

2.3 Biosensors ordered and imported to project sites. Biosensors deployed and data collection completed according to project design and data uploaded to centralised cloud storage and processing database (Planned for Y2 but has commenced)

Biosensors and other equipment have been ordered, and deployment will begin in the first quarter of Year 2. In Zambia, the equipment has already reached the site. In Uganda, most of the equipment has arrived though there is some still in delivery. Please see some information below on the reasoning and equipment being used in Uganda, as an example.

Selected Biodiversity Monitoring Tool	Taxonomic Groups(s) the Biodiversity Monitoring Tool will target	Reason why this tool has been selected	Considerations for PV Nature when monitoring these groups in the project region
Tool 1: Acoustic Monitoring	Birds	Required for capturing the nocturnal and canopy and understorey birds that might be missed during transect counts	Different birds are active differently in dry and wet seasons so monitoring will need to occur in both seasons.
Tool 2: High Resolution Imagery	Plants (under 2m)	These are difficult to accurately sample using transect point counts.	The plant diversity is at its maximum in rainy seasons so monitoring will need to be done in the rainy seasons.
Tool 3 – Camera Trapping	Mammals	Mammal species occur in the project sites that may not be recorded during transect counts	Target understorey and nocturnal species not easily seen on transect counts. Timing should cater for both rainy and dry seasons
Tool 4 -Transect Counts	Birds Plants Mammals	This is intended to support community monitoring programme and targets the community preferred indicators of restoration outcomes tagged to community benefits: biodiversity – based livelihoods & wellbeing.	Monitoring should target both rainy and dry seasons

Figure 1. Prospective monitoring for biodiversity in Northern Albertine Rift

3.1 Engagement in international discussion with regulation and standard developers (Biodiversity Credit Alliance, WEF, UNDP, etc). (Entire project period) (ongoing throughout the whole project)

IIED has continuously engaged in international discussions. IIED team members attend the Biodiversity Credit Alliance (BCA) Forum, every 6 weeks and act as the secretariat for the Community Advisory working group within the BCA (CAP), a group of Indigenous people and local community members looking to engage with the biodiversity credit market. Further, IIED works with a strategic working group organised by the World Economic Forum (WEF) which includes key market players such as UNDP, WBSCD and UNEPFI.

EcoTrust and ValueNature are part of The **International Advisory Panel on Biodiversity Credits** (IAPB) that has been established by the UK and France government to develop a Global Roadmap on Harnessing Biodiversity Credits for People and Planet to facilitate the creation and growth of high-integrity biodiversity credit markets, and encourage enabling policy and regulatory mechanisms, in ways that are credible, timely, and coherent on an international level.

In terms of standard developers, there have been several bilateral meetings with those relevant to this project, Verra and Plan Vivo.

3.2 Certifier and regulator agreed upon amongst project partners and pilots are enrolled in the certification and regulation schemes. (Planned for Y2 but has commenced)

A certifier has been identified in both project sites ahead of schedule. In Uganda, the credits will be certified by Plan Vivo Nature and the biodiversity monitoring will be supported by Pivotal. In Zambia, the plan is certifying the credits through Verra's Biodiversity credit framework and will work with Biometrio for the biodiversity monitoring.

4.1 Community Visioning conducted using internationally recognised gender responsive methodology (Yr 1 Q1) – partially completed.

At both project sites, the partners reviewed international methodologies and agreed that the Gender Action Learning System (GALS) is the most appropriate for this project.

In Uganda, EcoTrust team has started implementing the GALS methodology, specifically using the Vision Road Journey tool. EcoTrust has previously used this tool for other projects and is therefore updating the Vision Road Journeys of community members specifically to align them to this biocredits project and is developing Vision Road Journeys for those members involved in this project who have not yet undergone through the visioning process. Training of communities in Community-based Biodiversity Monitoring has been initiated in participating communities to align the community needs with those of the biocredits requirements and create a sense of ownership within the community.

In Zambia, the implementation of the GALS has been slowed down due to delays in conducting a comprehensive socio-economic baseline survey. Tondwa Conservation Ltd worked with EcoTrust to identify the appropriate tools within the GALS methodology, given EcoTrust's experience with this tool. Members of the EcoTrust team will be travelling to the Zambia site in early Year 2 to in order to train the local teams to be "GALS Champions" and then community visioning will then take place.

4.2 Site Action Planning meetings to develop management plans for specific land patches in the Northern Albertine Rift and Tondwa GMA (Y1 Q1-Q3)

Site action planning meetings have taken place at both sites. In Uganda, there were several workshops and meetings that took place using the GALS methodology and developed the management plans for the site in the Northern Albertine Rift.

In Tondwa GMA, a sensitisation workshop took place to begin the discussion on biodiversity credits, including with participation from Chief Nsama. Tondwa Conservation Limited worked in conjunction with Value Nature and Conserve, as well as the Frankfurt Zoological Society (who also work in the region) to sensitize the concept of biodiversity credits.

4.3 A landscape restoration plan is prepared because of the multistakeholder consultations as part of the overall collaborative framework within which the project will be operating. Conservation interventions will be technically specified to ensure that they result into the desired outcomes

A landscape restoration plan has been prepared and baseline biodiversity monitoring for the credits will be based on the restoration plan. In Uganda, the GALS workshops led to the development of the biodiversity monitoring plan. In Zambia, since there was initially a lack of biodiversity data, a biodiversity monitoring plan was developed and then it will feed into the ongoing community consultation that has begun and will continue into Year 2.

5.1 Inception meeting in Uganda with all partners to strengthen partnerships and network for future sharing of lessons (Yr 1 Q1)

The Inception meeting took place in Hoima, Uganda between 19th -21st of June 2023. This included two days of meetings and one day of field visits to the Kikuube landscape and the communal forest in Masindi District. The field visits included presentations from the communities on their previous work in carbon credits, and provided an opportunity for project partners to introduce themselves, and the concept of biodiversity credits. Please find workshop agenda attached in supporting documents.

We also recorded videos of partners speaking about biocredits that are available here: https://www.iied.org/biocredit-investment-operations-bio-finance-for-nature-people.

5.2 Development of a communications strategy for the project to engage with global public and private experts and practitioners in conservation community and nature finance community (Yr 1 Q1)

The communications strategy has been jointly developed, including input from a communications focal point at each partner organisation. All partners got together to undertake stakeholder mapping, define joint objectives and identify key audiences for the strategy. The strategy will be adjusted whenever necessary in response to other activities (ie. sales of credits, community engagement) throughout the entirety of the project period. Additionally, an action plan for each objective is being developed. Please find communications strategy in additional documents.

3.2   Progress towards project Outputs

Report on how overall progress has been made towards the project Outputs and how likely the project is to achieve them by its close. Address each Output in turn, identifying the baseline condition, change recorded to date, and the source of evidence for this change. Please comment on how you are

measuring the Output indicators. Please support comments with evidence and use indicators to support progress towards Outputs.

1. ***International demand for biocredits in Uganda and Zambia and biocredits from the pilot sites sold.***

At the beginning of this project, demand for biocredits in general was emerging though demand for biodiversity credits in specific area was unclear. Throughout the first year, project partners have gotten lost of interest in this project primarily because it is one of few that is implementing biodiversity credit methodologies in a space where the need for proof of concept is currently high.

Demand for the sites included in this project has risen and has been generated by project partners (specifically IIED and Value Nature) sharing information about this project with potential investors, buyers and the private sector more broadly. For example, Value Nature travelled to Germany to discuss the project sites with Act to Impact.

2. ***A supply of biocredits supporting gender responsive biodiversity conservation established in pilot sites in Northern Albertine Rift (Uganda) and the Tondwa Game Management Area (Zambia)***

Progress is being made to lead to the supply of credits including through developing the biodiversity monitoring plan, the project PIN, and undertaking the community workshops to ensure fair involvement in the design and implementation of the credit. Biodiversity monitoring equipment such as cameras, bioacoustics sensors have been ordered and received and will be deployed in early Y2.

Therefore, the supply of biodiversity credits is still expected to be completed at the end of the project period. The target is to have 10,000 ha of credits from Uganda and 44,000 ha of credits from Zambia.

3. ***Regulatory and monitoring architecture supports at least two thirds of funds reaching female and male local land managers, biodiversity custodians, local organisations and households.***

The regulatory and monitoring architecture is still being developed. Significant progress has been made, for example, Plan Vivo and Verra have begun to develop frameworks for certification. Plan Vivo is working closely with EcoTrust to develop their framework, with a specific focus on ensuring the funds reach the local level.

4. ***Local level decision making on biodiversity conservation empowers and engages female and male Indigenous Peoples' and Local Communities***

The community sensitisation and workshops have taken place in both project sites and the ideas and visions of biodiversity management of the community are being incorporated into the biodiversity monitoring plan. Additionally, the revenue from the credits will be distributed to the community members.

5. ***Lessons learned shared with international conservation and biodiversity finance community at the international level to replicate biocredits in other locations and countries based on the experience learned from the BIO project***

Lessons learnt from this project are being shared in international fora such as the IAPB, the BCA and the WEF working groups. In Year 2, the project will produce knowledge products and host a webinar on the projects, as well as participate in various webinars.

3.3   Progress towards the project Outcome

The intend outcome of the project is "Biocredit schemes increasing finance for biodiversity conservation of *Pan troglodytes* and prey base for *Panthera Leo* and livelihood improvements in Northern Albertine Rift (Uganda) and Tondwa Game Management Area (Zambia), which generates evidence to scale up biocredits in other countries." All the indicator as well as the outputs contribute to measuring and achieving this project outcome.

The project outcome is likely to be achieved in the funding period. One obstacle that has been identified in the current reporting period is that biodiversity credit certification schemes (that are currently still in development) will likely require up to two years of specific data before issuing certified credits. This would affect the timing of the credit sales and push it to outside the project period. However, to overcome this project partners intend to either expedite the certification process based on previously acquired data or work to "forward sell"credits.

Monitoring of assumptions

Assumption 1: Provincial and national governments are committed to poverty reduction and conservation objectives.
Comment: This assumption remains true. Ecotrust and Conserve Global have engaged with government in Uganda and Zambia (respectively) on the enabling conditions of this project, showing evidence that governments remain committed to reducing poverty reduction and conservation objectives. Additionally, recent stakeholder meetings held in Zambia included government representation.

Assumption 2: There is minimal political interference in all interventions.
Comment: This assumption remains true.

Assumption 3: Enough potential buyers of biocredits can be identified to match the value of biocredits being sold
Comments: There has been some interest from buyers as well as investors in the projects, partners will continue to engage to build demand.

Assumption 4: Global economic situation allows private sector to remain engaged in biocredit purchases
Comments: Private sector remains engaged in the development of biodiversity credits market; however, it is too early to determine if this will translate into purchases, especially of high integrity credits. The levels and characteristics of demand are being monitored by all project partners, specifically Value Nature and IIED. Project partners are members of several working groups including the Biodiversity Credit Alliance (BCA) and the International Advisory Panel on Biodiversity Credits (IAPB) that are monitoring demand.

Assumption 5: Global auction of biocredits under discussion is confirmed and occurs during project period.
Comments: The global auction (meant to be hosted by the World Economic Forum) was postponed and the WEF has instead established a coalition of frontrunners. Unfortunately, the conversations amongst this group our often kept behind closed doors. Nonetheless, project partners are monitoring demand from both this group as well as elsewhere.

Assumption 6: Political and economic stability in Uganda and Zambia remains sufficient to allow supply of biocredits from rural landowners
Comment: This assumption remains true.

Assumption 7: International and national regulators and certifiers have capacity to review biocredit schemes
Comments: Regulators and certifiers have continued to be interested in biocredit schemes. Namely, certifiers of carbon credits are now actively turning to biodiversity credits and putting out certification schemes (Plan Vivo and Verra). The current schemes being developed will require up to two years to collect the baseline data required for biodiversity credits before the

sell of a credit. Therefore, the project is attempting "forward sales of" credits as happened with the carbon market .

Assumption 8: Indigenous Peoples' and Local Communities remain sufficiently engaged in biocredit schemes
Comments: Community members remain engaged at both project sites. There is risk of consultation fatigue in Zambia, that is being managed by Conserve Global, by integrating and aligning the engagements with local communities with the wider consultations and planning of the Tondwa Community Development Programme.

Assumption 9: Useful lessons emerge from Uganda and Zambia that are of interest to the wider conservation finance community.
Comments: Useful lessons are already emerging from both the project sites and there has been signifcant interest from practitioners on the findings of this project.

3.4   Impact: achievement of positive impact on biodiversity and poverty reduction

The intended impact of this project is "Biocredit schemes increase the finance reaching Indigenous People and Local Communities and relevant land managers for commitments under the CBD and the SDGs, ultimately improving livelihoods and increasing biodiversity globally."

By increasing the funding available for biodiversity in Northern Albertine Rift (Uganda) and Tondwa Game Management Area (Zambia), this project will increase the biodiversity in the region. Importantly, the biodiversity indicators chosen for the biodiversity credits have been identified by the communities and therefore this project will increase the biodiversity in ways that contribute to human development and wellbeing.

Indicators of biodiversity vary at each site however, outside of the indicators mentioned in the logframe, the biodiversity monitoring indicators will pertain to information on the ecosystem integrity of the landscape, which is informed by things like species diversity (including richness and abundance determined by acoustics and cameras) and landcover change (determined via remote sensing).

4.   Project support to the Conventions, Treaties or Agreements

The project impact of "*Biocredit schemes increase the finance reaching Indigenous People and Local Communities and relevant land managers for commitments under the CBD and the SDGs, ultimately improving livelihoods and increasing biodiversity globally",* will contribute to the CBD in particular the following articles: 8. In-situ Conservation (8e sustainable development adjacent to protected areas; 8j equitable sharing of benefits); 11. Incentive Measures (economically and socially sound measures that act as incentives for conservation). Also, within the CBD Framework, the BIO project is aligned with Target 3 of the Aichi Biodiversity Targets, as it creates positive incentives for conservation and sustainable use of biodiversity, considering national and socio-economic conditions.

The details of the Global Biodiversity Framework are still being worked out, however, biocredits are a key part of the conversation on resource mobilisation (Target 19). IIED, ValueNature and EcoTrust are working with multiple international for such as the Biodiversity Credit Alliance, International Advisory Panel on Biodiversity credits and the Community Advisory panel, and learnings from this project are feeding into the discussions at a global level.

At the national level in Uganda, the **National Biodiversity and Strategy and Action Plan (NBSAP)** is the main instrument for implementing the CBD. Within the NBSAP, Uganda recognises that funding for the plan will come from public and private sources, including innovative financing. Though this project is not an offset scheme, the Ugandan NBSAP identifies offsets to mobilise finance and includes cases in

which offsets take positive management interventions to ensure "protecting areas where there is imminent or projected loss of biodiversity"[v]. Biocredits are a suitable and fitting alternative to biodiversity offsets, that fit with the guidelines and the needs of the Uganda NBSAP. The EcoTrust team has been in conversation with local governments about the alignment of this project to local and national strategies.

In Zambia, the BIO project also aligns closely with the country's second **NBSAP2,** and will make contributions to Strategic Goals A, B, C and E. Specifically, it will increase local community awareness of the values of biodiversity (Target 1), promote the sustainable management of Game Management Areas (Target 7), improve and sustain populations of threatened and endemic species (Target 11), and generate knowledge relating to biodiversity (Target 17). The project will also develop incentives for biodiversity conservation and sustainable use, thus contributing to Target 3. Finally, by mobilising internal and external financial resources for effective implementation of NBSAP2, the BIO project will contribute to Target 18.

In both countries, unlocking financial flows to support effective biodiversity management and sustainable livelihoods will directly contribute to UN SDGs 1, 2, 3, 5, 6, 13, 15 and indirectly to the remaining goals.

5. Project support for multidimensional poverty reduction

The Darwin BIO project will contribute to poverty reduction by providing a means to sustainable livelihoods through biodiversity credits. It will increase funding to the two project sites, while conserving and/or restoring biodiversity. Notably, DEFRA has identified that poverty is not just about lack of money, this project also addresses challenges that poor people face such as loss of ecosystem services causing instability such as water security, food security, climate change impacts causing instability, poor governance including the lack of community voice in decision making, and a lack of gender equality.

Local communities are typically negatively impacted by conservation projects that restrict their ability to access biodiversity or put strain on livelihoods. The beneficiaries of this project will be land managers, biodiversity custodians, local organisations and local households as identified in Indicators 0.3 and 0.4. However, it is important to note that local communities should have the opportunities to be involved in biodiversity credit projects in roles beyond being passive beneficiaries. For this reason, the Darwin BIO project is co-designed and implemented with local communities, with key roles of for local stakeholders to take make decisions (Indicator 4.1 and 4.2).

As mentioned above, this project is expected to have direct impacts in reducing poverty by increasing the amount of finance that is flowing to households and the communities in Albertine Rift and Tondwa Game Management Area (indicator 0.6).

Year 1 consisted of two key activities that will be crucial to ensure that the project provides funding to those that are the most vulnerable to the negative effects of biodiversity conservation and degradation. This includes a baseline survey that was conducted in Zambia, that is and will be crucial throughout the project to provide a starting point to be able to measure improvement in income and understand the targeted beneficiaries and who to include in decision making and community visioning activities.

Secondly, in Uganda, EcoTrust is already familiar with the socio-economic context and has thus progressed on their community visioning activities (GALS workshops) that will also be key to including local community members not only as beneficiaries but as key players in designing and implementing the project to ensure that it achieves the poverty reduction objectives. Specifically, the pilot in Uganda has included and will continue to include and benefit the communal land associations, the private forest owner's association, collaborative forest management associations and the community wetland association as well as the general region due to the increase in biodiversity and resulting ecosystem services.

6. Gender Equality and Social Inclusion (GESI)

Please quantify the proportion of women on the Project Board[1].	Include all partners the number of staff on the project board is 16, 9 of which are women. This does not include all staff working at project sites.
Please quantify the proportion of project partners that are led by women, or which have a senior leadership team consisting of at least 50% women[2].	Ecotrust and Conserve teams are led by women, and the IIED team is 75% women.

GESI Scale	Description	Put X where you think your project is on the scale
Not yet sensitive	The GESI context may have been considered but the project isn't quite meeting the requirements of a 'sensitive' approach	
Sensitive	The GESI context has been considered and project activities take this into account in their design and implementation. The project addresses basic needs and vulnerabilities of women and marginalised groups and the project will not contribute to or create further inequalities.	
Empowering	The project has all the characteristics of a 'sensitive' approach whilst also increasing equal access to assets, resources and capabilities for women and marginalised groups	X
Transformative	The project has all the characteristics of an 'empowering' approach whilst also addressing unequal power relationships and seeking institutional and societal change	

The approach to the biodiversity credit pilot sites in this project takes an active approach to include marginalised voices in conservation, mainly local communities and individuals. Built into the design is the notion to include non-men members of the communities.

To ensure meaningful participation, both sites have begun and will continue to use the GALS methodology for community consultation that centers the voices, perspectives and experiences of women and other marginalised people in the community and in the region. Including women in the GALS methodology as well as the training on biodiversity monitoring will increase their capabilities.

Additionally, the project will track the flow of revenue from the biodiversity credits inot the community, with special attention on gathering disaggregated gender data on who is receiving the funds. Though the revenue is not yet flowing, the indicators to track revenue are key to the design and implementation of the project.

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[1] A Project Board has overall authority for the project, is accountable for its success or failure, and supports the senior project manager to successfully deliver the project.
[2] Partners that have formal governance role in the project, and a formal relationship with the project that may involve staff costs and/or budget management responsibilities.

7. Monitoring and evaluation

Partners are responsible for the M&E associated with the activities that they are undertaking, and then IIED collates all the information. Information is shared amongst partners in the monthly catch-up meetings and through sharing of outputs. All indicators and their means of verification are set out in the project logframe.

8. Lessons learnt

The project started with an inception meeting in Hoima, Uganda that was useful to build up a common understanding and vision for the project as well as establish working relationships amongst all partners.

Throughout the year, it has been useful to have continuous dialogue with all project partners, including all team meetings once a month to stay up to date on activities at each site as well as progress on the international discussion on biodiversity credits. This has promoted trust amongst partnerships as well as been an opportunity for the teams in Uganda and Zambia to learn from one another.

This project faces a somewhat unique challenge in that it is being implemented in the context of the biodiversity market nascency. Because of this, project partners have had to remain aware of the developments of the market and open to adapting project activities in response to market developments. It has been extremely useful to have project partners (IIED, EcoTrust and Value Nature) apart of the discussion and working groups that are developing principles, standards and market architecture (such as the BCA, the IAPB and the Community Advisory Panel) to remain adaptative. It is recommended that others doing similar projects, specifically those on developing financial mechanisms, remain connected to external developments in their field.

One challenge in Zambia was the timing of the project in terms of other consultations and programmes in the region. This project fits into the Tondwa community development programs, for which the consultation has taken longer than expected due to flooding and other delays to the baseline socio-economic survey. It would have been ideal if this project could have fed into an already established community programme, where there are other ongoing projects and activities as apart of a wider programme. In future projects, it will continue to be key to understand the other projects and programmes in the region.

IIED is in the process of agree on change request for the Logframe because of the changes identified above. Originally, the project was set up so that Value Nature would provide a biodiversity credit methodology for both sites. However, as the year progressed the partnership determined that because of the past experience that EcoTrust has working with Plan Vivo (on carbon credits) it has made the most sense to use the Plan Vivo methodology in Uganda. This was not anticipated, largely because at the time of project inception Plan Vivo was still in the early stages of their methodology and because of this it has resulted in a change request form, including budget changes.

9. Actions taken in response to previous reviews (if applicable)

Not applicable – no issues raised in half year report

10. Risk Management

There is one key risk related to the speed of development of the certification schemes. Developing the standards for biodiversity crediting (Plan Vivo Nature and Verra) has been slower than expected and we are only expected the formal framework to be launched at COP16 in October 2024. However, project partners have adapted to work closely with standard developers and this project is going to be used as a proof of concept. For example, EcoTrust Uganda has worked closely with Plan Vivo on carbon credits and because of this was chosen as one of the first sites to undergo the certification process under the Plan Vivo Nature. Plan Vivo is learning from the Uganda site as well as working towards its certification. Open dialogue and engagement with standard developers as they design and establish standard frameworks will ensure that the projects are certified on time.

A risk register has been developed and will be submitted with this report.

11.   Sustainability and legacy

There has been interest from the project from many organisations such as the UK and the French Government (via the IAPB), the Global Environment Fund, CDC Biodiversite, Nottingham University and Queen Mary University of London. Additionally, there has been interest in this project from Plan Vivo and Verra. Lastly, there has been interests from buyers and investors including Act to Impact. Interest from investors and buyers are key to sustaining and scaling up the project.

In country, the Zambia team hosted a workshop to raise awareness about the concept of biodiversity credits, which included the presence of village action groups and local Chiefs. This was done in conjunction with the Frankfurt Zoological Society, who works in the same region on developing carbon credits. In Uganda, the EcoTrust team has raised awareness of biodiversity credits through their previous engagement with the community groups.

Because biodiversity credits intend to create revenue for the local stakeholders and increase funding to biodiversity conservation in the short and long term, the project is self-sustaining, and the benefits will be ongoing. Providing proof of concept of biodiversity credits to increase financing to nature will also provide benefits outside of this porject pertaining to the impact statement.

12.   Darwin Initiative identity

The project has been promoted on the IIED website here: https://www.iied.org/biocredit-investment-operations-bio-finance-for-nature-people . The Darwin Initiative is acknowledged as the funder of the project. Additionally, 3 videos were produced from the Inception meeting that discuss challenges and opportunities for the biodiversity credit market. The logo was used in the videos.

The logo was also used on the summary of the inception meeting that was hosted by EcoTrust in Uganda. Additionally, the logo and reference to the Darwin Initiative was included in the Community training manual, Community monitoring plan and the biocredits PIN report (see supplementary material).

13.   Safeguarding

Has your Safeguarding Policy been updated in the past 12 months?	Yes, the 📄Safeguarding Policy (2021).pdf has been revised and updated for Board of Trustee approval, May 2024.
Have any concerns been reported in the past 12 months	No
Does your project have a Safeguarding focal point?	Yes, Maxine ███████ (Head of People) and Mani ████ (Diversity, Equity and Inclusion Manager)
Has the focal point attended any formal training in the last 12 months?	Not in the last 12 months; However, our focal point Mani Sidhu was a designated school safeguarding lead in his previous employment. In addition, IIED safeguarding policy and procedures is under substantive review including a Safeguarding Project Plan with activities for Training and Awareness Raising and a tool kit and guidance for our collaborating Partners. These activities will be completed by 31 December 2024. A mandatory safeguarding training module will be launched on our learning platform
What proportion (and number) of project staff have received formal training on Safeguarding?	Past: 3 Project staff Planned: 0%

Has there been any lessons learnt or challenges on Safeguarding in the past 12 months? Please ensure no sensitive data is included within responses.
The safeguarding policy has been through a comprehensive internal review to reflect best practice and ensure compliance with international and funder standards.

Does the project have any developments or activities planned around Safeguarding in the coming 12 months? If so please specify.

Yes, the project will continue with the community engagement for the duration of the project. This includes workshops in Yr 2.

Please describe any community sensitisation that has taken place over the past 12 months; include topics covered and number of participants.

Sensitisation took place in at both project sites.

In Uganda, they took the form of community consultation using the GALS methodology. This covered topics such as education on biodiversity credits as well as visioning the biodiversity monitoring plan, with a specific focus on the views of women.

In Zambia, sensitisation on nature based projects including biocredits and carbon credits was done in conjunction with Frankfurt Zoological Society due to the fact that they are also working in the area, and are trusted partners in the landscape who would like to play a role supporting transparent information and informed decision making by the mandated authorities and beneficiaries of carbon and biodiversity credits. The aim of the meetings was to build awareness among community leaders

and local government in Nsama and Mpulungu districts about climate change, biodiversity and carbon projects, and the economic benefits of conservation in the landscape. Topics included:

- Introduction to climate change, the role of carbon and biodiversity credits, and the need for climate change mitigation and adaptation using nature-based solutions.
- The nature-based project development process, including stakeholder roles and responsibilities, timelines, nature and carbon markets, and project lifespan.
- Outline of the benefits that conservation can bring via a carbon nature-based project, with a focus on job creation, sustainable livelihoods, and community development.

Two sensitization meetings were held at Mpulungu and Nsama Districts respectively with a total of 58 persons attending (49 male, 9 female)

Have there been any concerns around Health, Safety and Security of your project over the past year? If yes, please outline how this was resolved.
No concerns

14.   Project expenditure

Table 1: Project expenditure <u>during the reporting period</u> (1 April 2023 – 31 March 2024)

Project spend (indicative) since last Annual Report	2023/24 Grant (£)	2023/24 Total Darwin Costs (£)	Variance %	Comments (please explain significant variances)
Staff costs (see below)				
Consultancy costs				
Overhead Costs				
Travel and subsistence				Travel costs were less than expected due to flights being more economical than anticipated. As a result this budget line was spread across other budget categories.
Operating Costs				
Capital items (see below)				
Others (see below)				There is an 11% overspend on this category, as one of our partners had an unexpected cost of needing to purchase extra audio moths in the field due to a anticipated

					losses. In addition, the customs duty and import costs from Germany were higher than anticipated, which lead to the variance on this line being over 10%
TOTAL		207712	207733.4	0.29%	

Table 2: Project mobilised or matched funding during the reporting period (1 April 2023 – 31 March 2024)

	Secured to date	Expected by end of project	Sources
Matched funding leveraged by the partners to deliver the project (£)	████████████████	████████████████	Conserve Global (█████████) Value Nature (1████ GBP) IIED ████
Total additional finance mobilised for new activities occurring outside of the project, building on evidence, best practices and the project (£)	0	0	0

11. Other comments on progress not covered elsewhere

Nothing else to add

12. OPTIONAL: Outstanding achievements or progress of your project so far (300-400 words maximum). This section may be used for publicity purposes.

I agree for the Biodiversity Challenge Funds to edit and use the following for various promotional purposes (please leave this line in to indicate your agreement to use any material you provide here). Please do not publish the project PIN nor the workshop attendees list and photos that has been included in the supplementary material.

Annex 1: Report of progress and achievements against logframe for Financial Year 2023-2024

Project summary	Progress and Achievements April 2023 - March 2024	Actions required/planned for next period
Impact Biocredit schemes increase the finance reaching Indigenous People and Local Communities and relevant land managers for commitments under the CBD and the SDGs, ultimately improving livelihoods and increasing biodiversity globally.		
Outcome: Biocredit schemes increasing finance for biodiversity conservation of *Pan troglodytes* and prey base for *Panthera Leo* and livelihood improvements in Northern Albertine Rift (Uganda) and Tondwa Game Management Area (Zambia), which generates evidence to scale up biocredits in other countries		
Outcome indicator 0.1: Stabilised/improved species population (relative abundance/distribution) of *Pan troglodytes* (Eastern Chimpanzees) and *Panthera Leo* prey in pilot areas of Northern Albertine Rift (Uganda) and Tondwa Game Management Area (Zambia) respectively at the end of the project period **[D1-D04]**	Expected in Year 3	Biosensors ordered and imported to project sites. Biosensors deployed and data collection completed according to project design and data uploaded to centralised cloud storage and processing database All data processing and analysis completed, making use of machine learning tools for the audio and imagery files, following which the Biodiversity Intactness measure is calculated for the pilot site in comparison to the reference site. This is then completed again in Year 3 Site characteristics are calculated from global datasets, including the IUCN STAR Metric scores, protected area status, and whether it is a Key Biodiversity Area.
Outcome indicator 0.2: Value of funds generated from sale of biocredits as a result of project by year 3	Expected in Year 3	Ensure that financial architecture and standards are set up so that a minimum of 66% of revenue flows to the local level

Outcome indicator 0.3: Proportion of revenue distributed to local land managers, biodiversity custodians, local organisations and households to fund gender responsive inclusive biodiversity management by Year 3	Expected in Year 3	Ensure that financial architecture and standards are set up so that a minimum of 66% of revenue flows to the local level
Outcome indicator 0.4: Proportion of revenue distributed to local land managers, biodiversity custodians, local organisations and households to fund gender responsive inclusive biodiversity management by Year 3	Expected in Year 3	Ensure that financial architecture and standards are set up so that a minimum of 66% of revenue flows to the local level
Outcome Indicator 0.5: Instances of additional potential buyers and sellers (NGOs) contacting project teams requesting development of biocredits in other locations in Uganda and Zambia, and other countries and regions by the end of Year 3	Expected in Year 3	Engagement in international discussion with regulation and standard developers (Biodiversity Credit Alliance, WEF, UNDP, etc)
Outcome Indicator 0.6: Number of households reporting an adoption of livelihood improvement practices as a result of project activities by the end of the project period. **[D1-B10]**	Expected in Year 3	N/A
Output 1 International demand for biocredits in Uganda and Zambia and biocredits from the pilot sites sold.		
Output indicator 1.1 Hectares of biocredits (habitat) sold from pilot sites at both sites by Year 2, and by Year 3. **[core D1-D01]**	Expected sales in Year 3	All activities in the upcoming year will leader to this output.
Output indicator 1.2: Hectares of biocredits from pilot sites identified that are eligible for global auction in Year 3.	10,000ha in Uganda and 44,000 ha in Zambia ear marked for the project, followed by an additional 300,000 certificates as the market develops	See above
Output 2. A supply of biocredits supporting gender responsive biodiversity conservation established in pilot sites in Northern Albertine Rift (Uganda) and the Tondwa Game Management Area (Zambia)		
Output indicator 2.1. Number of units of biocredits issued to the project to protect and improve biodiversity (quantity, value, composition) for the area identified by EcoTrust and Conserve in Year 1.	10,000ha in Uganda and 40,000 ha in Zambia ear marked for the project (1 ha per credit)	Certifier and regulator agreed upon amongst project partners and pilots are enrolled in the certification and regulation schemes.
Output indicator 2.2. Number of biodiversity conservation and restoration NGOs (including those working in carbon credits)	5 NGOs have improved their capability as a direct result of this project. (EcoTrust Uganda,	Even though the target has been hit, this project will continue to increase the

with improved capability and capacity to implement biocredits as a result of this project by Year 3. **[core D1-A03]**	Value Nature, Conserve Global, Tondwa Conservation Limited, and IIED)	capability of the named organisations as well as expand to other organisations.
Output 3. Regulatory and monitoring architecture supports at least two thirds of funds reaching female and male local land managers, biodiversity custodians, local organisations and households.		
Output indicator 3.1 Value Nature methodology certified according to the Global Principles (including governance structures) and Digital Standards for biocredit schemes as being developed by the Biodiversity Credit Alliance (BCA) by the end of Year 2	Expected in Year 2	Zambia team and IIED will continue to stay up to date with the global principles (and in some cases feed into them) and digital standards and reflect their learnings in this project
Output indicator 3.2 One independent third-party validation and verification body per country identified to ensure biocredit schemes are complying with Biodiversity Credit Alliance (BCA) global standards by Year 2.	This has been completed ahead of schedule. The Uganda credits will be certified by Plan Vivo and the Zambia credits by Verra.	Project partners will continue to work with certifiers to ensure that their project plans are in line to be eligible with certification requirements.
Output indicator 3.3 Degree to which the financial architecture is intersectionally gender responsive and inclusive by Year 3 (Gender neutral, Gender aware, or Gender transformative).	The financial architecture is still being established.	This project partner will continue to work to influence the set up the financial architecture. Additionally, the project will undertake continuous and re-iterative community consultation workshops that are gender transformative.
Output 4. Local level decision making on biodiversity conservation empowers and engages female and male Indigenous Peoples' and Local Communities		
Output indicator 4.1 Number of Indigenous people and local community members, in the project areas, with increased participation in local decision making processes and local management organisations, including employees of relevant organisations as well as community members by Year 3 **[core D1-B05]**	Expected in Year 3	**N/A**
Output indicator 4.2 Number of Indigenous people and local community members reporting that they are applying new capabilities in pertaining to biodiversity monitoring for biocredits 6 or more months after training **[core D1-A04].**	20 trained champions	**EcoTrust and Tondwa Conservation Ltd to host workshops to train local people to manage and use biodiversity monitoring equipment.**
Output 5. Lessons learned shared with international conservation and biodiversity finance community at the international level to replicate biocredits in other locations and countries based on the experience learned from the BIO project.		
Output indicator 5.1 Number webinar attendees (globally) at annual dialogues by Year 3. **[D1-C13]**	Expected in Year 3	**IIED to host webinar**

Output indicator 5.2 Number of case studies on biodiversity credit pilot sites published by the end of Year 3. **[D1-C10]**	Expected in Year 3	**Publish publicly available material on biodiversity credits from each of the sites**
Output indicator 5.3 Number of best practice guides and knowledge products on biodiversity credits published and endorsed published by the end of Year 3. **[core D1-C01].**	Expected in Year 3	**N/A**
Output indicator 5.4 Number of other publications/videos produced on biodiversity credits published by the end of Year 3. **[D1-C19]**	Expected in Year 3	**N/A**

Annex 2: Project's full current logframe as presented in the application form (unless changes have been agreed)

Project Summary	SMART Indicators	Means of Verification	Important Assumptions
Impact: Biocredit schemes increase the finance reaching Indigenous People and Local Communities and relevant land managers for commitments under the CBD and the SDGs, ultimately improving livelihoods and increasing biodiversity globally.			
Outcome: Biocredit schemes increasing finance for biodiversity conservation of *Pan troglodytes* and prey base for *Panthera Leo* and livelihood improvements in Northern Albertine Rift (Uganda) and Tondwa Game Management Area (Zambia), which generates evidence to scale up biocredits in other countries.	0.1 Stabilised/improved species population (relative abundance/distribution) of *Pan troglodytes* (Eastern Chimpanzees) and *Panthera Leo* prey in pilot areas of Northern Albertine Rift (Uganda) and Tondwa Game Management Area (Zambia) respectively at the end of the project period. **[D1-D04]** 0.2 Value of funds generated from sale of biocredits as a result of project (Monetary value of target to be set in Year 1, total value to be calculated at the end of the project period). 0.3 Proportion of revenue distributed to local land managers, biodiversity custodians, local organisations and households to fund gender responsive inclusive	0.1 Data from camera traps and bioacoustic sensors, and remote sensing data , Transects, Farmer diaries), including from existing monitoring programmes, including relative biomass and relative abundance data, in Year 2 and again in Year 3. 0.2 Benefit sharing agreements and records of payouts 0.3 Benefit sharing agreements and records of payouts	Provincial and national governments are committed to poverty reduction and conservation objectives. There is minimal political interference in all interventions.

	biodiversity management by Year 3 (Target: Minimum 66% of total revenue).		
	0.4 Proportion of revenue flowing towards female land managers, female biodiversity custodians, female led local organisations and female headed households (Target 20% of total revenue by Year 3).	0.4 Benefit sharing agreements and records of payouts	
	0.5 Instances of additional potential buyers and sellers (NGOs) contacting project teams requesting development of biocredits in other locations in Uganda and Zambia, and other countries and regions by the end of Year 3.	0.5 Written expressions of interest, meeting/workshop notes	
	0.6 Number of households reporting an adoption of livelihood improvement practices as a result of project activities **[D1-B10]** by the end of the project period.	0.6 Household data from GALS methodology workshops	

Outputs:	1.1 Hectares of biocredits (habitat) sold from pilot sites at both sites by Year 2, and by Year 3. **[core D1-D01]**	1.1 Receipts from biocredit transactions from both pilot sites.	Enough potential buyers of biocredits can be identified to match the value of biocredits being sold
1. International demand for biocredits in Uganda and Zambia and biocredits from the pilot sites sold.	1.2 Hectares of biocredits from pilot sites identified that are eligible for global auction in Year 3 .	1.2 Prospectus of global auctioneers	Global economic situation allows private sector to remain engaged in biocredit purchases

Global auction of biocredits under discussion is confirmed and occurs during project period. |
| **2**. A supply of biocredits supporting gender responsive biodiversity conservation established in pilot sites in Northern Albertine Rift (Uganda) and the Tondwa Game Management Area (Zambia) | 2.1 Number of units of biocredits issued to the project to protect and improve biodiversity (quantity, value, composition) for the area identified by EcoTrust and Conserve in Year 1. | 2.1 Project documents and management plans, training/meeting attendance records, seller registration logs, site maps and GIS data. | Political and economic stability in Uganda and Zambia remains sufficient to allow supply of biocredits from rural landowners |
| | 2.2 Number of biodiversity conservation and restoration NGOs (including those working in carbon credits) with improved capability and capacity to implement biocredits as a result of this project by Year 3. **[core D1-A03]** | 2.2 Meeting notes, activity plans (with names of organisations and specific activities) | |

3. Regulatory and monitoring architecture supports at least two thirds of funds reaching female and male local land managers, biodiversity custodians, local organisations and households.	3.1 ValueNature methodology certified according to the Global Principles (including governance structures) and Digital Standards for biocredit schemes as being developed by the Biodiversity Credit Alliance (BCA) by the end of Year 2.	3.1 Documents relating to certification and verification	International and national regulators and certifiers have capacity to review biocredit schemes
	3.2 One independent third-party validation and verification body per country identified to ensure biocredit schemes are complying with Biodiversity Credit Alliance (BCA) global standards by Year 2.	3.2 Verifier selected and projects are enrolled.	
	3.3 Degree to which the financial architecture is intersectional gender responsive and inclusive by Year 3 (Gender neutral, Gender aware, or Gender transformative).	3.3 Documentation relating to financial architecture	

4. Local level decision making on biodiversity conservation empowers and engages female and male Indigenous Peoples' and Local Communities	4.1 Number of Indigenous people and local community members, in the project areas, with increased participation in local decision-making processes and local management organisations, including employees of relevant organisations as well as community members (disaggregated by gender, country, indigeneity age) **[core D1-B05]**	4.1 GALS meeting attendance	Indigenous Peoples' and Local Communities remain sufficiently engaged in biocredit schemes
	4.2 Number of Indigenous people and local community members reporting that they are applying new capabilities in pertaining to biodiversity monitoring for biocredits 6 or more months after training (disaggregated by gender, country, indigeneity, age) **[core D1-A04].**	4.2 Activity log for biodiversity monitoring, including information in regards to the application of new skills.	
5. Lessons learned shared with international conservation and biodiversity finance community at the international level to replicate biocredits in other locations and countries based on the experience learned from the BIO project.	5.1 Number webinar attendees (globally) at annual dialogues (Disaggregated by country, gender, indigeneity, age, year) by Year 3. **[D1-C13]** 5.2 Number of case studies on biodiversity credit pilot sites published by the end of Year 3. **[D1-C10]**	5.1 Dialogue attendance records, including participants list, photographs and zoom meeting screen grabs where appropriate. 5.2 IIED publications library	Useful lessons emerge from Uganda and Zambia that are of interest to the wider conservation finance community.

	5.3 Number of best practice guides and knowledge products on biodiversity credits published and endorsed (Disaggregated by knowledge, practice area) published by the end of Year 3. **[core D1-C01].**	5.3 IIED publications library	
	5.4 Number of other publications/videos produced on biodiversity credits published by the end of Year 3**. [D1-C19]**	5.4 IIED publications library	

Activities (each activity is numbered according to the output that it will contribute towards, for example, 1.1, 1.2, 1.3, are contributing to Output 1. Each activity should start a new line and be no more than approximately 25 words)

Activities for Output 1: International demand established for biocredits in Uganda and Zambia and buyers connected with pilot programs

1.1 Publicity material provided on potential biocredits available from pilot sites – IIED and partners
1.2 Market survey conducted to identify biocredit buyers – IIED
1.3 Biocredits submitted and sold through global auction, directly or via other sales platforms - ValueNatur

Activities for Output 2: A supply of biocredits supporting gender responsive biodiversity conservation established in pilot sites in Uganda and Zambia.

2.1 Project site biophysical assessment completed through a combination of satellite imagery and desk review, with relevant ground truthing where need to identify reference sites and relevant habitats for biodiversity scoring – EcoTrust, Tondwa Conservation Limited and ValueNature
2.2 Project design completed for each site to determine number and location of biosensors (camera traps and bioacoustic recorders) for deployment in each habitat and relevant reference sites - EcoTrust, Tondwa Conservation Limited and ValueNature

2.3 Biosensors ordered and imported to project sites. Biosensors deployed and data collection completed according to project design and data uploaded to centralised cloud storage and processing database. - EcoTrust, Tondwa Conservation Limited and ValueNature

2.4 All data processing and analysis completed, making use of machine learning tools for the audio and imagery files, following which the Ecosystem Integrity Indicator / Index is calculated for the pilot site in comparison to the reference site. This is then completed again in Year 3. - EcoTrust, Tondwa Conservation Limited and ValueNature

2.5 Site characteristics are calculated from global datasets, including the IUCN STAR Metric scores, protected area status, and whether it is a Key Biodiversity Area. - ValueNature

Activities for Output 3: Regulatory and monitoring architecture supports connecting two thirds of funds reaching local land managers, biodiversity custodians, local organisations and households

3.1 Engagement in international discussion with regulation and standard developers (Biodiversity Credit Alliance, WEF, UNDP, etc) - ValueNature and IIED

3.2 Certifier and regulator agreed upon amongst project partners and pilots are enrolled in the certification and regulation schemes. - EcoTrust and Tondwa Conservation Limited

Activities for Output 4: Local level decision making empowers and engages Indigenous Peoples' and Local Communities

4.1 Community Visioning conducted using internationally recognised gender responsive methodology (eg Gender Action Learning System (GALS)) - EcoTrust and Tondwa Conservation Limited

4.2 Site Action Planning meetings to develop management plans for specific land patches in the Northern Albertine Rift and Tondwa GMA – EcoTrust and Tondwa Conservation Limited (TCL).

4.3 A landscape restoration plan is prepared as a result of the multistakeholder consultations as part of the overall collaborative framework within which the project will be operating. Conservation interventions will be technically specified to ensure that they result into the desired outcomes – EcoTrust and TCL

Activities for Output 5: Lessons learned shared with international conservation and biodiversity finance community at the international level to replicate biocredits in other locations and countries based on the experience learned from the BIO project.

5.1 Inception meeting in Uganda with all partners to strengthen partnerships and network for future sharing of lessons – All partners

5.2 Development of a communications strategy for the project to engage with global public and private experts and practitioners in conservation community and nature finance community – IIED

5.3 How to Guide published– IIED

5.4 Videos produced and shown at selected webinars to both conservation and nature finance audiences - IIED

Annex 3: Standard Indicators

Table 1   Project Standard Indicators

DI Indicator number	Name of indicator using original wording	Name of Indicator after adjusting wording to align with DI Standard Indicators	Unit	Disaggregation	Year 1	Year 2	Year 3	Total to date	Total planned during the project
D1-D04	Stabilised/ improved species population (relative abundance/ distribution) within the project area.	Stabilised/improved species population (relative abundance/distribution) of *Pan troglodytes* (Eastern Chimpanzees) and *Panthera Leo* prey in pilot areas of Northern Albertine Rift (Uganda) and Tondwa Game Management Area (Zambia) respectively at the end of the project period.	**Uganda:** Species diversity and abundance, landscape diversity **Zambia:** Species diversity and abundance, landcover change	By species, by habitat					**Uganda:** Species and landscape diversity: Stable or increasing within first 3 years **Zambia** Species diversity: Stable or increasing within first 3 years Landcover change: Stable land cover, particularly of the Itigi-Nsumbu thicket. 50% reduction in the rate of loss of current habitat types compared to the 2023/4 established baseline (from the fire management plan).

D1-B10	Number of individuals / households reporting an adoption of livelihood improvement practices as a result of project activities.	Number of households reporting an adoption of livelihood improvement practices as a result of project activities by the end of the project period.	#	Gender; Age Group; Typology of livelihood improvement practice.	N/A				**Uganda:** Target yet to be set, estimating 50 households
									Zambia: 20 trained champions facilitating visioning with 300 households, from ten VAGs.
D1-D01	Hectares of habitat under sustainable management practices	Hectares of biocredits (habitat) sold from pilot sites at both sites by Year 2, and by Year 3	Area, hectares		N/A				**Uganda**: 10,000 hectares
									Zambia: 44,000 hectares ear marked to be sold
D1-A03	Number of local/national organisations with improved capability and capacity as a result of project.	Number of biodiversity conservation and restoration NGOs (including those working in carbon credits) with improved capability and capacity to implement biocredits as a result of this project by Year 3.	# of organisations	Organisation type and location	N/A				5

D1-B05	Number of people with increased participation in local communities / local management organisations (i.e., participation in Governance/citizen engagement).	Number of Indigenous people and local community members, in the project areas, with increased participation in local decision-making processes and local management organisations, including employees of relevant organisations as well as community members	# of people	Gender, country, indigeneity, age,	N/A					**Uganda:** Target yet to be set, estimating 100 people
										Zambia: 350 people in total from CRBs, VAGs, DNPW, and community members (with the goal to reach 50% women)
D1-A04	Number of people reporting that they are applying new capabilities (skills and knowledge) 6 (or more) months after training.	Number of Indigenous people and local community members reporting that they are applying new capabilities in pertaining to biodiversity monitoring for biocredits 6 or more months after training	# of people	Gender, country, indigeneity, age,						**Uganda:** Target yet to be set, estimated 20 people
										Zambia: 20 trained champions
D1-C13	Number of webinar attendees	Number webinar attendees (globally)	# of people	Country, gender, indigeneity, age						250

		at annual dialogues by Year 3								
D1-C10	Number of case studies published.	Number of case studies on biodiversity credit pilot sites published by the end of Year 3.	#	Country						2
D1-C01	Number of best practice guides and knowledge products published and endorsed	Number of best practice guides and knowledge products on biodiversity credits published and endorsed published by the end of Year 3	#	Knowledge, practice area, audience						4
D1-C19	Number of other publications produced	Number of other publications/videos produced on biodiversity credits published by the end of Year 3.	#	Annual views, Country of focus						2 videos

Table 2   Publications

Title	Type (e.g. journals, best practice manual, blog post, online videos, podcasts, CDs)	Detail (authors, year)	Gender of Lead Author	Nationality of Lead Author	Publishers (name, city)	Available from (e.g. weblink or publisher if not available online)
Opportunities and Challenges	Online videos	IIED, 2023	Female	Spain	N/A	https://www.youtube.com/playlist?list=PL1iUHL94bWo4vp3TS7vcFATrZj_DHgIY4

Title	Type (e.g. journals, best practice manual, blog post, online videos, podcasts, CDs)	Detail (authors, year)	Gender of Lead Author	Nationality of Lead Author	Publishers (name, city)	Available from (e.g. weblink or publisher if not available online)
for Biodiversity Credits						

Checklist for submission

	Check
Different reporting templates have different questions, and it is important you use the correct one. Have you checked you have used the **correct template** (checking fund, type of report (i.e. Annual or Final), and year) and **deleted the blue guidance text** before submission?	Yes
Is the report less than 10MB? If so, please email to BCF-Reports@niras.com putting the project number in the Subject line.	Yes
Is your report more than 10MB? If so, please discuss with BCF-Reports@niras.com about the best way to deliver the report, putting the project number in the Subject line.	Yes
Have you included means of verification? You should not submit every project document, but the main outputs and a selection of the others would strengthen the report.	
If you are submitting photos for publicity purposes, do these meet the outlined requirements (see Section 16)?	Yes
Have you involved your partners in preparation of the report and named the main contributors	Yes
Have you completed the Project Expenditure table fully?	Yes
Do not include claim forms or other communications with this report.	