



## **Project Implementation Report (PIR)**

**01/07/2022– 30/06/2023**

**CPIC Conservation Finance Initiative – Scaling Up and Demonstrating the Value of Blended Finance in Conservation (GEFID 9914)**

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## A. Basic Data

Project Information	
IUCN Project ID	P02816
GEF ID	9914
Title	CPIC Conservation Finance Initiative - scaling up and demonstrating the value of blended finance in conservation
Country(ies)	Global
Regional Programme	N/A
Global Thematic Programme	Enterprise and Investment
Joint Agency (if relevant)	N/A
Executing Agency(ies)	South Pole (CPIC Platform Coordinator) Mirova (Fund Manager)
Project Type	FSP utilizing GEF Non-Grant Instrument

Project Description
<p>The “CPIC Conservation Finance Initiative” seeks to identify and create the conditions for existing private finance to be invested in conservation. The Initiative proposes to test innovative options for blending grant and non-grant financing. This with the aim of evaluating the impacts achieved and disseminating the lessons learned, to project developers who submit funding proposals for conservation projects, investors, the GEF, the Coalition for Private Investment in Conservation (CPIC), and IUCN.</p> <p>CPIC was launched at the IUCN World Conservation Congress in 2016 by founding partners Credit-Suisse, Cornell University, IUCN and TNC, and now has 120+ coalition partners. It brings together the necessary stakeholders to accelerate the mobilisation of private sector investments into commercially viable conservation and social impact projects.</p> <p>The Initiative leverages the network of public and private financial institutions, philanthropic bodies, conservation organisations and CPIC’s expert advisors, to deliver a set of innovative conservation investment deals. It uses the technical knowledge of CPIC members to construct project ideas that deploy flexible combinations of grant and reimbursable funding to Project Developers. The grant and reimbursable funds are used to provide technical support, loans, equity stakes, credit guarantees and other essential pre-development and de-risking components. This is to mitigate the barriers that have traditionally prevented project developers from attracting private investment at sufficient scale to achieve high conservation impact, while also delivering reasonable risk-adjusted financial returns. Lessons learned from these investments will be disseminated widely through the CPIC network and its knowledge-sharing structures to support growth of the investible deals pipeline.</p>

Project Contacts	
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Global Thematic Lead (Implementing Agency)	Geilan Malet-Bates, Shizuka Onishi - Enterprise and Investment Team, IUCN
Project Manager (Executing Agency)	Christina Mallin, Juliette Baralon, Martin Stadelmann - South Pole Sam Lampert - Mirova
GEF Operational Focal Point	Avril Benchimol Dominguez

## B. Overall Ratings

Overall Development Outcomes Rating <sup>1</sup>	Satisfactory
Overall Implementation Rating <sup>2</sup>	Satisfactory
Overall Risk Rating <sup>3</sup>	Moderate Risk

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<sup>1</sup> This section will use the scale used by the GEF and outlined in Annex L of this document: 1) Highly satisfactory, 2) Satisfactory, 3) Moderately Satisfactory, 4) Moderately Unsatisfactory, 5) Unsatisfactory, 6) Highly Unsatisfactory

<sup>2</sup> Idem

<sup>3</sup> This section will use the scale used by the GEF and outlined in the Annex of this document: 1) High Risk, 2) Substantial Risk, 3) Moderate Risk, 4) Low Risk

### C. Overview of Outcomes achievements and outputs delivery to date

#### ***Overall summary of progress and challenges to date:***

Project was designed as a 3-year initiative to develop and pilot the use of conservation investment models (called “blueprints”) to mobilize private investment in projects that generate returns for Nature. The work builds upon and supports that of the *Coalition for Private Investment in Conservation (CPIC)*.

#### **Key progress/achievements to date include:**

- **[CPIC Conservation Finance Report 2021](#)**

**The Conservation Finance Report was launched and disseminated at the IUCN World Conservation Congress 2021** and the NY Climate Week 2021 and attracted significant interest across varying media channels. Based on a survey conducted with project developers and investors, the stand-alone report provides an overview of typical return-seeking conservation investments (instruments used, deal sizes, expected returns, targeted ecosystems and geographies), as well as examples of viable or promising conservation projects with the potential to be scaled and replicated. The report also explores the barriers to unlocking further investment in Nature, how conservation impacts are measured and reported, and the trends that will shape the sector in the next few years.

- ***Development and support for CPIC***

The Project strengthened CPIC’s governance (Steering and Executive Committees), communications (newsletters, social media and website), knowledge products (see Conservation Finance Report and investment blueprints), membership engagement and outreach. **Since the start of the Project, CPIC welcomed 50 additional members**, with 120+ memberships to date in total comprising project developers, conservation organizations, academia and financial institutions. **Working groups were established for 5 thematic areas** (Coastal Resilience, Green Infrastructure for Watershed Management, Forest Landscape Conservation and Restoration, Sustainable Agricultural Intensification, and Sustainable Coastal Fisheries; see [link](#)) as well as for key topics including the structuring of the Nature+ Accelerator Fund, biodiversity credits and innovative debt mechanisms. **CPIC semi-annual meetings have attracted the in-person and virtual attendance of 100+ participants.**

- ***Development of Investment Blueprints (See appendix for complete list of Blueprints and links for downloading)***

CPIC investment blueprints are models of financial transaction structures, intended to facilitate the replication of investments in priority conservation projects. A blueprint describes: the general enabling conditions necessary to facilitate project development, the stakeholders and their roles, the project outputs and expected conservation outcomes, the anticipated cash flows, and the types of investors and capital structures that are required for a financial transaction that delivers both economic and conservation returns. **A total of 14 blueprints were developed and published on the [CPIC website](#), covering 5 thematic areas** (Coastal Resilience, Green Infrastructure for Watershed Management, Forest Landscape Conservation and Restoration, Sustainable Agricultural Intensification, and Sustainable Coastal Fisheries) and diverse financial instruments (bond, debt, equity).

- ***Establishment of Nature+ Accelerator Fund***

**IUCN selected Mirova as the Fund Manager, and jointly designed and structured the Nature+ Accelerator Fund** as the innovative non-grant financing mechanism to de-risk and accelerate private investments into early-stage conservation projects. Following extensive consultations with potential investors, donors, project developers and CPIC members, **the Fund was successfully launched in November**

**2020, and secured an additional \$2M from the Central African Forest Initiative (CAFI) in September 2021.** The Project promoted the Fund's investment opportunities through the online publication of Request for Proposals in March 2022 as well as IUCN, Mirova and CPIC networks. As a result, **the Fund has received more than 95 project proposals**, and additional proposals via direct referrals from Mirova's network. **To date, 2 projects have been added to the Fund's portfolio (see below for additional details), and 4 more projects have been approved by the Expert Committee.** The Fund is screening further projects to add to its pipeline.

**The Project has encountered 2 main challenges to date:**

1. the process of identifying a suitable investment management company and developing a dedicated investment fund vehicle through which the GEF NGI funding would be channelled into conservation deals proved to be a much longer and complex endeavour than originally planned, becoming operational only at the end of the original project implementation period, preventing development of knowledge products based on the Fund's operation.
2. Two substantial co-financing commitments did not materialize. These are:
  - Rockefeller Foundation (\$2M): co-financing offer withdrawn
  - Cornell University (\$616K): funding not made available due to administrative challenges

New/additional co-funding was secured from the Central African Finance Initiative (CAFI) for March 2022 – March 2027: \$2M injection into the Fund, and a \$1.75M technical assistance grant for the 6 CAFI partner countries.

The Project additionally aims to leverage \$50M (at 3:1 or 4:1 leverage ratio) in private co-financing. This is expected to materialise from co-/follow-on investments by other funds. As of June 2023, the 2 projects invested by the Fund have received equal co-investments from the Orange Nature.

The Mid-term Review recommended to extend the project implementation period to support ongoing Fund monitoring. Originally for 3 years until August 2022, the recommendation to extend the project period until August 2032 (13 years – to be confirmed) to cover the Fund's lifetime will be discussed during the next Advisory Committee of the Fund and with the Project Steering Committee, expected to be held by the end of 2023. The Project Results Framework will be revised accordingly during the next reporting period.

***Additional detail on progress by component:***

**Component 1 - Nature+ Accelerator Investment Fund “the Fund”**

Demonstrating innovative non-grant financing to de-risk and accelerate private investments. Mirova was selected as Fund Manager, with legal agreements signed in Q2 2022.

The Project originally targeted at least 4 investments of \$5-30M each. Between project inception in September 2019 and launch of the request for proposals by the Fund in March 2022, the ticket size was revised to \$100K-\$5M to better address the finance gap in the market (seed window: \$100-200K, early-venture window: \$1-2M, venture window: up to \$5M). The above revision was approved by the Project Steering Committee.

Furthermore, the Fund's initial operation from 2022 to early 2023 demonstrated the ability of early-ventures (>\$1M) to attract sufficient private finance on their own. To ensure the additionality of concessional funding, the ticket size was finetuned to \$100-500K, focusing on pre-design feasibility studies

of early-stage innovative projects. The adjustment was approved by the Project Steering Committee following the discussions between IUCN and Mirova in March 2023, and subsequently the investment windows for early-ventures and ventures were withdrawn from the Fund. With its current size (\$9.95M), the Fund is expected to invest in at least 20 seed-phase projects (target number and timeline to be adjusted – see paragraphs below).

**During this reporting period, IUCN and Mirova established a governance structure for the Fund, and initiated development of the project pipeline based on receipt of project proposals and direct referrals.** A Request for Proposals was launched in March 2022, and the Fund has been presented to conservation and climate finance networks at various events within and beyond the CPIC platform. The Fund’s Expert Committee met 7 times to discuss potential investment opportunities. **The Fund has added 2 projects of up to \$100K each to its portfolio (i.e. signed and disbursed funding): terrestrial conservation & restoration in Guinea, and sustainable agriculture/terrestrial conservation & restoration in Senegal, and is screening further projects.**

**Component 2 - Capacity and knowledge building**

Focuses on: (i) developing knowledge products to catalyse private investment; (ii) increasing public-private investor collaboration; (iii) improving tools in assessing investment impacts.

South Pole was selected competitively as the CPIC Platform Coordinator and the Executing Agency of **Component 2** for September 2019 – June 2022. **The Project has achieved most intended outputs by delivering 23 knowledge products against the targeted 4-6. This includes 14 investment blueprints and the Conservation Finance Report 2021.** South Pole continued serving as the CPIC Platform Coordinator, though GEF funding was exhausted in June 2022.

Work is ongoing to develop and test the environmental and socio-economic KPI framework, bringing Mirova’s KPIs into alignment with the System of Environmental Economic Accounting - Ecosystem Accounting (SEEA-EA).

**Component 3 - Monitoring and Evaluation**

The Project’s first GEF PIR was submitted in 2022. The Mid-term Review of the Project, completed in Q1 2022, recommended extending the project implementation period to match the Fund’s lifetime (10 years). The project will be redefining the Project Results Framework and M&E Plan to align with the new project timeline.

*Please fill in the table below building on your result framework.*

<b>Objective 1: To improve the conservation and sustainable use of nature and ecosystem services by demonstrating innovative finance blending models to increase return-seeking private investment in conservation</b>							
<b>Outcomes</b> <i>(Copy and paste outcomes from Result Framework)</i>	<b>Indicators</b>	<b>Baseline</b>	<b>Midterm Target</b>	<b>End of project Target</b>	<b>Periodic Result (01/07/2022-30/06/2023)</b>	<b>Result to Date (from project start)</b>	<b>Progress rating (HS, S,MS,M U,U,SU)</b>

1.1: CPIC–CFI generated deals result in an increased area of sustainably and inclusively managed landscapes	Increased area of agricultural, rangeland, and forest production landscapes under sustainable management	TBC	N/A	TBC	Data availability for this indicator is conditional upon relevant conservation actions successfully securing later-stage follow-on investments, following seed-phase investments from the Fund. The outcomes, indicators and targets will be reviewed against the new project timeline during the next reporting period.	Same as Periodic Result	N/A
1.2: CPIC–CFI generated deals result in an increased area of sustainably and inclusively managed seascapes	Increased area of landscapes and seascapes under sustainable management for biodiversity and ecosystem services	TBC	N/A	TBC	Data availability for this indicator is conditional upon relevant conservation actions successfully securing later-stage follow-on investments, following seed-phase investments from the Fund. The outcomes, indicators and targets will be reviewed against the new project timeline during the next reporting period.	Same as Periodic Result	N/A
	Number of beneficiaries that have seen a direct impact on their livelihoods/that have been directly supported by the project, disaggregated by gender	Nil	N/A	TBC	Data availability for this indicator is conditional upon relevant conservation actions successfully securing later-stage follow-on investments, following seed-phase investments from the Fund. The outcomes, indicators and targets will be reviewed against the new project timeline during the next reporting period.	Same as Periodic Result	N/A
<b>Outputs</b> <i>(Copy and paste outputs from Result Framework)</i>	<b>Indicators</b>	<b>Baseline</b>	<b>Midterm Target</b>	<b>End of project Target</b>	<b>Periodic Result (01/07/2022-30/06/2023)</b>	<b>Result to Date (from project start)</b>	<b>Implementation status (%)</b>
1.1.1. Conservation investment blueprints and criteria for selecting projects developed and readily available to intended beneficiaries	1.1.1: Number of conservation investment blueprints refined by using knowledge/data/examples generated by investment proposals	0	N/A	2-5	0 investment blueprints published The activities based on the GEF project funding were finalized in June 2022.	14 investment blueprints published	100%

1.1.2: Early development or concept stage conservation investment deals are selected and developed	1.1.2: Number of investment concepts approved by the Investment Committee	0	N/A	TBC (Prodoc :6)	The initially committed \$2M co-financing grant for this Output did not materialize. The Project will use co-financing from CAFI to provide early development support to projects in CAFI partner countries (under a separate Output 1.4 in the CAFI project: TA for early projects – 1.4.1. pipeline development & direct support, 1.4.2. grants for feasibility assessments and project development).	Same as Periodic Result	0%
1.1.3: Conservation investment deals are concluded and operationalized	1.1.3: Number and size of investment deals approved by the Investment Committee for investment by the Fund Manager concluded	0	N/A	TBC (Prodoc :4)	2 deals of up to \$100K each (terrestrial conservation & restoration in Guinea, sustainable agriculture / terrestrial conservation & restoration in Senegal). These first 2 investments for feasibility studies have been disbursed at the end of 2022, with the delivery of outputs expected in mid- 2023.	Same as Periodic Result	50%

**Narrative report**

Following the contract signing for the Fund from May to June 2022, IUCN and Mirova established a Fund governance structure, comprising the Expert Committee (experts appointed by Mirova, including an IUCN representative, providing technical advice on project scope and E&S impacts, informing investment decisions on seed projects), the Investment Committee (internal structure within Mirova, making investment decisions on early-venture and venture projects) and the Supervisory Committee (IUCN representatives, providing strategic advice to the Fund). **The Fund invests in four target sectors: terrestrial conservation and restoration, marine conservation and coastal resilience, sustainable agriculture, and nature-based innovation.**

**Since the launch of first Request for Proposal (RFP) in March 2022 and its dissemination via Mirova, CPIC and IUCN, the Fund has received more than 95 project proposals and additional proposals via direct referrals from Mirova’s network.** Mirova conducted the preliminary screening of these proposals, and screened out 78 which did not fulfil the Fund’s minimum standard of project readiness (e.g. lack of satisfactory information such as investee’s profile, track record, value proposition or revenue model). Since June 2022, the Expert Committee held 7 meetings, and examined the 8 seed-stage and 9 Early Venture projects which qualified screening requirements. **Among the 8 seed projects, 2 projects have been added to the portfolio i.e. signed and disbursed (terrestrial conservation & restoration in Guinea, and sustainable agriculture/terrestrial conservation & restoration in Senegal), and 4 more projects have been approved by the Expert Committee (terrestrial conservation & restoration in Argentina, Brazil, Zambia, and terrestrial conservation & restoration/nature-based innovation in South Africa). The Fund is screening further projects to add to its pipeline.**

With the evolution of global policies and standards for businesses to accelerate positive actions for the climate and environment, such as the net zero initiatives, the implementation of the Fund has brought to light the increased appetite of private investors to invest in early-venture and later phase

conservation projects. Corporate investors in particular are addressing their need to secure carbon and/or environmental assets to achieve net zero goals by establishing dedicated funds. As a result, later-stage projects are able to attract sufficient investments from such funds without the need for blending with concessional finance. Therefore, **to ensure the additionality of the Fund catalysing (and avoid crowding out) private finance, the Fund will focus its efforts on investments in seed-phase innovative projects (feasibility studies of approx. \$100-500K USD).** The outputs of the first batch of investments are expected to be delivered in mid-2023. **The expected results of the invested feasibility studies include: improved accuracy of the estimated volume of carbon credits to be generated by projects; and the assessment of the viability of projects.**

The Nature+ Accelerator Fund has received a total of \$7.95M Non-Grant Instrument (NGI) funding from GEF. Additionally, the Central African Finance Initiative (CAFI) has provided a non-earmarked co-financing of \$2M to the Fund, accompanied by a separate \$1.75M grant to establish a Technical Assistance Facility to support project pipeline development in the 6 CAFI partner countries (Cameroon, Central African Republic, Democratic Republic of the Congo, Equatorial Guinea, Gabon, Republic of Congo). This means that the Fund has reached a total accessible non-grant financing pot of \$9.95M.

Furthermore, the Fund concluded a master co-investment agreement with the Orange Nature fund. The Orange Nature fund, which contributes to the Net Zero Carbon ambition of the Orange Group by investing in CO<sub>2</sub> removal projects, is being managed and deployed by Mirova, and co-invests with the Nature+ Accelerator Fund in projects eligible for generating carbon units. The co-investment agreement is currently being revised to reflect the latest strategy of both funds. Follow-on investments by other investors, such as the Orange Nature fund, are expected to take place once the seed-stage projects funded by the Fund demonstrate their investibility. Subsequent processes required for follow-on investments include an additional feasibility study, Due Diligence (D/D), the drafting of Voluntary Emission Reduction Purchase Agreement (VERPA), and structuring of the follow-on investments. Follow-on investments will include the purchase of the seed-stage feasibility studies, thereby generating a return on investment for the Fund.

Objective 2: Generation of knowledge for use of grant/non-grant instruments to incentivize private investment in conservation							
Outcomes <i>(Copy and paste outcomes from Result Framework)</i>	Indicators	Baseline	Midterm Target	End of project Target	Periodic Result (01/07/2022-30/06/2023)	Result to Date (from project start)	Progress rating (HS, S,MS,M U,U,SU)
2.1: Knowledge and engagement of private and public investors, project developers, and the conservation finance community in general regarding viable options for investment in nature is increased	2.1: Feedback from CPIC members, CPIC-CFI investees, and other stakeholders	Nil	N/A	>70% feedback indicates improved knowledge	N/A The activities based on the GEF project funding were concluded in June 2022.	Positive feedback from CPIC members and participants were received on the occasion of 6 events/surveys between Sep 2020 and Jun 2022: - Sep 2020 semi-annual meeting: four responses, 50% expectations fully met, 50% expectations partially met (main feedback: more interaction expected) - Jan 2021 semi-annual meeting: one response, 100% expectations fully met	S

						<ul style="list-style-type: none"> <li>- April 2021 CPIC / Conservation Finance Alliance webinars: two responses, 100% satisfied (4.5/5), 100% agree that the call helped improve their knowledge of how to catalyse private sector investment in conservation.</li> <li>- Positive in-person feedback received after the World Conservation Congress 2021 and the launch of the Conservation Finance Report.</li> <li>- Positive in-person feedback after both 2022 semi-annual meetings. Positive feedback from survey circulated after June 2022 event (100% of six respondents found that the meeting met their expectations)</li> <li>- A survey sent to CPIC Executive Committee members to assess their satisfaction with the Platform Coordinator (PC). All responses indicated overall satisfaction with PC's performance with regards to supporting knowledge products and communications, organizing CPIC meetings, and supporting the day-to-day operations of CPIC</li> </ul>	
2.2: Recognition among private investors of the possible returns from conservation investments using [standardised CPIC Blueprints] blended finance models is increased	Number of financial sector organizations and bilateral donors who join CPIC during project implementation	33 (Jul 2019)	N/A	15 new organizations	3 new financial sector organizations	11 new financial sector organizations (44 in total)	<b>MS</b>
2.3: Existing tools and approaches for assessing biodiversity and ecosystem services impacts from conservation	Number of assessment tools and approaches improved	Nil	N/A	1 tool or approach per focal area (BD, LD)	1 tool under further improvement; 1 improved tool being applied to the Fund's operation - Case studies are under preparation to pilot the improvement of Mirova's KPIs in alignment with the SEEA-EA	2 tools improved - An initial set of environmental and socio-economic KPIs for the Fund was developed and presented at the IUCN World Conservation Congress in September 2021. The KPIs are further	<b>MS</b>

investments (e.g. STAR, IBAT, ROOT) are improved					framework in order to enable better measurement of environmental and social impacts of conservation investments. - Species Threat Abatement and Restoration (STAR) tool is being tested by Mirova on several projects to assess its relevance to the type and scale of projects targeted by the Fund.	undergoing pilot improvement. (see the Periodic Result) - STAR tool was used in 2 CPIC blueprints. Based on feedbacks from Structuring Working Group meeting in May 2021, STAR tool was improved to better classify invasive/endangered species.	
<b>Outputs</b> <i>(Copy and paste outputs from Result Framework)</i>	<b>Indicators</b>	<b>Baseline</b>	<b>Midterm Target</b>	<b>End of project Target</b>	<b>Periodic Result (01/07/2022-30/06/2023)</b>	<b>Result to Date (from project start)</b>	<b>Implementation status (%)</b>
2.1.1. Knowledge management products on blended finance for conservation investment developed and readily available to intended beneficiaries	Number of new, tested and verified knowledge products developed through the project	Nil	N/A	4-6	N/A The activities based on the GEF project funding were finalized in June 2022.	23 knowledge products: - 1 <a href="#">Conservation Finance Report</a> - 14 <a href="#">investment blueprints</a> - 8 <a href="#">blog posts</a>  Due to different timelines between Component 1 and Component 2, with the RFP of the Fund taking place in mid-2022, knowledge generated through the Fund has not been integrated in the above products which were delivered within the original project implementation period.	<b>95%</b>
2.2.1. Increased engagement of other funders (bilateral, etc.) for CPIC approach to deal generation	Number of financial sector organizations (investors, fund managers and other financial service providers) and bilateral donors engaged through workshops, other high-level events or	Nil	N/A	10 financial sector organizations, 5 donors	N/A The activities based on the GEF project funding were finalized in June 2022.	- Number of organisations that attended CPIC events: 13 financial institutions, 18 investors, 6 corporates, 13 foundations - 23 organisations engaged directly through targeted engagement: 8 donors (EC, USAID, WB, GIZ, Swiss Agency for Development and Cooperation, AFD, EIB, KfW), 4 corporates, 2 private investor associations, 4 private investors, 9 foundations/NGOs	<b>100%</b>

	bilateral outreach						
2.3.1: Case studies on the use of metrics and tools (such as STAR and ROOT) to validate global conservation returns and to demonstrate impact on SDGs	Number of finalised case studies	Nil	N/A	1	0 case studies - Case studies are under preparation to pilot the improvement of KPIs in alignment with the SEEA-EA framework in order to enable better measurement of environmental and social impacts of conservation investments.	Same as Periodic Result	20%
<p><b>Narrative report</b></p> <p><b>The activities under Component 2 based on the GEF project funding were concluded in June 2022. The Project has achieved most of the intended targets for knowledge products, including a total of 14 investment blueprints and the Conservation Finance Report 2021 (23 knowledge products delivered against the targeted 4-6. See Appendix).</b> With regard to enhancement of the CPIC membership and outreach, transition of the CPIC from a volunteer-run secretariat to a professional organization has allowed CPIC to progress towards achieving its mission of increasing private investment in conservation, with growth in CPIC membership, a broader and more geographically diverse audience, and stronger brand recognition. <b>During this reporting period, the CPIC added 3 new financial institutions to its membership, bringing the total of new financial institutions and donors to 11 against the project target of 15 organizations.</b></p> <p>Implementation of Component 2 was partially affected by the following factors:</p> <ul style="list-style-type: none"> <li>- lack of alignment with the timeline of Component 1 (the Fund became operational at the end of the project implementation period) and therefore the inability to incorporate the learnings from the Fund's operation to the knowledge products within the original project implementation period; and</li> <li>- lack of funding from co-finance commitments, due to which some activities could not be implemented (impact assessment of investment blueprints, delivery of CPIC Initiative lessons to wider investment community, case studies on tools and metrics).</li> </ul> <p>Regarding <b>knowledge generation and engagement of private and public investors on conservation investments through CPIC (Outcomes 2.1 and 2.2)</b>, South Pole has, since June 2022, continued to serve as the CPIC Platform Coordinator, and has focused on maintaining the network by conducting the following activities during this reporting period:</p> <ul style="list-style-type: none"> <li>- Coordination of Executive (monthly) and Steering Committee (quarterly) meetings</li> <li>- Coordination of a semi-annual CPIC meeting (17 January 2023) and knowledge-sharing events</li> <li>- Maintenance and update of CPIC website and social media</li> <li>- Managing new membership applications</li> <li>- Organise and support working group meetings</li> <li>- Support in continuous fundraising</li> </ul> <p>Regarding <b>improvement of metrics and tools for assessing impacts from conservation investments (Outcome 2.3)</b>, IUCN and Mirova have launched the work to develop and test an improved KPI framework in alignment with the System of Environmental Economic Accounting – Ecosystem</p>							

Accounting (SEEA-EA). This is based on the KPIs currently used by Mirova to assess the expected impacts of projects on ecosystem and biodiversity, sustainable landscape and seascape management, climate mitigation/adaptation, and socioeconomic benefits. SEEA-EA, adopted by the UN Statistical Commission in 2021, provides a comprehensive statistical framework for compiling and tracking changes in spatial data on habitats and landscapes, information on the functions of ecosystem assets, and the ecosystem services they produce. The work will deliver case studies demonstrating the applicability of SEEA-EA-aligned KPIs in measuring impacts of projects supported by private sector-focused conservation investment funds.

<b>Objective 3: Monitoring and Evaluation</b>							
<b>Outcomes</b> (Copy and paste outcomes from Result Framework)	<b>Indicators</b>	<b>Baseline</b>	<b>Midterm Target</b>	<b>End of project Target</b>	<b>Periodic Result (01/07/2022-30/06/2023)</b>	<b>Result to Date (from project start)</b>	<b>Progress rating (HS, S,MS,MU,U,SU)</b>
3.1: Monitoring system successfully supports tracking of project implementation and results.	Compliance of project investments with applicable standards, processes	Nil	N/A	100% compliance with safeguard system, investment criteria	100% - The screening processes of investment proposals managed by Mirova require projects to demonstrate compliance with the Fund's exclusion list, legal and regulatory E&S requirements, and safeguards for human rights, health, safety and security. - The Fund's investment into feasibility studies is used to strengthen the E&S safeguard and impact design of the projects. - The Fund's governance and project selection processes involve external experts including the IUCN to provide additional guidance on ensuring E&S safeguard and impacts.	Same as Periodic Result	S
<b>Outputs</b> (Copy and paste outputs from Result Framework)	<b>Indicators</b>	<b>Baseline</b>	<b>Midterm Target</b>	<b>End of project Target</b>	<b>Periodic Result (01/07/2022-30/06/2023)</b>	<b>Result to Date (from project start)</b>	<b>Implementation status (%)</b>
3.1.1: Implementation processes, outputs and effectiveness in achieving results successfully monitored	Robust budgeted M&E plan established and operational	Nil	N/A	Reports and evaluations published on schedule	- For Component 1: 2 quarterly investors reports delivered by Mirova (Q4 2022, Q1 2023). - For Components 2 and 3: project completion report delivered by South	- <b>GEF Mid-term Review conducted in Dec 2021 – Mar 2022</b> - GEF PIR 2022 - Quarterly investors reports - CPIC Platform Coordinator project completion report	100%

	with effective linkages to Investment Proposals at project start				Pole as the CPIC Platform Coordinator in Aug 2022.		
<b>Narrative report</b>							
<p>Given that the preparation and implementation of the Fund took longer than originally anticipated (e.g. procurement of the Fund Manager, legal processes for establishing the Fund), the Project's first GEF PIR was submitted in 2022. The Mid-term Review of the Project, completed in Q1 2022, recommended extending the project implementation period to match the Fund's lifetime (10 years from the Fund's first closing in March 2022). With the extension of the project implementation period until August 2032 (to be confirmed), the project will be redefining the Project Results Framework and M&amp;E Plan to align with the new project timeline, and the role of the executing agencies (Fund Manager, CPIC Platform Coordinator) in the monitoring and evaluation of the Project.</p> <p>Co-financing has been secured from the CAFI for the period of March 2022 – March 2027, comprising of \$2M injection into the Fund and a separate \$1.75M grant which, mainly focuses on providing technical assistance to the project pipeline development, only in the 6 CAFI partner countries. Therefore, the total project funding at present will not be able to provide sufficient resources for conducting monitoring and evaluation during the extended project implementation period.</p> <p>Annual PIR reporting will continue for the lifetime of the Nature+ Fund, until the time that GEF NGI funding is returned to GEF, and project partners are presently identifying how best to track the impacts of the Nature+ Accelerator pre-feasibility investments.</p>							

## GEF Core Indicators

Please report on GEF core indicators that are relevant to your project using [guidance provided by GEF](#) on the implementation of the GEF-8 results measurement framework

**Table 1.** Eleven GEF Core Program Indicators

Data for the table components will be available once relevant conservation actions successfully secure follow-on investments as a result of seed-phase investments from Nature+ Accelerator Fund. Data availability is conditional on disclosure of follow-on investments. The relevance of GEF Core Program Indicators for the Project will be reviewed against the updated investment focus of the Fund during the next reporting period.

Indicator # As per GEF portal	Indicator	Baseline	Project Target	Progress to date (from project start)	Mean of Verification
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1	<p><b>Terrestrial protected areas created or under improved management</b></p> <p>This indicator will be reported as the aggregate total of the following Sub-Indicators.</p> <ul style="list-style-type: none"> <li>• Terrestrial protected areas newly created</li> <li>• Terrestrial protected areas under improved management effectiveness</li> </ul>				
2	<p><b>Marine protected areas created or under improved management</b></p> <p>This indicator will be reported as the aggregate total of the following Sub-Indicators.</p> <ul style="list-style-type: none"> <li>• Marine protected areas newly created</li> <li>• Marine protected areas under improved management effectiveness</li> </ul>				
3	<p><b>Area of land and ecosystems under restoration</b></p> <p>This indicator will be reported as the aggregate total of the following Sub-Indicators.</p> <ul style="list-style-type: none"> <li>• Area of degraded agricultural lands under restoration</li> <li>• Area of forest and forest land under restoration</li> <li>• Area of natural grass and woodlands under restoration</li> <li>• Area of natural grass and woodlands under restoration</li> </ul>				
4	<p><b>Area of landscapes under improved practices (excluding protected areas)</b></p> <p>This indicator will be reported as the aggregate total of the following Sub-Indicators.</p> <ul style="list-style-type: none"> <li>• Area of landscapes under improved management to benefit biodiversity</li> <li>• Area of landscapes under third-party certification incorporating biodiversity considerations</li> <li>• Area of landscapes under sustainable land management in production systems</li> <li>• Area of High Conservation Value or other forest loss avoided</li> <li>• Terrestrial OECMs supported</li> </ul>	TBC	TBC	Data availability for this indicator is conditional upon relevant conservation actions successfully securing later-stage follow-on investments, following on from seed-phase investments from the Fund. The outcomes, indicators and targets will be reviewed against the new project timeline during the next reporting period.	Data from Fund Managers

5	<p><b>Area of marine habitat under improved practices to benefit biodiversity</b></p> <p>This indicator will be reported as the aggregate total of the following Sub-Indicators.</p> <ul style="list-style-type: none"> <li>• Fisheries under third-party certification incorporating biodiversity considerations</li> <li>• Large Marine Ecosystems with reduced pollution and hypoxia</li> <li>• Marine OECMs supported</li> </ul>	TBC	TBC	Data availability for this indicator is conditional upon relevant conservation actions successfully securing later-stage follow-on investments, following on from seed-phase investments from the Fund. The outcomes, indicators and targets will be reviewed against the new project timeline during the next reporting period.	Data from Fund Managers
6	<p><b>Greenhouse gas emissions mitigated</b></p> <p>This indicator will be reported through the following Sub-Indicators</p> <ul style="list-style-type: none"> <li>• Greenhouse gas emission mitigated in the AFOLU sector</li> <li>• Greenhouse gas emission mitigated outside of the AFOLU sector</li> <li>• Carbon sequestered or emissions avoided in the AFOLU sector (Direct)</li> <li>• Carbon sequestered or emissions avoided in the AFOLU sector (Indirect)</li> <li>• Emissions avoided outside AFOLU sector (Direct)</li> <li>• Emissions avoided outside AFOLU sector (Indirect)</li> <li>• Energy saved</li> <li>• Increase in installed renewable energy capacity per technology</li> </ul>				
7	<p><b>Shared water ecosystems under new or improved cooperative management</b></p> <p>This indicator will be reported through the following Sub-Indicators</p> <ul style="list-style-type: none"> <li>• Level of Regional Legal Agreements and Regional Management Institutions to support its implementation</li> </ul>				

	<ul style="list-style-type: none"> <li>• Level of Transboundary Diagnostic Analysis and Strategic Action Program (TDA/SAP) formulation and implementation</li> <li>• Level of National/Local reforms and active participation of Inter-Ministerial Committees</li> <li>• Level of engagement in IW:LEARN through participation and delivery of key products</li> </ul>				
8	<b>Globally over-exploited fisheries moved to more sustainable levels</b>				
9	<p><b>Chemicals of global concern and their waste reduced</b> This indicator will be reported through the following Sub-Indicators</p> <ul style="list-style-type: none"> <li>• Solid and liquid Persistent Organic Pollutants (POPs) removed or disposed (POPs type)</li> <li>• Quantity of mercury reduced</li> <li>• Hydrochlorofluorocarbons reduced/phased out</li> <li>• Countries with legislation and policy implemented to control chemicals and waste</li> <li>• Low-chemical/non-chemical systems implemented, particularly in food production, manufacturing and cities</li> <li>• POPs/Mercury containing materials and products directly avoided</li> <li>• Highly Hazardous Pesticides eliminated</li> <li>• Avoided residual plastic waste</li> </ul>				
10	<p><b>Persistent organic pollutants to air reduced</b> This indicator will be reported through the following Sub-Indicators</p> <ul style="list-style-type: none"> <li>• Countries with legislation and policy implemented to control emissions of POPs to air</li> <li>• Emission control technologies/practices implemented</li> </ul>				
11	<p><b>People benefiting from GEF-financed investments</b> This indicator will be reported as the aggregate total of the following Sub-Indicators.</p> <ul style="list-style-type: none"> <li>• Female</li> <li>• Male</li> </ul>	Nil	TBC	Data availability for this indicator is conditional upon relevant conservation actions successfully securing later-stage follow-on investments, following on	Data from Fund Managers

				from seed-phase investments from the Fund. The outcomes, indicators and targets will be reviewed against the new project timeline during the next reporting period.	
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## D. Ratings and Overall Assessments

<i>Role</i>	<i>YEAR Development Objective Progress Rating<sup>4</sup></i>	<i>YEAR Implementation Progress Rating<sup>5</sup></i>
Project Manager / Coordinator	<i>Overall Assessment</i>	<i>Overall Assessment</i>
	Satisfactory	Satisfactory
	<i>Please provide justification for overall assessment</i>	<i>Please provide justification for overall assessment</i>
	Progress towards impact, while delayed due to greater than anticipated challenges in establishing a suitable investment fund, still appears likely with launch of Nature+ Accelerator fund, and the growth of supporting CPIC network	Along with the launch of the Nature+ Accelerator Fund, the initiative made good progress, including supporting growth of CPIC, the creation of knowledge products including the Conservation Finance Report published 2021, investment blueprints and awareness raising, among other achievements
IUCN Regional/Country Office (IA)	<i>Overall Assessment</i>	<i>Overall Assessment</i>
	N/A	N/A
	<i>Please provide justification for overall assessment</i>	<i>Please provide justification for overall assessment</i>
	N/A	N/A
IUCN Global Thematic Programme (IA)	<i>Overall Assessment</i>	<i>Overall Assessment</i>
	Satisfactory	Satisfactory
	<i>Please provide justification for overall assessment</i>	<i>Please provide justification for overall assessment</i>
	The Nature+ Accelerator Fund has initiated the first batch of investments into the early design phase of innovative conservation projects. Upon completion of the feasibility studies, and with successful mobilisation of follow-on investments by the Orange Nature fund and other potential investors, the Project is expected to generate the intended social and conservation impacts in the 4 target investment sectors: <ul style="list-style-type: none"> <li>• Terrestrial conservation and restoration;</li> <li>• Marine conservation and coastal resilience;</li> <li>• Sustainable agriculture; and</li> <li>• Nature-based innovation.</li> </ul>	The legal and operational set-up of the Nature+ Accelerator Fund have been successfully completed, with the Fund's project pipeline and investment portfolio development initiated. The Fund's strategy is adapted to the current needs of conservation and carbon investment markets. This will allow the Fund to maximise its contribution to scaling up investment opportunities for conservation, by generating an upcoming pipeline of investible venture-phase projects. In addition, the Project has secured co-financing from the Central African Forest Initiative.

## E. Adjustments

*Please provide comments on delays this reporting period in achieving any of the following key project milestones: inception workshop, mid-term review, terminal evaluation and/or project closure.*

Based on the recommendations of the Mid-term Review, the original planned closing date of August 31, 2022 will be revised to ensure that the Fund's results are reported through GEF channels throughout its lifetime of 10 years. As also described in section F. 'Implementation Progress', the revised planned closing date is expected to be August 31, 2032 (to be confirmed).

<sup>4</sup> This section will use the scale used by the GEF and outlined in Annex of this document: 1) Highly satisfactory, 2) Satisfactory, 3) Moderately Satisfactory, 4) Moderately Unsatisfactory, 5) Unsatisfactory, 6) Highly Unsatisfactory

<sup>5</sup> Idem

### **Project Minor Amendments**

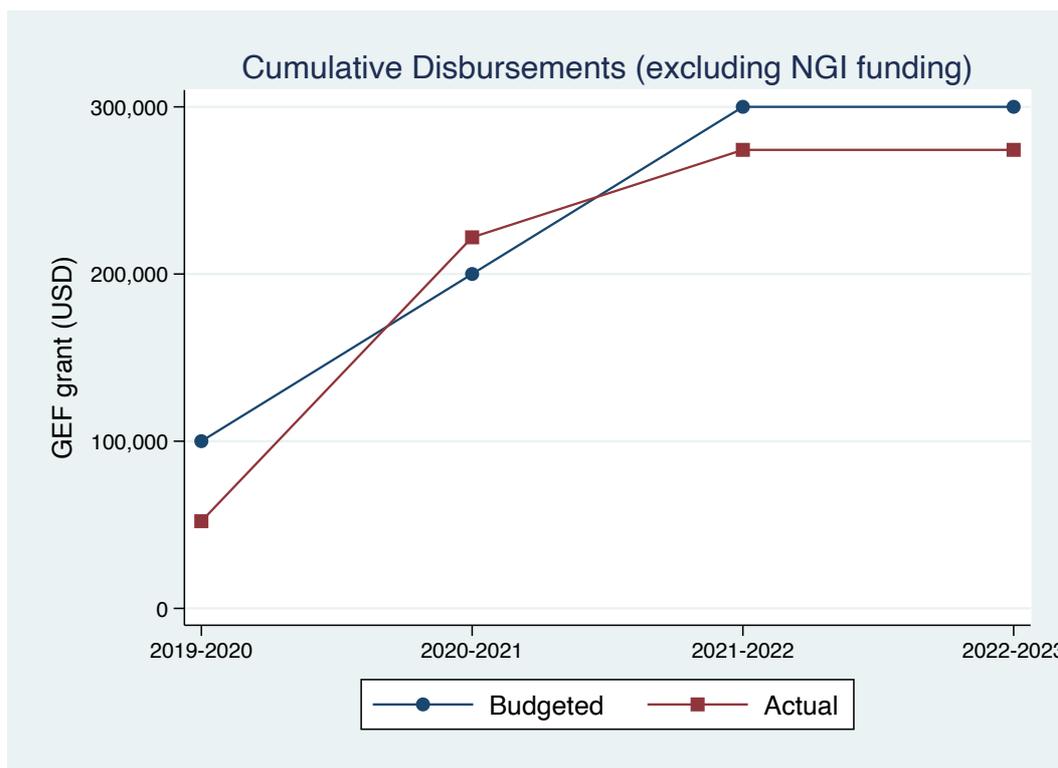
Minor amendments are changes to the project design or implementation that do not have significant impact on the project objectives or scope, or an increase of the GEF project financing up to 5% as described in Annex 9 of the Project and Program Cycle Policy Guidelines.

Please tick each category for which a change occurred in the fiscal year of reporting and provide a description of the change that occurred in the textbox. You may attach supporting documents as appropriate within this PIR submission.

- Results framework
- Components and cost
- Institutional and implementation arrangements
- Financial management
- Implementation schedule
- Executing Entity
- Executing Entity Category
- Minor project objective change
- Safeguards
- Risk analysis
- Increase of GEF project financing up to 5%
- Co-financing
- Location of project activity
- Other

<i>Minor amendments</i>	<i>Change description</i>
Co-financing	The Project has secured \$3.75M co-financing from the Central African Forest Initiative (CAFI), consisting of a \$2M injection to the Nature+ Accelerator Fund, and a \$1.75M grant for technical assistance to project pipeline development in the CAFI partner countries. On the other hand, the initial co-financing commitments from Cornell University and Rockefeller Foundation did not materialize. Project managers attribute some of the reasons to internal administrative hurdles of the institutions.
Investment ticket size	The implementation of Component 1 has brought to light the increased appetite of private investors to invest in early-venture and later phase projects (ticket size \$1-5M USD and larger) without the need for blending with concessional finance. Therefore, to ensure the additionality of the Fund in catalysing (and avoid crowding out) private finance, the Fund will focus its efforts on investments in the seed-phase of innovative projects (feasibility studies of approx. \$100-500K USD), and on mobilizing private finance through follow-on investments. The above revision was approved by the Project Steering Committee. The outcomes of the first batch of investments are expected to be delivered in mid-2023.

### **F. Implementation Progress**



<i>Cumulative Disbursements</i>	
Cumulative general ledger delivery against total approved amount (in Project Document) - %	99.7%
Cumulative general ledger delivery against expected delivery as of this year - %	99.7%
Cumulative disbursement as of 30 June 2023 (note: amount to be updated in later August)	<b>\$8,224,258</b> USD total, including: <ul style="list-style-type: none"> <li>- <b>\$274,258</b> USD GEF grant funding disbursed and expended by South Pole supporting execution of grant-funded project components</li> <li>- <b>\$7,950,000</b> USD GEF NGI funding was disbursed to Mirova on July 28, 2022 for capitalization of Nature+ Accelerator Fund.</li> <li>- Of the above, \$98,318 USD has been invested from the Fund to the seed projects.</li> </ul>

<i>Key Financing Amounts</i>	
PPG Amount	\$200,000 USD
GEF Grant Amount	\$8,250,000 USD
Planned Co-Financing	\$52,838,000 USD
Co-Financing to date	\$ 3,849,888.46 USD

<i>Key Project Dates</i>	
PIF Approval Date	October 31, 2017
CEO Endorsement Date	May 3, 2019
Project Document Signature Date (Project start date)	July 31, 2019
Date of Inception workshop (Project launch)	September 1, 2019
Expected date of mid-term review	July 2021
Actual date of mid-term review	January 2022
Expected date of Terminal Evaluation	TBD
Original planned closing date	August 31, 2022
Revised Planned closing date	August 31, 2032 (to be confirmed)

<i>Dates of Project Steering Committee / Board Meetings during reporting period (June to July)</i>

December 5, 2022

March 22, 2023

## G. Critical Risk Management

Please complete the table below (*Only risk with High or Medium rating / level should be recorded*) by using the information in the Project Risk register (excel file provided with PIR templates). If a project risk register has already been completed for the project, please provide any updates for High or Medium risk from this reporting period – e.g. changing in risk rating, risk owners or additional risk identified etc. in the table below.

Risk Category <sup>6</sup>	Risk description	Rating / Level (H, M)	Mitigation measures undertaken in this reporting period	Risk Owner	Updates / Changes
Operational	IUCN has a limited role in supervising and guiding the Fund's activities and strategies	M	A professional fund manager is entrusted with the investment decisions. Supervision of the fund by IUCN is ensured via the Advisory Committee and the Expert Committee.	IUCN/EIT	
Financial	Limited resources to participate in the Fund's governance, as the Fund's operations (10 years after first close) do not match the GEF project duration (3 years).	H	IUCN has secured co-finance from CAFI to partially cover IUCN's operations costs for March 2022 – March 2027.	IUCN/EIT and Multilateral Finance Team	Risk rating re-evaluated from Medium to High (likelihood raised from "medium" to "almost certain")
Financial	Normal business risks which prevent investors from realizing all or part of their investment gains, and thus compromising the ability of IUCN as the executing agency to reflow the non-grant resources to GEF and CAFI. Inability to generate returns on investment to investors.	M	The Project leverages concessional funding instruments provided by donors for the purpose of testing and de-risking of investments in natural capital.  IUCN engages with an experienced fund manager with a proven track record in natural capital investment.  The Fund includes measures to mitigate financial risks through investment restrictions (diversification) and exclusion of countries deemed to have considerable risks.	IUCN/EIT	Risk rating re-evaluated from Low to Medium (impact raised from "very low" to "intermediate")
Operational	Fund impacts and green washing risks	M	Mirova's capacity to manage E&S risks were assessed during the	IUCN/EIT and Multilateral Finance Team	Risk rating re-evaluated from Low to

<sup>6</sup> IUCN risk categories: Strategic, Financial, People management, Operational, Legal/Compliance, Information systems, External

	(not delivering on benefits, causing adverse impacts, or inaccurate claims).		selection. The Fund is managed in accordance with Mirova's sustainability risk policy. IUCN will monitor E&S compliance.  Strict investment selection criteria on conservation impact and additionality of fund. Expert Committee provides advice on ensuring the above.		Medium (likelihood raised from "unlikely" to "possible")
Operational	Reputational risks caused by additional investors who are not of high standing	M	No measures undertaken due to absence of additional investors during this reporting period.	IUCN/EIT	Risk rating re-evaluated from Low to Medium (likelihood raised from "very low" to "possible")
Operational	Lack of IUCN capacity to approve and sign-off the Fund's legal documents	M	No measures undertaken due to absence of relevant legal documents during this reporting period.	IUCN/EIT, GPOU and OLA	

**Project overall risk rating** (Low, Moderate, Substantial or High). *Please see Annex – Ratings definition for guidance.*

2022 rating (H, S, M, L)	2023 rating (H, S, M, L)	Comments/reasons for the rating for 2023 and any changes (positive or negative) in the rating since the previous reporting period
M	M	The overall risk rating remains unchanged; however, likelihood and/or impacts of several risks have been reviewed and updated as described in the table above and as follows: <ul style="list-style-type: none"> <li>- Limited operational resources: likelihood raised from "medium" to "almost certain" considering the lack of funding to cover IUCN's operational cost during the lifetime of the Nature+ Accelerator Fund.</li> <li>- Financial Loss: impact raised from "very low" to "intermediate" considering the ramifications of the inability to reimburse non-grant resources to the donors and the inability to attract further investments from existing and new investors.</li> <li>- Fund impacts and greenwashing: likelihood raised from "unlikely" to "possible" given the increasing scrutiny of safeguard and the accuracy of impact claims.</li> <li>- Additional investors: likelihood raised from "very low" to "possible" considering the increasing scrutiny for potential investors' standing related to their social, environmental and governance standards and practices.</li> </ul>

## H. Gender

### Progress in advancing Gender equality and women's empowerment

*Please note that all projects approved since GEF 6 are required to carry out a gender analysis and provide gender-responsive measures to address differences, identified impacts and risks, and opportunities through a Gender Action Plan (GAP) or equivalent.*

Does this project specifically target woman or girls as direct beneficiaries?
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The Project does not specifically target women or girls as direct beneficiaries. At the Fund Manager level, gender equality is included in Mirova's impact and ESG assessment approach, which is applied to individual seed-project investment proposals. There is however no framework specifically developed for the Nature+ Accelerator Fund. The IUCN has advised Mirova to consider the need for creation of a Fund-specific framework. (see boxes below)

In case a gender analysis was not undertaken during project preparation (PPG), has it been carried out in this reporting period? If yes, what were the main findings? If an analysis during project design had been undertaken, but further updates have been carried out during the reporting period, please indicate this below. Please also report on additional site level gender analyses if they were undertaken during this reporting period.

During project (the Fund) preparation, detailed gender analysis was not undertaken due to the absence of investment proposals, and the resulting lack of identification of target beneficiaries and gender issues. However, the need for gender considerations in compliance with IUCN and GEF gender policies at the investment proposal level was identified and included as one of the requirements for Mirova.

At the investment proposal level, Mirova's Natural Capital platform ESG Principles and Policy (<https://www.mirova.com/sites/default/files/2021-09/mnc-platform-principles-and-policy.pdf>) includes policies on gender equality. Mirova's ESG team implements the initial assessment of potential seed-stage projects based on its impact and ESG assessment approach, which includes gender equality criteria under the social risk category.

Depending on projects and their initial assessments, the Expert Committee provides additional advice to ensure gender inclusiveness in each project design, such as recommendations to strengthen the initial gender analysis in the feasibility study for the subsequent development of a Gender Action Plan in a project's later phases.

Please describe progress in implementing the Gender Action Plan (GAP); you could also add the GAP in form of a GAP progress report as annex. Please also specify results achieved this reporting period through implementing gender-responsive measures.

Results reported can include site level results working with local communities as well as work to integrate gender considerations into national policies, strategies and planning. Please explain how the results reported addressed the different needs of men or women, changed norms, values and power structures, and/or contributed to transforming or challenging gender inequalities and discrimination.

As described above, during the Fund's preparation, a GAP was not developed due to the absence of investment proposals, and the resulting lack of identification of target beneficiaries and gender issues.

At the investment proposal level, Gender Action Plans are developed by project investees, with potential investment by Nature+ Accelerator Fund for the initial analysis in the feasibility studies. The development and implementation of GAPs are expected to be ensured and monitored during follow-on investments by project investees and investors.

IUCN has advised Mirova that, for the purposes of consistency in the implementation and monitoring and evaluation of seed-investment gender impacts, it would be worthwhile considering the creation of a GAP for the Fund itself, by which project developers and investees would be guided.

Please report on gender-sensitive indicators and sex-disaggregated targets as established in the results framework

Data availability is conditional upon relevant conservation actions successfully securing later-stage follow-on investments, following on from seed-phase investments from the Fund.

## I. Implementing the Stakeholder Engagement Plan

*The GEF Stakeholder Engagement Policy Guidelines<sup>7</sup> requires that Agencies prepare a Stakeholder Engagement Plan to describe how Stakeholders will be engaged in the project, and means of engagement throughout the project/program cycle. Agencies should include information on progress,*

<sup>7</sup> Stakeholder Engagement Policy Guidelines (SD/GN/01), December 20, 2018

challenges and outcomes of stakeholder engagement in their annual Project Implementation Reports.

Either provide the Stakeholder Engagement Plan and its respective progress report as annex or complete the below table by specifying the engagement strategies and achievements for the most important stakeholder groups. This can include demonstrating how different stakeholders were engaged in decisions on project governance (e.g. as member of the steering group), in the management or monitoring of the project or in programmatic activities. Forms of engagement include direct consultation or exchange with representative groups as well as indirect forms such as through media or other communication channels. Please also specify how the engagement is documented to provide evidence of such activities.

Please note that the data may be used for reporting to the GEF or IUCN web site, and for other internal and external knowledge and learning efforts. The global thematic programme involved should review and edit/elaborate on the information entered here. All projects must complete this section. Please enter N/A in cells that are not applicable to your project.

<b>Information on progress, challenges and outcomes of Stakeholder Engagement</b>
<b>Civil society organisations</b>
<p>At the Project level, the Prodoc has identified decision-makers/resource owners (donors, Fund Manager, CPIC Platform Coordinator) and project collaborators (CPIC members including private sector investors, public finance institutions, NGOs and research institutions) as stakeholders. These stakeholders have been engaged through the CPIC for the knowledge generation and dissemination on conservation investments (Component 2), as well as support to the design of the Nature+ Accelerator Fund (Component 1).</p> <p>At the investment proposal level, Mirova's Natural Capital platform ESG Principles and Policy (<a href="https://www.mirova.com/sites/default/files/2021-09/mnc-platform-principles-and-policy.pdf">https://www.mirova.com/sites/default/files/2021-09/mnc-platform-principles-and-policy.pdf</a>) includes policies on Free and Prior Informed Consent (FPIC), Stakeholder Engagement and Stakeholder Complaints (comprehensive stakeholder engagement process; informed consent from landowners; grievance mechanisms for the workforce, community and other stakeholders).</p> <p>Depending on projects and their initial assessments, the Expert Committee provides additional advice to ensure adequate stakeholder engagement.</p> <p>Stakeholder Engagement Plans are to be developed by project investees, with potential investment by the Fund for the initial analysis in the feasibility studies, including stakeholder mapping. The development and implementation of Stakeholder Engagement Plans are expected to be ensured and monitored during follow-on investments by project investees and investors.</p>
<b>Local communities</b>
See above
<b>Indigenous Peoples</b>
See above
<b>Private sector</b>
The Fund Manager has identified a number of corporate investment funds with strong potential for co-financing, and has started to leverage them through co-/follow-on investments into individual investee projects. In addition, the Prodoc had listed investment banks as potential co-financiers; however, the Fund has faced challenges in attracting direct investments from these and other financial institutions (insurance groups and impact funds in Europe and Asia). This is due to their perception of the Fund's relatively small size, complex structure, high-risk mandate and high transaction costs.
<b>Other relevant stakeholders as identified in the projects' Stakeholder Analysis</b>
See above

## J. Environmental and Social Safeguards

*This section of the PIR describes the progress made towards complying with the Environmental and Social Management Plans or other safeguard tools, when appropriate. Note that this only applies to projects classified as moderate or high risk, not to low risk projects.*

*For reporting progress on the implementation of ESMS plans or tools, please either provide the ESMP Monitoring Table as annex (see ESMP guidance note and template<sup>8</sup>) or complete the below table.*

At the Project level, IUCN's ESMS screening of this project has been categorized as Low Risk. There have been no changes to the category since the last reporting period. Therefore, the table below will remain unpopulated.

At the investment proposal (seed-stage projects) level, the need for Environmental and Social Safeguards (ESS) in compliance with IUCN and GEF policies has been included as one of the requirements for the Fund Manager, Mirova. Mirova's Natural Capital platform ESG Principles and Policy (<https://www.mirova.com/sites/default/files/2021-09/mnc-platform-principles-and-policy.pdf>) reflects key international ESS policies including IFC Performance Standards.

In line with the above, Mirova's ESG team implements an initial assessment of potential projects, including the analysis of both potentially positive and negative environmental and social project impacts. Depending on projects and their assessments, the Expert Committee provides additional advice to ensure ESS in the project design, such as recommendations on the aspects to be considered during the initial analysis as part of the feasibility study.

As the Fund does not directly support the implementation phase of conservation projects, the risk of breach of ESS is low. Nevertheless, IUCN will continue to monitor the compliance of the application of Mirova's ESG policies with relevant ESS policies required by donors and IUCN.

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<sup>8</sup> [https://www.iucn.org/sites/dev/files/esms\\_esmp\\_guidance\\_note\\_and\\_template.docx](https://www.iucn.org/sites/dev/files/esms_esmp_guidance_note_and_template.docx)

<b>Progress of implementing the Environmental and Social Management Plan (ESMP) or other safeguard tools</b>			
<b>Environmental and Social Risks</b>	<b>Risks identified by ESMS Screening or during any update of ESMP since project start<sup>9</sup></b>	<b>Actions taken during this FY; explain in particular how you engaged with groups affected by the identified risks</b>	<b>Are the measures considered sufficient? Are there any outstanding issues relevant for next FY?</b>
Adverse gender-related impacts	N/A as the project is classified as low risk	N/A as the project is classified as low risk	N/A as the project is classified as low risk
Risks of affecting vulnerable groups	Same as above	Same as above	Same as above
Risk of undermining human rights	Same as above	Same as above	Same as above
Community health, safety and security risks	Same as above	Same as above	Same as above
Labour and working conditions	Same as above	Same as above	Same as above
Resource efficiency, pollution, wastes, chemicals	Same as above	Same as above	Same as above
New risks emerged	Same as above	Same as above	Same as above
<b>ESMS Standards<sup>10</sup></b>	<b>Required management measures/plans (when standard triggered)</b>	<b>Actions taken during this FY; explain in particular how you engaged with groups affected by the identified risks</b>	<b>Are the measures considered sufficient? Are there any outstanding issues relevant for next FY?</b>
Involuntary Resettlement & Access Restrictions <input type="checkbox"/> yes <input checked="" type="checkbox"/> no <input type="checkbox"/> TBD	<input type="checkbox"/> Resettlement Action Plan <input type="checkbox"/> Resettlement Policy Framework <input type="checkbox"/> Action Plan to Mitigate Impacts Access Restriction <input type="checkbox"/> Access Restrictions Mitigation Process Framework <input type="checkbox"/> Other:	N/A	N/A
Indigenous Peoples <input type="checkbox"/> yes <input checked="" type="checkbox"/> no <input type="checkbox"/> TBD	<input type="checkbox"/> Indigenous Peoples Plan <input type="checkbox"/> Indigenous Peoples Planning Framework <input type="checkbox"/> Other:	N/A	N/A
Cultural Heritage <input type="checkbox"/> yes <input checked="" type="checkbox"/> no	<input type="checkbox"/> Chance Find Procedures <input type="checkbox"/> Other:	N/A	N/A

<sup>9</sup> Add n/a if the respective risk issues has neither been identified during the ESMS screening nor in any update of the ESMP.

<sup>10</sup> Please check the respective box to indicate the decision at Screening stage: whether a standards has been triggered or not, or the decision was deferred to the implementation phase. If the latter, please explain the status of this decision.

<input type="checkbox"/> TBD			
Biodiversity & Sustainable Use Natural Resources  <input type="checkbox"/> yes <input checked="" type="checkbox"/> no <input type="checkbox"/> TBD	<input type="checkbox"/> Pest Management Plan <input type="checkbox"/> Other:	N/A	N/A
<b>Project Risk Category</b> (as per ESMS Screening)	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Moderate Risk <input type="checkbox"/> High Risk		
Have findings during implementation triggered any changes to the <b>Project Risk Category</b> ? If yes, explain the issues and the new rating.	N/A		
List all risk issues that are now rated as <b>high risk</b> (if any)	N/A		
Has a list of relevant <b>host country regulations</b> on environmental and social matters been established? What is the status of the project's compliance with the applicable laws and regulations?	N/A		
In case any changes of regulations have occurred since project design, have these changes been reflected in project implementation?	N/A		

*In addition, please indicate whether any grievances as per IUCN and GEF ESS policies have been received during this reporting period. If yes, please answer the below questions and attach the grievance log as annex in order to describe status and progress of the case. The latter should also be done in case grievances had been received in earlier reporting period.*

<b>Please explain the grievance</b>
N/A
<b>Please indicate how it is being/has been addressed</b>

## K. Knowledge Management

Knowledge activities / products (when applicable), as outlined in Knowledge Management Approach approved at CEO Endorsement / Approval during this reporting period.

*Does the project have a knowledge management strategy? How does the project collect, document and share good practices? Please list relevant good practices from this year that can be learned and shared from the project.*

Component 2 of the project focuses on delivery of knowledge generation, dissemination and engagement with conservation investment communities primarily through the CPIC network. While activities based on the GEF project funding were concluded in June 2022, CPIC continues to organize meetings and side events to share knowledge and lessons learned for scaling up private investments for conservation (see the contents in the next box, and under the Objective 2 in the section C. Outcomes achievements and outputs delivery).

*Does the project have a communication strategy? Please provide a brief overview of the communications successes and challenges this year.*

Component 2 carried out by the CPIC Platform Coordinator places a strong focus on communication, awareness-raising and outreach in order to expand the CPIC network, through activities such as attracting new members to CPIC, publishing newsletters and reports, and enhancing SNS presence.

In this reporting period, CPIC organized the following events on topics related to conservation investments.

- September 19, 2022: Scaling Finance for Nature: Forging Philanthropy – Finance – Government Partnerships
- December 17, 2022: Biodiversity Credits: Creating an enabling environment to restore and protect our natural habitats (GEF Pavilion at CBD-COP15)
- January 17, 2023: CPIC semi-annual meeting, with sessions on biodiversity credits, key outcomes from COP15 and COP27, and progress update, findings and insights from the Nature+ Accelerator Fund

For details see <http://cpicfinance.com/cpicevents/>.

In addition to the CPIC events mentioned above, the Nature+ Accelerator Fund was presented at the following events:

- 9 March, 2023: World Bank's Climate Investment Fund (CIF) Africa Knowledge Event in Abidjan, Cote d'Ivoire
- 21 March, 2023: IUCN-Agence française de développement (AFD) NbS workshop in Paris, France
- 30 March, 2023: UNEP-FI - BMZ - GIZ webinar "Investing with Nature: An Introduction to NbS"
- 10 May 2023: "NbS for Socio-economic Development: Finance and Impact at Scale" in Gland, Switzerland (targeting donors and public and private financiers; hosted by the IUCN as part of the NetworkNature Project supported by the European Commission. [Link to webpage](#))

During previous years, in addition to the CPIC events, the Fund has been presented at the IUCN webinar (November 2020), IUCN World Conservation Congress (September 2021), Innovate4Nature (December 2021), and Innovate4Climate (May 2022).

### Communication material

*Please provide a list of publications, project website, project page on the IUCN website, any other facebook, twitter, flickr or youtube account related to the project, as well as hyperlinks to any media coverage of the project, for example stories written by an outside source. Please upload any supporting files, including photos, videos, stories, and other documents.*

IUCN's press release on the Nature+ Accelerator Fund  
<https://www.iucn.org/news/nature-based-solutions/202011/nature-accelerator-fund-ready-investors>

Nature+ Accelerator Fund's request for proposals (RFP) webpage

<https://www.mirova.com/en/news/request-for-proposals-nature-accelerator-fund>

Mirova LinkedIn account

<https://www.linkedin.com/company/mirova/>

CPIC website and LinkedIn account

<http://cpicfinance.com/news/inthenews/>

<https://www.linkedin.com/company/cpic/posts/?feedView=all>

Webinar recordings:

IUCN Webinar, November 2020

[https://www.youtube.com/watch?v=os\\_8\\_dmuJEg](https://www.youtube.com/watch?v=os_8_dmuJEg)

IUCN World Conservation Congress, September 2021

<https://www.youtube.com/watch?v=MFf-RkYnJKQ&t=1s>

Innovate4Nature, December 2021

<https://www.youtube.com/watch?v=Q1Gfk7jGfho>

## Lessons learned

*Please share any particular lessons learnt in the context of project implementation (e.g. successfully tested tools, unexpected positive or negative impacts) and/or lessons learnt regarding one of your key outcomes*

- The initial RFP process of the Nature+ Accelerator Fund has attracted a large number (95+) of geographically diversified project proposals from Africa, Latin America and Asia, suggesting a promising potential for conservation investment opportunities.
- Many projects use carbon credits as a major component of their revenue models. The Fund's operation demonstrates that investible projects with strong social and conservation impacts can be designed by combining the expertise of local project proponents with reliable track records (NGOs, communities) with that of experienced carbon project developers. There is a clear demand for investments in feasibility studies and early design stages of innovative projects.
- With the evolution of the global policy environment over recent years and given current market trends, there is increased appetite among private investors to invest in later stage projects which generate carbon revenues. As a result, once projects reach the early-venture phase, they are able to attract private investment without the need to engage public finance. Therefore, to optimize the deployment of concessional resources and ensure their additionality, the Nature+ Accelerator Fund will focus on investing in innovative seed-phase projects, and maximising the private finance mobilisation impact through follow-on investments.

## Communicating impact

*Tell us the story of the project focusing on how the project has helped to improve people's lives and biodiversity and how it contributed to the target(s) pledged through internal conventions (UNCCD LDN, UNFCCC NDCs, CBD NBSAPs, SDGs, etc) and/or national policies*

*(The text will be used for IUCN Corporate Communications, the IUCN-GEF web-site, and/or other internal and external knowledge and learning efforts)*

*Please also note you can share your success story and solution on the IUCN [PANORAMA web platform](#). This will allow for knowledge retention and dissemination of project outcomes and success factors.*

The Project has launched the first-of-its-kind “Nature+ Accelerator Fund”, based on an impact investment model and designed to provide small-ticket seed funding. The Fund has demonstrated the value-add of concessional instruments in filling the financing gap in the pre-design phase of investible conservation projects across 4 key target sectors:

- Terrestrial conservation and restoration
- Marine conservation and coastal resilience
- Sustainable agriculture
- Nature-based innovation

The Nature+ Fund, being nascent, has yet to gather information on its actual impacts. It is however anticipated that through the operation of the Fund, the Project will be able to generate a pipeline of investible early-venture conservation projects. Furthermore, by engaging with potential investors for follow-on capital, the Project will be able to support investees’ access to the private funding needed for the implementation of projects and their scale-up, which will generate impacts on local livelihoods and biodiversity.

*What is the most significant change that has resulted from the project this reporting period?*

Given that later-stage projects have showcased strong proof-of-concepts and the need to not require concessional finance, the Fund is now solely focusing on supporting early-stage innovative projects, and has started developing project pipeline and the first batch of investments accordingly. This means that social and environmental impacts of projects will be generated and perceived once the projects attract follow-on investments at a later stage.

## Appendix - List of knowledge products developed by the Project to date

### 1. CPIC Conservation Finance Report 2021

	Date	Report title	Link
1	September 2021	<b>Conservation Finance 2021: An Unfolding Opportunity</b>	<a href="#">link</a>

### 2. CPIC Investment Blueprints

	Type	Blueprint title	Financial instrument	Blueprint owner	Long format	Short format
1	Coastal resilience / Sustainable coastal fisheries	<b>Channelling private finance into Marine Protected Areas</b>	Debt (2-year grace period, minimum 6-year term)	Blue Finance	<a href="#">link</a>	<a href="#">link</a>
2	Coastal resilience / Green infrastructure for watershed management	<b>Environmental impact bond for green infrastructure with environmental outcome-based incentives</b>	Environmental impact bond	N/A	<a href="#">link</a>	N/A
3	Coastal resilience / Green infrastructure for watershed management	<b>Environmental impact bond for green infrastructure - Case Study for Watershed Protection</b>	Environmental impact bond	Quantified Ventures	<a href="#">link</a>	N/A
4	Coastal resilience	<b>Environmental impact bond for green infrastructure - Case Study for Coastal Resilience</b>	Environmental impact bond	Environmental Defense Fund	<a href="#">link</a>	N/A
5	Coastal resilience	<b>Resilience bond for risk reduction</b>	Bond (3-5 year term)	Re:focus Partners	<a href="#">link</a>	<a href="#">link</a>
6	Green infrastructure for watershed management	<b>Guarantee-backed lending for clean textile production</b>	Debt (48-month term)	WWF	<a href="#">link</a>	<a href="#">link</a>
7	Forest landscape conservation and restoration	<b>Forest resilience bond</b>	Debt (market rate and concessional - up to 10-year term)	Blue Forest Conservation	<a href="#">link</a>	<a href="#">link</a>

8	Forest landscape conservation and restoration	<b>Forest land acquisition for sustainable land management</b>	Private equity (2-5 year term)	Lyme Timber	<a href="#">link</a>	<a href="#">link</a>
9	Forest landscape conservation and restoration	<b>Sustainable timber hub for community forestry</b>	Debt (5-10 year term)	Nb Lestari	<a href="#">link</a>	<a href="#">link</a>
10	Forest landscape conservation and restoration	<b>Reducing deforestation through a smallholder forestry Special Purpose Vehicle</b>	Debt and private equity	Komaza	<a href="#">link</a>	<a href="#">link</a>
11	Sustainable agriculture intensification	<b>Financing climate smart practices to protect forests and improve livelihoods</b>	Debt (7-15 year term)	Rainforest Alliance	<a href="#">link</a>	<a href="#">link</a>
12	Sustainable agriculture intensification	<b>Conservation-smart credit line for agriculture</b>	Debt (3 year term)	F3 Life, Financial Access	<a href="#">link</a>	<a href="#">link</a>
13	Sustainable agriculture intensification	<b>Organic dairy farm transformation through a hybrid bond</b>	Hybrid bond (10 year term)	Envirostrat	<a href="#">link</a>	<a href="#">link</a>
14	Sustainable coastal fisheries	<b>Blended finance facility for fisheries improvement projects</b>	Concessional debt and equity (10 year term)	WWF, Wilderness Markets	<a href="#">link</a>	<a href="#">link</a>

### 3. CPIC blogs

	<b>Date</b>	<b>Blog title</b>	<b>Link</b>
1	Dec 17, 2020	<b>How blueprints can help drive private finance in conservation</b>	<a href="#">link</a>
2	Jun 11, 2021	<b>How conservation finance blueprints can help scale up clean textile production and safeguard biodiversity hotspots</b>	<a href="#">link</a>
3	Jun 15, 2021	<b>Finance for nature - creating attractive investment opportunities (IUCN World Conservation Congress 2021)</b>	<a href="#">link</a>
4	Sep 8, 2021	<b>New report – Conservation Finance 2021: An Unfolding Opportunity</b>	<a href="#">link</a>
5	Oct 27, 2021	<b>Scaling private investments in conservation: five barriers and five solutions</b>	<a href="#">link</a>
6	Oct 27, 2021	<b>How to Create a Nature-Positive Portfolio</b>	<a href="#">link</a>
7	Feb 10, 2022	<b>Exploring three game-changing structures to drive private investment in conservation</b>	<a href="#">link</a>
8	Jun 10, 2022	<b>Biodiversity credits: a turning point for nature?</b>	<a href="#">link</a>

## Annex - Ratings definitions

### Implementation Progress Ratings

**Highly Satisfactory (HS):** Implementation of **all** components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be presented as “good practice”.

**Satisfactory (S):** Implementation of **most** components is in substantial compliance with the original/formally revised plan except for only a few that are subject to remedial action.

**Moderately Satisfactory (MS):** Implementation of **some** components is in substantial compliance with the original/formally revised plan with **some** components requiring remedial action.

**Moderately Unsatisfactory (MU):** Implementation of **some** components is not in substantial compliance with the original/formally revised plan with **most** components requiring remedial action.

**Unsatisfactory (U):** Implementation of **most** components is not in substantial compliance with the original/formally revised plan.

**Highly Unsatisfactory (HU):** Implementation of **none** of the components is in substantial compliance with the original/formally revised plan.

### Global Environment Objective/Development Objective Ratings

**Highly Satisfactory (HS):** Project is expected to achieve or exceed **all** its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as “good practice”.

**Satisfactory (S):** Project is expected to achieve **most** of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings.

**Moderately Satisfactory (MS):** Project is expected to achieve **most** of its major relevant objectives, but with either significant shortcomings or modest overall relevance. Project is expected not to achieve **some** of its major global environmental objectives or yield some of the expected global environment benefits.

**Moderately Unsatisfactory (MU):** Project is expected to achieve its major global environmental objectives with major shortcomings or is expected to achieve only **some** of its major global environmental objectives.

**Unsatisfactory (U):** Project is expected **not** to achieve **most** of its major global environment objectives or to yield any satisfactory global environmental benefits

**Highly Unsatisfactory (HU):** The project has failed to achieve, and is not expected to achieve, **any** of its major global environment objectives with no worthwhile benefits.

### Development/Adaptation Objective Ratings (For LDCF/SCCF/GCF Adaptation)

**Highly Satisfactory (HS):** Project is expected to achieve or exceed all its major development/adaptation objectives, and yield substantial adaptation benefits, without major shortcomings. The project can be presented as “good practice”.

**Satisfactory (S):** Project is expected to achieve most of its major development/adaptation objectives, and yield satisfactory adaptation benefits, with only minor shortcomings.

**Marginally Satisfactory (MS):** Project is expected to achieve most of its major relevant development/adaptation objectives, but with either significant shortcomings or modest overall relevance. Project is expected not to achieve some of its major development objectives or yield some of the expected adaptation benefits.

**Marginally Unsatisfactory (MU):** Project is expected to achieve its major development/adaptation objectives with major shortcomings or is expected to achieve only some of its major adaptation objectives.

**Unsatisfactory (U):** Project is expected not to achieve most of its major development/adaptation objectives or to yield any satisfactory adaptation benefits.

**Highly Unsatisfactory (HU):** The project has failed to achieve, and is not expected to achieve, any of its major development/adaptation objectives with no worthwhile adaptation benefits.

**Risk ratings**

*Risk ratings will assess the overall risk of factors internal or external to the project that may affect implementation or prospects for achieving project objectives. Risks of projects should be rated on the following scale:*

**High Risk (H):** There is a probability of greater than 75% that assumptions may fail to hold or materialize, and/or the project may face high risks.

**Substantial Risk (S):** There is a probability of between 51% and 75% that assumptions may fail to hold and/or the project may face substantial risks.

**Modest Risk (M):** There is a probability of between 26% and 50% that assumptions may fail to hold or materialize, and/or the project may face only modest risks.

**Low Risk (L):** There is a probability of up to 25% that assumptions may fail to hold or materialize, and/or the project may face only modest risks.

*The table below illustrates how the risk categories used by GEF and IUCN align with one another.*

<b>GEF risk categories</b>	<b>IUCN risk categories</b>
Climate	External
Environment & Social	Part of ESMS risk assessment
Political and Governance	External
Macro-economic	External
Strategies and policies	Strategic
Technical design of project or program	Operational
Institutional capacity for implementation and sustainability	Operational
Fiduciary: financial management and procurement	Finance
Stakeholder engagement	Part of ESMS risk assessment
Other	People management; Legal / Compliance; Information systems
Financial risks for NGI projects	N/A

*The table below illustrates how the risk rating/level used by GEF and IUCN align with one another.*

<b>GEF risk rating / level</b>	<b>IUCN risk rating / level</b>
High	High
Substantial	High
Moderate	Medium
Low	Low