

GEF-8 WORLD BANK PCN STAGE/GEF DATA SHEET

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General Project Information

Project Title

Rwanda Wildlife Conservation Bond (WCB) Operation

Region

Rwanda

GEF Project ID

11514

Country(ies)

Rwanda

Type of Project

FSP

GEF Agency(ies):

World Bank

GEF Agency ID

P505213

Executing Partner

Rwanda Development Board (RDB)

African Parks

Executing Partner Type

Government

Private Sector

GEF Focal Area (s)

Biodiversity

Submission Date

3/1/2024

Project Sector (CCM Only)

Taxonomy

Focal Areas, Protected Areas and Landscapes, Terrestrial Protected Areas, Community Based Natural Resource Mngt, Productive Landscapes, Sex-disaggregated indicators, Beneficiaries, Gender Equality, Gender Mainstreaming, Participation and leadership, Learning, Indicators to measure change, Adaptive management, Theory of change, Community Based Organization, Influencing models, Civil Society, Innovation, Workshop, Knowledge Generation, Capacity Development, Non-Governmental Organization, Participation, Type of Engagement, Information Dissemination, Partnership, Consultation, Public Campaigns, Strategic Communications, Awareness Raising, Behavior change, Non-Grant Pilot, Capital providers, Project Reflow, Private Sector, Deploy innovative financial instruments, Demonstrate innovative approach, Tourism, Stakeholders, Gender results areas, Capacity, Knowledge and Research, Conservation Finance, Financial and Accounting, Mainstreaming, Illegal Wildlife Trade, Threatened Species, Species, Biodiversity, Communications

Type of Trust Fund

GET

Project Duration (Months)

60

GEF Project Grant: (a)

0.00

GEF Project Non-Grant: (b)

9,000,000.00

Agency Fee(s) Grant: (c)

0.00

Agency Fee(s) Non-Grant (d)

855,000.00

Total GEF Financing: (a+b+c+d)

9,855,000.00

Total Co-financing

154,100,000.00

PPG Amount: (e)

0.00

PPG Agency Fee(s): (f)

0.00

PPG total amount: (e+f)

0.00

Total GEF Resources: (a+b+c+d+e+f)

9,855,000.00

Project Tags

CBIT: No NGI: Yes SGP: No Innovation: No

Project Summary

Provide a brief summary description of the project, including: (i) what is the problem and issues to be addressed? (ii) what are the project objectives, and if the project is intended to be transformative, how will this be achieved? (iii), how will this be achieved (approach to deliver on objectives), and (iv) what are the GEBs and/or adaptation benefits, and other key expected results. The purpose of the summary is to provide a short, coherent summary for readers. The explanation and justification of the project should be in section B “project description”. (max. 250 words, approximately 1/2 page)

Rwanda is one of the fastest-growing economies in Africa. It is mobilizing new climate investments to become a developed, climate-resilient and low-carbon economy by 2050. In collaboration with the GEF, CIF, GCF, the IMF and numerous development partners, Rwanda is establishing a country platform to scale investments and operationalize its recently adopted Climate and Nature Finance Strategy (CNFS). The CNFS prioritizes and mainstreams nature-positive investments.

The GEF NGI targets Gishwati-Mukura National Park and Nyungwe National Park, and buffer zones in Rwanda. These parks and chimpanzee habitat and are part of Rwanda’s efforts to transform its goals to promote conservation areas and mobilize its population to adopt nature-positive solutions to climate vulnerabilities. There are nearly 1,000,000 people in local communities directly surrounding the parks. Chimpanzees are umbrella species that serve as an indicator of overall health of the protected areas. Conserving the chimpanzee populations and investing in sustainable biodiversity corridors, help secure the diversity and ecosystems services in these habitats. These target areas are essential to meet Rwanda’s sustainable landscape management goals and establishment of biodiversity corridors that connects these national parks. The WCB is featured in Rwanda’s CNFS as an innovative structure to unlock new financing for its natural capital.

This project will contribute to several GEBs and GBF targets through the greater areas of Gishwati-Mukura National Park’s 3,558 ha and Nyungwe National Park’s 101,900 ha, and a larger landscape under improved practices and land and ecosystem under restoration, to complement GCF, CIF, IDA, PROGREEN, and WRI investments.

The project will support Rwanda’s contributions to Global Biodiversity Framework (GBF) targets (<https://www.cbd.int/gbf/targets>) #1, 2, 3, 4, 6, 8, 9, 10, 11, 14, 19, 20, 21, 22, and 23, and plays an especially important role beyond Rwanda for Target 19, to promote private and blended finance through innovative funds other IDA countries can emulate. The key performance indicator (KPI) will provide partial payment based on the level of achievement across an increase in chimpanzee population and hectares restored.

Indicative Project Overview

Project Objective

The project aims to protect endangered chimpanzee populations and restore ecosystems in target conservation areas in Rwanda.

Project Components

1. Conserve biodiversity and enhance conservation area resilience

Component Type	Trust Fund
Investment	GET
GEF Project Financing (\$)	Co-financing (\$)
5,350,000.00	40,000,000.00

Outcome:

- Landscapes with improved biodiversity management practices
- Conservation areas managed effectively
- Wildlife populations stabilized or increasing
- Restored forests serving as wildlife corridors or steppingstones

Output:

- Conservation management plans implemented.
- Increased financing for target conservation areas; staffing and monitoring capabilities; biodiversity presence in buffer areas.
- Forest restoration activities implemented.
- Improved management of Chimpanzee habitat.

2. Promote nature-based solution

Component Type	Trust Fund
Investment	GET
GEF Project Financing (\$)	Co-financing (\$)
1,000,000.00	29,000,000.00

Outcome:

- - - Increased incentives to protect biodiversity and capacity to co-exist with wildlife
 - Private sector and entrepreneurs enabled
 - Enabling environment created
 - Local community capacity built

Output:

- Strengthen enabling environment.
- Effective SLM implemented.
- Improved NBS awareness.
- Private-sector & community partnership created.
- Increased access to finance.
- Enhanced nature-based solutions, enterprises & jobs.
- Capacity building.

3. Enhance Landscape Sustainability and Habitat Connectivity

Component Type	Trust Fund
Investment	GET
GEF Project Financing (\$)	Co-financing (\$)

1,900,000.00	81,000,000.00
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Outcome:

- Bankable projects
- Strengthened capacity for SLM and investment landscape
- Adaptive/resilient land use management and spatial development
- Large scale SLM investments
- Women/youth run nurseries producing seedling forest restoration

Output:

- National E&S, biodiversity, and sustainable landscape management policies/regulatory frameworks implemented.
- SLM framework adapted and habitat connectivity improved.
- Improved sustainable investment coordination.
- Innovative and digital tools/systems leveraged.

4. Project Management/MRV

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
450,000.00	3,600,000.00

Outcome:

- - Standards and good practices adopted
 - Knowledge transfer
 - Capacity building
 - Data management

Output:

- ESF effectively deployed.
- Integrated monitoring system deployed.
- Improved data gathering and sharing mechanisms.
- Lessons and good practices documented and disseminated.

M&E

Component Type	Trust Fund
Investment	GET
GEF Project Financing (\$)	Co-financing (\$)
300,000.00	500,000.00

Outcome:

- Ensured accurate reporting of the number of Chimpanzees
- Enabled issuance of partial or full conservation success payment at maturity

Output:

- Established an M&E system and reporting framework for the chimpanzee population status, the number of hectares restored, and the assessment of improved management of chimpanzee habitat.
- Verified the evidence trail for each individual primate population or population estimate at the site through the third-party calculation agent.

Component Balances

Project Components	GEF Project Financing (\$)	Co-financing (\$)
1. Conserve biodiversity and enhance conservation area resilience	5,350,000.00	40,000,000.00
2. Promote nature-based solution	1,000,000.00	29,000,000.00
3. Enhance Landscape Sustainability and Habitat Connectivity	1,900,000.00	81,000,000.00
4. Project Management/MRV	450,000.00	3,600,000.00
M&E	300,000.00	500,000.00
Subtotal	9,000,000.00	154,100,000.00
Project Management Cost		
Total Project Cost (\$)	9,000,000.00	154,100,000.00

Please provide justification

Coordination and Cooperation with Ongoing Initiatives and Project

Does the GEF Agency expect to play an execution role on this project?

Yes

If so, please describe that role here. Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing

Role of the World Bank:

Bond issuer and implementation agency. World Bank's unique role is key for attracting private sector capital by issuing this instrument given its experience with the South Africa Rhino Bond, its AAA rated balance sheet, credibility with the GEF, the existing GEF projects, CIF, and Volcanoes Community Resilience Project (VCRP) which will provide critical coordination and technical support for Rwanda's sustainable landscape management investments. The combined expertise of the World Bank Treasury, FCI and Environment teams can support Rwanda be the first IDA country to benefit from a structured bond for biodiversity conservation and ecosystem restoration. Coordination role with donors, development partners, technical service providers can help to implement this ambitious project and coordinate effectively with GCF, WRI, and other related initiatives.

Ongoing cooperation

The proposed WCB complements ongoing efforts the World Bank is supporting the GoR on to enhance resilience and restore ecosystems in the Southern Province. It will serve as a first in an IDA country, and expand the financing Rwanda is mobilizing for its conservation efforts to include capital markets investors. This operation shifts the focus on inputs towards outcomes and will expand Rwanda's toolkit for natural capital investments. Public and philanthropic funding is insufficient to close the funding gap for Rwanda's conservation of its key biodiversity areas. Current mechanisms for supporting conservation efforts are sub-optimal, as most are focused on inputs and outputs. This focus on key performance indicators will shift adaptable management strategies and promote engagement of new investors in the space. This includes the World Bank support for the GEF-8 (\$9M) and CIF (\$35M) investments, which will align with and complement GCF investments. This builds on the programmatic approach being deployed in the Volcanoes Community Resilience Project (VCRP). Additional cooperation is highlighted below.

I. Support to the Government of Rwanda to Mobilize Financing to Scale Nature and Climate Action

A. In 2023, the World Bank has delivered technical, budget, and programmatic support to the GoR valued at over US\$300 million to enhance its climate resilience and secure its natural assets. Targeted initiatives are underway to unlock private climate investments by creating an enabling legal and regulatory environment and scaling blended financing for nature positive and climate resilient investments in vulnerable parts of the country. Examples of innovative financing and mainstreaming of climate and nature into operations include:

1. **Boosting Green Finance, Investment and Trade in Rwanda** (GreenFIT) Programmatic Development Policy Financing (DPF) - This 2-year Development Policy Financing series included a DPO1 (approved in December 2023) for \$125M, while DPO2 is currently under preparation for \$225M and a potential EUR 20M co-financing and TA support from KfW, and features a reform agenda to promote green, private sector-led growth in Rwanda and stimulate green investments. The reform matrix includes, among others, support to the design and implementation of a national climate and nature finance strategy to support decarbonization of the economy and strengthen the resilience to climate change-related risks, the amendment of a law governing national parks and nature reserves to enable the inflow of private investment for nature conservation (building on [Volcanoes Community Resilience Project](#) [VCRP engagement and government prioritization on natural capital investments]), and reforms to remove barriers to green foreign direct investment.
2. **Rwanda sustainability-linked bond (SLB):** In June 2023, the World Bank approved additional financing for an operation that provided credit enhancement for the inaugural sustainability-linked bond, issued on September 29, 2023, by the Rwanda Development Bank (BRD). The bond will help the BRD increase the number of loans to women-led businesses from 15 to 30 percent (as a proportion of total SME loans) and the financing of 13,000 affordable housing units by 2028. Concessional funding provided by IDA helped the Government of Rwanda develop a credit enhancement facility to backstop investments. This transaction is the first-of-its-kind for a World Bank operation, for Rwanda, and development banks globally, thus providing a scalable model in Rwanda and elsewhere in the region. The SLB does not include investments in the WCB target areas, rather it supports Rwanda's commitment to mainstreaming environmental, social, and governance (ESG) for partner financial institutions.
3. **Carbon market pilot with BRD.** BRD has requested for support from the World Bank to conduct a carbon market pilot to facilitate learning-by-doing and deepen its expertise around carbon markets. Through the Compact with Africa (CwA) trust fund, the World Bank is supporting BRD to pilot the monetization of carbon credits from pipeline projects. Through this work, BRD will understand how to monetize carbon credits, screen new projects for carbon credit potential, and better assess investment opportunities with carbon credits as part of the business model.

This is in addition to relevant ongoing and previous investments in Rwanda as highlighted in Annex F of the concept note.

III. Investing in adaptation and resilience to climate change and lowering emissions in Rwanda through nature and natural assets:

A. Volcanoes Community Resilience Project (VCRP) \$50M IDA credit and a \$14M PROGREEN grant. This is helping unlock additional co-financing of EUR100M from a European Investment Bank (EIB) loan, \$18M from the private sector (Wilderness and African Wildlife Foundation), \$35M from Climate Investment Funds (CIF) (50% loan/50% grant), a \$9M Global Environmental Facility (GEF) grant, and additional co-financing expected from the Nordic Development Fund (NDF). These investments leveraged years of technical assistance to optimize use of IDA resources for high yielding sustainable investments to support Rwanda's climate and nature ambitions. This multi-agency programmatic approach to reduce the risk of flooding, strengthen watershed management, and improve livelihoods of people serves as a model for Rwanda's

strategic investments to enhance its climate resilience, generate jobs, and protect its mountain rainforests, gallery forests, savannah woodland, wetlands and aquatic forests and agroecosystems.

B. Climate Investment Funds (CIF) Nature, People, and Climate Program US\$29M

IV. Delivery of timely forward-looking technical assistance

A. Recent technical work underpinning World Bank climate investments and informing those of various development partners show the value of delivering an integrated analytical work program to enable larger investments and strategies, including:

1. [Rwanda Country Climate and Development Report](#) (CCDR) – Launched in 2022, the CCDR informed potential green investments, including the IMF’s Resilience and Sustainability Facility (RSF), with a special focus on: (i) enhancing the collective understanding of the benefits and costs of climate action; (ii) prioritizing cross-sectoral policies to manage climate risks; and (iii) identifying opportunities for scaling up public and private sector response to climate change. The Rwanda CCDR informed priority measures for the IMF’s RSF support of USD 319 million.
2. **NDC Deep dive project** (USD 4.7 Million) enhanced the capacity of the government of Rwanda to advance financial innovation to accelerate climate change adaptation and mitigation in line with its NDC under the Paris Agreement.
3. [Rwanda Climate and Nature Options Analysis](#) – this technical report provided an assessment of Rwanda’s climate/nature financing gap and offers a menu of financing strategies the country could consider, including SLB, Wildlife Conservation Bonds, and expanding voluntary carbon market opportunities.
4. **Support for augmenting private sector engagement in nature and forest reserves** – technical assistance is being provided to operationalize the Law on Governing National Parks and Nature Reserves. The support is focused on ensuring international best practice in the operationalization of the Law and strengthening private sector engagement in the expansion of nature and forest reserves and diversification of nature-based tourism.

B. **Natural Capital Accounting (NCA) and macroeconomics:** Supported Rwanda in becoming a leader in Africa on NCA and integrating macro-modeling that includes climate considerations to strengthen the inclusion of climate and natural capital in the monitoring of the economy and improve the modeling of policy and climate shocks on the economy.

^[1] The IREME INVEST will issue grants, debt, equity, subsidized loans and guarantees to address market challenges of climate finance in the private sector. IREME INVEST was launched during COP27 in Egypt and attracted other development partners to commit USD 104 million, it targets to mobilize more than USD 300 million in a couple of years.

Core Indicators

Indicator 1 Terrestrial protected areas created or under improved management

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
181695	0	0	0

Indicator 1.1 Terrestrial Protected Areas Newly created

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
0	0	0	0

Name of the Protected Area	WDPA ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
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Indicator 1.2 Terrestrial Protected Areas Under improved Management effectiveness

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
181695	0	0	0

Name of the Protected Area	WDPA ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
Gishwati-Mukura	555705569	National Park	79,795.00						
Nyungwe	555784009	National Park	101,900.00						

Indicator 3 Area of land and ecosystems under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
18376	0	0	0

Indicator 3.1 Area of degraded agricultural lands under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.2 Area of forest and forest land under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
18,376.00			

Indicator 3.3 Area of natural grass and woodland under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.4 Area of wetlands (including estuaries, mangroves) under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
130104	0	0	0

Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
130,104.00			

Indicator 4.2 Area of landscapes under third-party certification incorporating biodiversity considerations

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Type/Name of Third Party Certification

Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.4 Area of High Conservation Value or other forest loss avoided

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.5 Terrestrial OECMs supported

Name of the OECMs	WDPA-ID	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)

Documents (Document(s) that justifies the HCVF)

Title

Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)	1084291	0	0	0
Expected metric tons of CO ₂ e (indirect)	0	0	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)	1,084,291			
Expected metric tons of CO ₂ e (indirect)				
Anticipated start year of accounting	2025			
Duration of accounting	5			

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)				
Expected metric tons of CO ₂ e (indirect)				

Anticipated start year of accounting				
Duration of accounting				

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)				

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)

Indicator 11 People benefiting from GEF-financed investments

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	500,000			
Male	500,000			
Total	1,000,000		0	0

Explain the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators (max. 250 words, approximately 1/2 page)

The project investments will lead to improved management of two protected areas in Rwanda, which will be measured by improvements in the METT scores. The two protected areas have a core area of 105,458 hectares, and inclusive of buffer and transition zones cover an area of 181,695 HAs.

Terrestrial Protected Areas Under improved Management effectiveness

A. Core area of GMNP is 3,558 (buffer zone 1,979 and transition zone of 74,389 ha) and Nyungwe NP is 101,900 and buffer zone of 10,000 ha.

#3 Area of land and ecosystems under restoration (hectare) – 18,376

#4 Area of landscapes under improved practices (hectare) – 130,104

#6 Greenhouse Gas Emissions Mitigated (metric ton of CO₂e) - 1,084,291

People benefiting from GEF-financed investments

B. Specific efforts will target beneficiaries who are at risk of natural hazards and have limited connectivity to a nature-based economy. This will include capacity building and improving NBS awareness, along with increasing access to financing for diversification of revenues for local communities and businesses. For example, increased understanding of natural hazards and potential nature-based solutions that can address these hazards will be a focus of this component. The average household size in the target sites is between 5 to 6 people. The communities in the five administrative districts surrounding Nyungwe National Park total 2 million people. The WCB is envisaged to focus support to approximately 600,000 community members living in close proximity to the park, namely those living in the 24 administrative sectors surrounding the park that are in constant interaction with the park and its wildlife. The Gishwati-Mukura National Park reserve has a population of approximately of approximately

400,000 people in local communities. The main economic activities include agriculture through sustainable land management activities, silvopastoralism, agroforestry and tourism. The local community already benefits from receiving 10% of all revenue generated with tourism in the National Park in the Biosphere Reserve's core area that is allocated to community development projects. Benefits will be generated through nature-based tourism, new jobs created across the value chain, improved livelihood activities, and enterprise developments across both parks which have a significant multiplier effect given the high population density in this region. Data from household socio-economic surveys will be used to measure beneficiary outcomes.

NGI (only): Justification of Financial Structure

Please describe the financial structure and include a graphic representation. This description will include the financial instrument requested from the GEF and terms and conditions of the financing passed onto the Beneficiaries.

1. **Bond Structure:** The WCB leverages the World Bank's Aaa/AAA rated balance sheet to provide a principal protected product to investors, while raising funds for conservation. The World Bank will issue a AAA-rated [US\$100 – 150 million]^[1] five-year US dollar denominated principal protected Sustainable Development Bond and use proceeds for its sustainable development goals (SDG) investments. Bond investors forego bond coupon payments [~US\$9 million], which are used to fund biodiversity conservation and ecosystem restoration at the project sites. As with the South Africa model, investors in the bond will agree to forego bond coupon payments, which will instead be used to finance conservation initiatives in two national parks that host endangered great ape populations and ecosystem restoration activities in buffer zones. The bond investors hence become direct co-financiers of conservation and ecosystems (in addition to supporting livelihood benefits for local communities). In return, they may be compensated with a 'conservation success payment' if key performance indicators are achieved, according to independently calculated results. To mobilize a bond of this size, the team would anticipate attracting between 10-15 institutional investors with a mandate to support conservation and other Environmental, Social and Corporate Governance objectives, as well as possible participation of high net-worth private investors. Assessments suggest there is sufficient depth in the market to mobilize the amount targeted from the growing pool of investors in this space. At the conclusion of the project, if the KPIs are achieved, donor funds (GEF NGI, CIF NPC, and WRI) are used to pay bond holders a conservation success payment [~US\$0-\$15 million] (see Figure 2). The cashflow estimates provided in Figure 2 may fluctuate depending on final donor commitments, market conditions, and grant structure.

[1] Actual size is subject to market conditions at time of issuance.

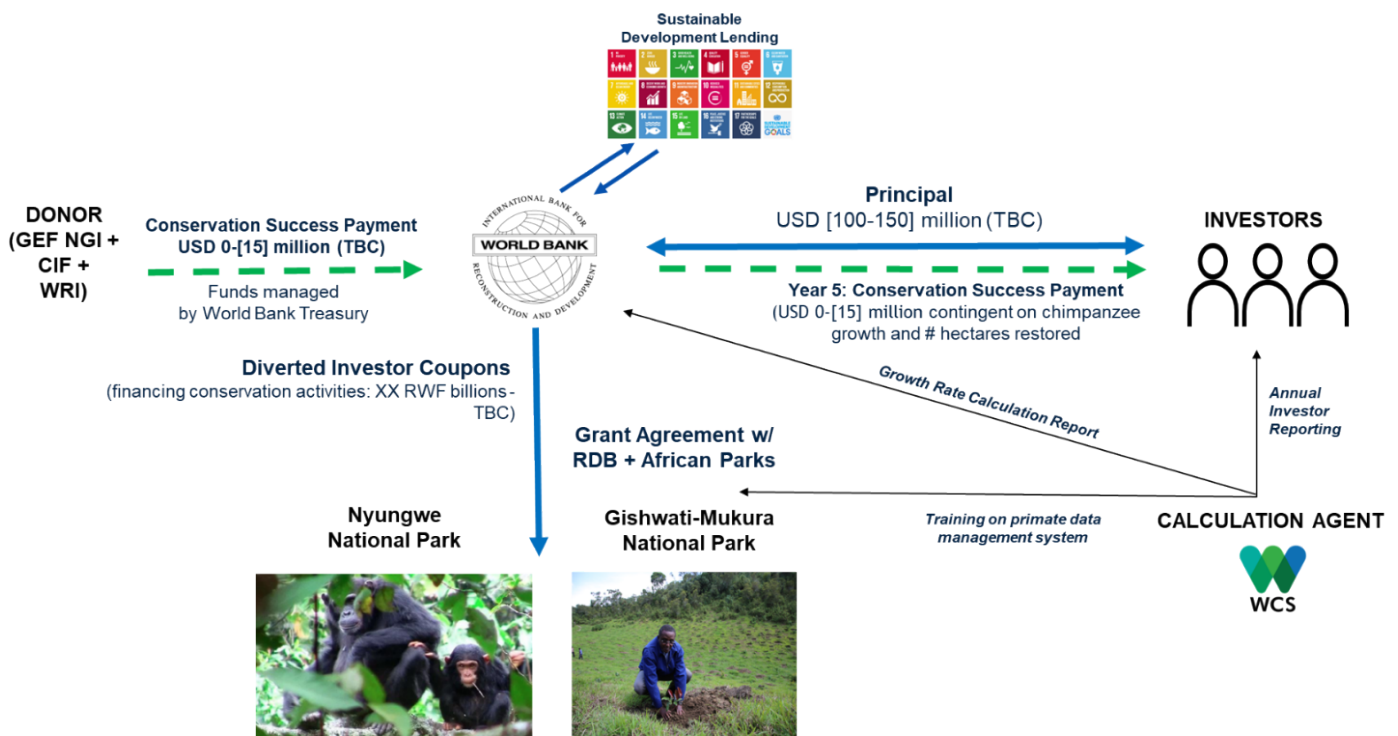


Figure 2 – Rwanda WCB Flow of Funds

2. Timeline: Five years. Project preparation is underway. Project implementation is expected to begin immediately following bond issuance (Q2 2025).

3. M&E System: The M&E system and reporting of the chimpanzee population status and number of hectares restored will trigger conservation success payments to investors based on conservation outcomes achieved in year 5 of the project that are independently calculated. Data and evidence gathered from the field will be submitted to a secure online data management system. The M&E system would provide a verification trail on all data, estimate increases in the chimpanzee population along with number of hectares restored to guide the Conservation Success Payment, and provide an analysis of indicators to inform management decision making. This M&E system and a 3rd party service provider as the calculation agent are important elements of the measurement, reporting, and verification framework for the transaction. GEFNGI, CIF NPC and WRI are the sources of funding for the Conservation Success Payment. The M&E system will enable issuance of partial or full conservation success payment at maturity, subject to the project meeting target outcomes (note partial payment may occur based on degree of project success).

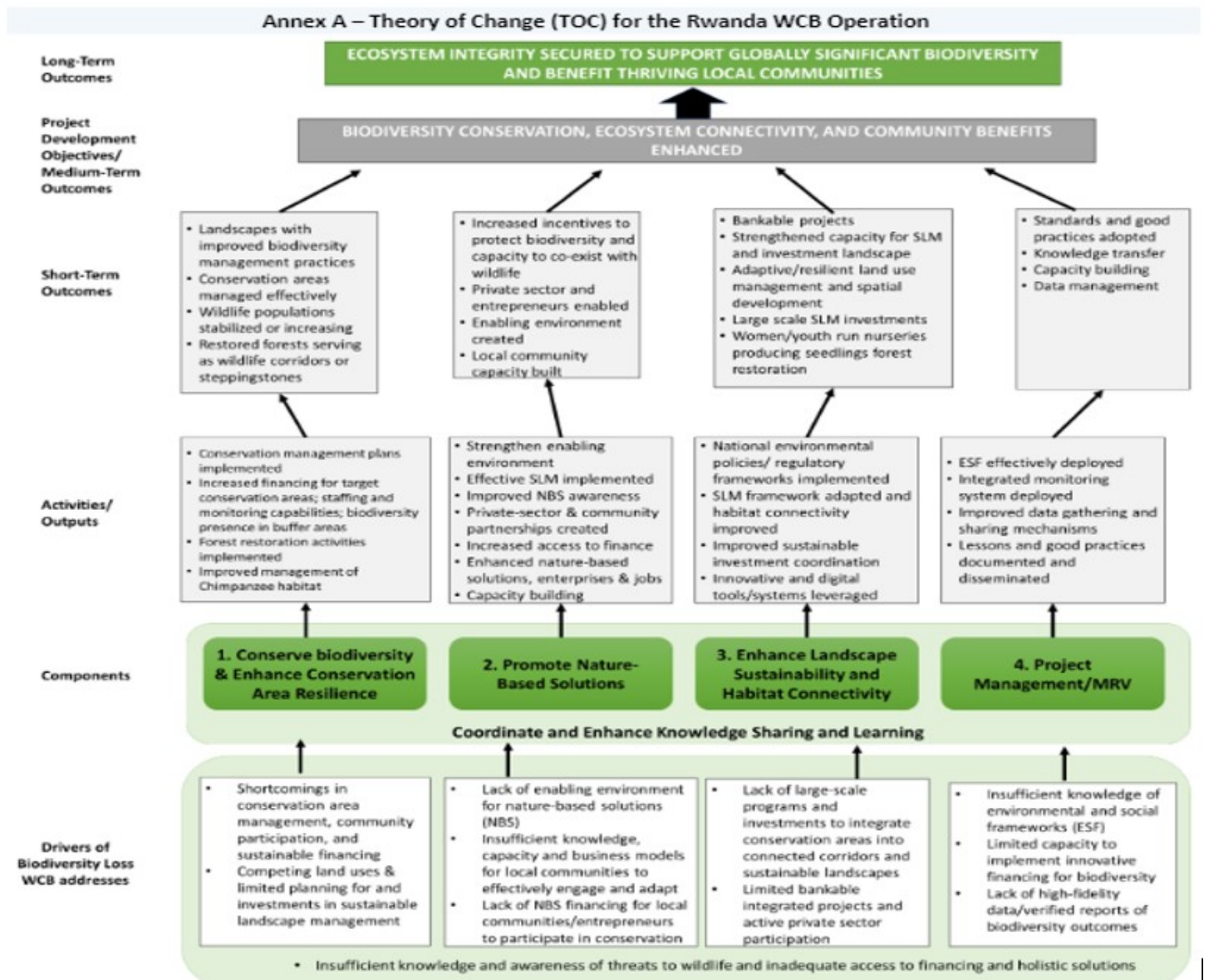
- 4. Third-party calculation agent role (expected to be performed by a conservation organization - WCS) will calculate the wildlife conservation bond KPIs to: i) verify the verification trail of evidence for each individual primate population (Gishwati Mukura and Cyamudongo) or population estimate (Nyungwe) within the site populations and that the data in M&E system is accurate; and ii) review data calculations to ensure accurate reporting of the number of chimpanzees at the beginning and end of the period. The project will leverage high resolution remote sensing data and artificial intelligence as innovative monitoring tools to establish a tree cover baseline and monitor and validate tree regrowth in the parks, buffer zones and wider landscape transparently, complementing field level data.

5. The site level monitoring is a continuous process performed the RDB (GMNP), African Parks (NNP), and REMA in areas outside parks (with technical partners) while the independent evaluation observation date for abundance estimation is a single calendar year. The chimpanzee population will be reported annually for Gishwati and Cyamudongo and three times over five years for Nyungwe main park area. For each independent evaluation observation date, the site must provide data collected on

chimpanzee nests, direct sightings, camera trapping data, or line transect sampling. The methodology used, data, and systems will be detailed in agreed upon procedures that set out the population growth rate calculation criteria. The calculation agent will review the evidence files for chimpanzees. The M&E system has applicability beyond the WCB project, as it will help test an innovative M&E system for high-fidelity monitoring and calculation of chimpanzee population, number of hectares restored, and livelihood benefits in target sites. This tool can be scaled to other great ape sites and for monitoring of other threatened species.

6. A criteria document will be developed during project preparation to detail how the KPI will be measured. It will put in place the methodology, systems, and tools for calculating and reporting on biodiversity, beneficiary, and ecosystem indicators. With support of a USAID externally funded output (EFO) grant, Wildlife Conservation Society has been contracted to develop this criteria document following a consultative approach. This will form the monitoring, reporting and verification (MRV) systems and data for the Rwanda Wildlife Conservation Bond (WCB). It is an integral part of the RWCB, because it is based on this metric and these systems that the bond be registered, and capital will flow to conservation efforts in Nyungwe and Gishwati-Mukura National Parks. The methodology, systems, and tools will be scientifically sound and adopted by project stakeholders, including the Rwanda Development Board (RDB) who oversee management of protected areas on behalf of the government of Rwanda, REMA, the World Bank, investors, protected area managers, and the scientific community. A participatory approach will be used to develop the document, to draw on skills and experiences of experts inside and outside of project team, and to validate the methodology developed.

The following Theory of Change informs the components of the project:



TOC critical assumptions and causal linkages:[1]

Local and national government entities will maintain an ongoing commitment to support the biodiversity conservation, ecosystem connectivity, and community benefits components of this program.

Local and national government policies enable private sector investments and market incentives encourage investor participation in nature-based solutions.

Investors and stakeholders value and mobilize resources to support the role of biodiversity conservation and its impacts globally on issues such as climate, resources, economic stability.

Local communities recognize economic, social, and ecological opportunities/ benefits derived from operation.

There are no major economic, health, or climatic disturbances that prevent the project's activities/outputs.

Stakeholders acknowledge the importance of restoration efforts that emphasize the interconnectedness of neighboring ecosystems.

[1] Project success will be determined based on sub scores in biodiversity (measured by chimpanzee growth data), habitat (measured by hectares restored), and improved management of chimpanzee habitat. Final score will be sum of the three sub scores and a scaled payment using funds from all outcome payers.

TOC causal linkages:

If conservation management plans are implemented, increased financing is mobilized for target conservation areas, and staffing and monitoring capabilities are also increased then conservation areas will be managed effectively and endemic biodiversity, including the target chimpanzee population, will stabilize or increase.

If buffer zone restoration and resilience measures are effectively implemented (including native tree planting, removal of invasive species, mitigation of wildlife crop foraging, etc.) then conservation areas and endemic biodiversity, including the target chimpanzee population, will stabilize or increase.

If enabling environment is strengthened, NBS awareness improved, and access to finance is increased, then private sector and local community partnerships will be created, capacity will be built, and enhanced NGS will be implemented by enterprises and communities.

If local communities are effectively engaged in capacity building and business model development for NBS, there will be broader adoption of NBS practices and scale up of market investment in NBS, resulting over time in more sustainable landscapes

If sustainable landscape management policies are implemented with use of innovative systems and large scale SLM investments are effectively coordinated to incentivize the adoption of SLM and to build habitat connectivity, then landscapes will be managed more sustainably, and habitat connectivity will be restored between the conservation areas

If national regulatory frameworks are enhanced, SLM investments leveraged and private sector is effectively engaged, then local development of bankable SLM projects will be stimulated and broader SLM investments will be unlocked.

If strategies to increase management and capacity of ESF instruments and data and knowledge management are effectively deployed, then standards, knowledge, and data adoption and management will strengthen project management and MRV capabilities.

Key Risks

	Rating	Explanation of risk and mitigation measures
CONTEXT		
Climate	Low	The Rwanda wildlife conservation Bond project would focus on activities within the GMNP and the Nyungwe National Park (NNP) together with its remnant forest that has a viable chimp population, Cyamudongo forest, and buffer zones. Project funding and investments would secure these forests from further degradation and conserve the critically endangered primate populations. Focus would be on supporting RDB park teams in GMNP, African Parks in NNP, and REMA for outside the park activities and national coordination. The project will protect wildlife habitats, generate jobs, and strengthen resilience through ecosystem restoration with enhanced conservation area management and support for local communities to engage in ecosystem restoration efforts. The project will support an evidence-based and adaptive management approach that uses data-supported interventions to dynamically respond to changes in performance risks. The project has positive impacts in relation to climate change mitigation and adaptation outcomes.
Environmental and Social	Substantial	RDB is building experience with the Environmental and Social Framework instruments across other World Bank projects and working with partners to design and deploy procedures for supervision and subproject preparation. The project is expected to have positive economic and social impacts, and does not include any resettlement activities. Lessons learned from other World Bank projects implemented by GoR and other donor supported projects will be applied to support the most vulnerable community members. ESF related risks will be mitigated through the application of the Bank's environmental and social standards and procedures. The Bank's environment and social teams will continuously monitor compliance with the standards and procedures and propose measures to address any shortcomings. Grievance redress measures will be established to ensure that project affected people are able to bring complaints to the project teams, and an incident reporting system will be implemented to identify and mitigate Occupational Health and Safety (OHS) and community health and safety risks. Good practices from the SA WCB project will be applied along with emerging lessons learned from other projects in the region, including from Tanzania.
Political and Governance	Moderate	The project will require strong coordination by RDB and AP with district teams. Strong local leadership is needed to drive implementation and ensure maximum contribution to project objectives and outcomes. To mitigate these risks the project will create a Steering Committee that includes RDB, AP, RGF, and other key agencies. It will also support regular coordination

		meetings between all the project's executing agencies and other key stakeholders.
INNOVATION		
Institutional and Policy	Moderate	Rwanda is committed to protect biodiversity, strengthening its climate resilience, better manage natural resources, and ensure local communities, especially the most vulnerable in society, benefit from nature and resilience investments. The project will leverage the processes and analytical work underway by the VCRP, GEF-8, and at national level under the SLM framework, the recently approved national Climate and Nature Finance Strategy, and be an anchor for the programmatic approach for green growth and climate resilience across the Congo-Nile Divide.
Technological	Moderate	The catastrophic events of May 2023 alone resulted in 131 deaths and economic losses estimated at US\$193.32 million, with a projected 0.4 percentage point dip in GDP growth. Over 80% of Rwanda's disaster impacts are climate-related, with significant losses in lives, housing, and crops recorded between 2015 and 2022. Significant areas of Rwanda's landscapes are under some sort of terraces and limited agroforestry practices. This project builds on the successful LAFREC GEF-5 investments that demonstrated landscape management for enhanced environmental services and climate resilience in a priority landscape. Further, LAFREC provided important input and technical insights into the design and current implementation of the VCRP. The Rwanda WCB project design reflects Rwanda's successful approach to engaging with local leadership and communities to implement ecosystem restoration activities. The Bank, government, and African Parks teams have worked closely together during project preparation to identify risks of technical design approach and integrate mitigation measures. Ecosystem restoration and biodiversity conservation is a priority for the GoR due to its topography and negative climate impacts the country has already dealt with in recent years and importance of nature-based tourism for the national economy and job creation.
Financial and Business Model	Moderate	While the Covid-19 pandemic had a severe impact on economic activity in 2020 and 2021, economic activity returned to normal levels in 2022 and 2023. Rwanda managed its macroeconomy relatively well in the decade prior to the pandemic and has a comprehensive agenda under NST-II. The project does not require counterpart funding, and the risk that macroeconomic instability will directly affect the operation through price changes is moderate.
EXECUTION		
Capacity	Moderate	The project will be executed by RDB and AP. RDB has current and prior experiences implementing World Bank-financed projects. Coordination between RDB, AP, and other GoR agencies who have a mandate for aspects of nature conservation and ecosystem restoration, including REMA, RFA, RWB, and other agencies all of which provide technical support in strategic

		<p>areas, may be a challenge. To mitigate these risks, the Bank will implement WCB in close collaboration with the VCRP, CIF, GEF-8 technical teams and other priority investments in the country. RDB's park team in Gishwati-Mukura will play a key role collaborating with AP, and the Bank team will offer technical assistance and capacity building support on key aspects of project implementation. Clearly defined roles and responsibilities will be established and actively coordinated by a steering committee to provide a platform for regular coordination and collaboration. Tailor-made capacity building will be provided for communities prior and during the project implementation. In coordination with the relevant implementing institutions, the necessary coordination platforms at community level will be established to ensure ownership and sustainability. Experience from other GEF-implemented projects in Rwanda, VCRP, and South Africa (WCB) will also be considered.</p>
Fiduciary	Substantial	<p>A Financial Management (FM) assessment will be conducted for RDB and African Parks following the World Bank's policy and directive for IPF. The objective of the assessment is to ensure that the arrangements and systems in place provide reasonable assurance that resources are used for intended purposes and will cover key FM arrangements of budgeting, accounting, internal control, fund flow, financial reporting, and external audit. While African Parks is new for implementing Bank projects, RDB has experience in managing Bank financed operations and have built capacity through the Single Project Implementation Units (SPIU). The project will be guided by an Annual Work Plan and budget (AWPB) to be prepared annually and approved by the Bank. Existing accounting system, IFMIS will be used at RDB. Regular financial reports and annual audit reports will be submitted to the Bank. The fund flow arrangement for the trust funds (GEF and CIF) will be detailed out in the Disbursement and Financial Information Letter (DFIL) whereas the fund flow from bond foregone coupon payments will be reflected in the transfer agreement between IBRD and the implementing entities. WRI will have an agreement directly with WB Treasury and those funds will only be used to pay investors a conservation success payment if project targets are achieved. At the time of Concept, the FM risk of the project is substantial. Detail arrangements will be clarified during project preparation and measures will be put in place to mitigate identified fiduciary risks. Key part of this risk is that bond issuance is subject to market conditions and a pricing exercise which increase risk project funding is not secured.</p>
Stakeholder	Moderate	<p>Local communities need to be appropriately consulted and engaged across project activities. All activities must be coordinated as an integrated landscape management approach. The GoR and AP will continue to consult with local communities that may be affected by the project during project preparation and implementation to ensure support for project activities and the broader ecosystem restoration agenda.</p>

Other	Moderate	Macroeconomic While the Covid-19 pandemic had a severe impact on economic activity in 2020 and 2021, economic activity returned to normal levels in 2022 and 2023. Rwanda managed its macroeconomy relatively well in the decade prior to the pandemic and has a comprehensive agenda under NST-II. The project does not require counterpart funding, and the risk that macroeconomic instability will directly affect the operation through price changes is moderate.
Overall Risk Rating	Substantial	The overall risk rating of the project is substantial. The substantial social risks for the project, along with fiduciary risks which relate to testing new financial funding model which are expected to be lowered once project is into implementation stage, are the main reasons project has substantial risk rating.

A. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES

Describe how the proposed interventions are aligned with GEF- 8 programming strategies and country and regional priorities, including how these country strategies and plans relate to the multilateral environmental agreements.

Confirm if any country policies that might contradict with intended outcomes of the project have been identified, and how the project will address this.

For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), please identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and explain how. (max. 500 words, approximately 1 page)

The project is aligned to Rwanda’s NBSAP, NDC, and the Climate and Nature Finance Strategy. It supports two of its national parks, and addresses priority threats to biodiversity (including human wildlife conflict, alien invasive species in terrestrial ecosystems, poaching, boundary encroachment, etc.). It mobilizes additional funding for conservation without adding to sovereign debt stock. The proposed project aligns with the GEF-8 Biodiversity Focal Area Goal to improve conservation, sustainable use, and restoration of globally significant biodiversity and natural ecosystems. In particular the project will focus on improving the government of Rwanda’s capacity to manage the target National Parks and secure these forests from further degradation and conserve the critically endangered primate populations. In addition, implementation of Rwanda’s sustainable landscape management framework. Focus would be on supporting Rwanda Development Board park teams in GMNP and African Parks in NNP, to ensure effective management and infrastructure development – including law enforcement and investments into community livelihood development of those communities directly adjacent the parks to mitigate anthropogenic impacts.

The project also aligns with the GEF-8 Programming Direction of increasing and enhancing the impact of GEF Blended Finance Global Program, by adapting the successful experience of the Rhino bond to the Rwanda Chimpanzee context, and in addition leveraging additional outcome payer investors such as the CIF, WRI, and GBFF.

It will support Rwanda’s contributions to Global Biodiversity Framework (GBF) targets include:

GBF Target

PIF contributions

Target 1 Fragmentation of forest habitats remains a major driver of biodiversity loss, requiring a landscape management approach to reduce the threats.

Target 2 Forest restoration efforts help increase biodiversity, store carbon, and support wildlife populations and further supports ecosystem services and sustainable livelihoods.

Target 3 Effectively managed protected areas are anchors for biodiversity conservation and provide an anchor for sustainable landscape management efforts, deliver livelihoods to local communities.

- Target 4 Forest conservation and ecosystem restoration is essential to threatened species as more than 74% of vulnerable, endangered, and critically endangered species occur in forests. These species have declined primarily as a result of forest habitat loss coupled with exploitation.
- Target 6 Invasive species are a major cause of biodiversity loss and cause negative impacts in forests by damaging forests through competition and diseases.
- Target 8 Extensive forests are resilient to climate change, maintain carbon, and support greater biodiversity than poorly managed forests. Forests offer nature-based solutions to mitigate climate change risks, including flooding.
- Target 9 Biodiversity poor forests are often a result of over-exploitation.
- Target 10 Forest products are essential to livelihoods, especially for the poorest in society. Sustainable forest management at the landscape scale is key to maintaining forest cover and biodiversity.
- Target 11 Forests provide multiple ecosystem services to humans including water, food, medicine, forest products, pollination, erosion and flood protections, and climate change mitigation.
- Target 14 Impacts of development on forests is high and can often be mitigated through better planning.
- Target 19 Global biodiversity finance gap is over \$700 billion annually, especially a challenge for low income countries in debt distress. Unlocking additional financial instruments, especially that shift risks from limited public resources to institutional investors and high-networth individuals can increase funding to conservation in global south.
- Target 20 Building capacity and use of enhanced tools and innovative technologies can promote more effective management of forests and promote biodiversity conservation.
- Target 21 Increased monitoring and evaluations, including with technology enabled tools that provide cost-effective solutions, can support effective forest management.
- Target 22 Local communities are key to conserve protected areas and forest systems.
- Target 23 Increasing women's participation in conservation area management can increase efforts to preserve forests and promote health and economic outcomes for communities.

B. POLICY REQUIREMENTS

Rwanda has embedded climate change and environmental priorities into its national development policy agenda, aligning with the Paris Agreement, Convention on Biological Diversity, the 2030 Agenda for Sustainable Development, Africa Agenda 2063, and other global and regional commitments. Rwanda's Vision 2050 sets ambitious goals for the country to become a middle-income economy by 2035 and a climate-resilient, carbon-neutral high-income economy by 2050. The National Strategy for Transformation (NST-1) and NST-2 align with the Sustainable Development Goals and prioritise climate change and the environment across sectors. This approach is reflected in the annual national budget, focusing on economic recovery, climate change mitigation and adaptation, and productive sector enhancement. The 2023 National Investment Policy (NIP) supports the implementation of NST-2 and aligns with Vision 2050, updated Nationally Determined Contributions (NDCs), the revised Green Growth and Climate Resilience Strategy (GGCRS), and National Biodiversity Strategy and Action Plan (NBSAP) - integrating environmental, social, and governance considerations. The revised GGCRS provides the framework for achieving carbon neutrality and climate resilience through mitigation, adaptation, and green growth initiatives by 2050, and is underpinned by the policy imperatives set out in the National Environment and Climate Change Policy (NECCP).

B. POLICY REQUIREMENTS

Gender Equality and Women's Empowerment:

We confirm that gender dimensions relevant to the project have been addressed as per GEF Policy and are clearly articulated in the Project Description (Section B).

Yes

Stakeholder Engagement

We confirm that key stakeholders were consulted during PIF development as required per GEF policy, their relevant roles to project outcomes and plan to develop a Stakeholder Engagement Plan before CEO endorsement has been clearly articulated in the Project Description (Section B).

Yes

Were the following stakeholders consulted during project identification phase:

Indigenous Peoples and Local Communities: Yes

Civil Society Organizations: Yes

Private Sector: Yes

Provide a brief summary and list of names and dates of consultations

Key national stakeholders were also consulted during a one-day workshop on February 13, 2024, that aimed at to advance technical and project preparation efforts for various nature and climate engagements, including this project, the Climate Investment Funds (CIF) Nature, People and Climate program and Global Environment Facility (GEF-8) funding the project for ecosystem-based restoration approach for Nyungwe- Kaduha- Gitwe- Ruhango Corridor that belongs to the same ecoregion within the Rwandan side of the Albertine Rift. The Rwanda WCB was introduced to 56 participants of the workshop in an interactive session. Participants included representatives of state institutions, intervention Districts, civil society organizations, private sector and development partners. The list of participants in featured in Annex 1 of this SEP. The WCB stirred a lot of interested who recognized the benefits, with an interest of the maturity timeframe and recognized potential synergies for foreign and domestic investment. The WCB concept was also presented to various Government of Rwanda agency representatives, development partners, and other stakeholders during in-person in Kigali and at the national parks during virtual meetings in October 2022, February 2023, September 2023, and in February 2024.

Location	Consultation Date	Stakeholders
Kigali	September 21, 2023	MINECOFIN
Kigali	February 7, 2023	MINECOFIN, Rwanda Green Fund, REMA, MoE, IMF; RDB; BRD; EIB; KfW; SIDA; USAID; AFD; FCDO; EU; UNDP; Potomac Group
Gishwati Mukura National Park	September 30, 2023	RDB; Forest of Hope Association (FHA); Ibere ry'abigogwe; Association Rwandaise des Ecologistes (ARECO)
Kigali	October 6, 2023	Albertine Rift Conservation Society (ARCOS)
Nyungwe National Park and Gishwati Mukura National Park	February 10, 2024	African Parks; RDB
Kigali	February 13, 2024	Bank of Kigali; WRI; IFC; WB; EU; IUCN; Private Sector Federation; USAID; Rwanda Water Resources Board; Kinazi Cassava Plant Ltd.; MINECOFIN; Ruhango District; Nyamagabe District; Nyanza District; CNFA-Hinga Wunguke; REMA; GIZ; Rwanda Finace Ltd. RMB; RFL; Pegasys; CIF; RGF; MINEMA;

		African Development Bank; GEFSEC; EPA
Kigali	November 14, 2024	Various GoR agencies, development partners, academia, non-governmental organizations, and private sector.

(Please upload to the portal documents tab any stakeholder engagement plan or assessments that have been done during the PIF development phase.)

Private Sector

Will there be private sector engagement in the project?

Yes

And if so, has its role been described and justified in the section B project description?

Yes

Environmental and Social Safeguard (ESS) Risks

We confirm that we have provided indicative information regarding Environmental and Social risks associated with the proposed project or program and any measures to address such risks and impacts (this information should be presented in Annex D).

Yes

Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE
High or Substantial			

C. OTHER REQUIREMENTS

Knowledge management

We confirm that an approach to Knowledge Management and Learning has been clearly described in the Project Description (Section B)

Yes

ANNEX A: FINANCING TABLES

GEF Financing Table

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

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	GEF Project Grant(\$)	Agency Fee(\$)	Total GEF Financing (\$)
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World Bank	GET	Rwanda	Biodiversity	NGI	Non-Grant	9,000,000.00	855,000.00	9,855,000.00
Total GEF Resources (\$)						9,000,000.00	855,000.00	9,855,000.00

Project Preparation Grant (PPG)

Is Project Preparation Grant requested?

false

PPG Amount (\$)

PPG Agency Fee (\$)

GEF Agency	Trust Fund	Country/ Regional / Global	Focal Area	Programming of Funds	PPG(\$)	Agency Fee(\$)	Total PPG Funding(\$)
Total PPG Amount (\$)					0.00	0.00	0.00

Please provide justification

Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total(\$)
Total GEF Resources					0.00

Indicative Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing(\$)	Co-financing(\$)
BD-1-1	GET	9,000,000.00	154,100,000.00
Total Project Cost		9,000,000.00	154,100,000.00

Indicative Co-financing

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
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Others	Climate Investment Fund (CIF)	Grant	Investment mobilized	2,000,000.00
Donor Agency	USAID	Grant	Investment mobilized	500,000.00
Private Sector	Private Investors	Equity	Investment mobilized	100,000,000.00
Private Sector	Private Investors	Equity	Investment mobilized	9,000,000.00
Others	World Resources Institute (WRI)	Equity	Investment mobilized	3,600,000.00
Others	Green Climate Fund (GCF)	Grant	Investment mobilized	39,000,000.00
Total Co-financing				154,100,000.00

Describe how any "Investment Mobilized" was identified

The WCB leverages the World Bank's Aaa/AAA rated balance sheet to provide a principal protected product to investors, while raising funds for conservation. The World Bank will issue a [US\$100-US\$150 million] bond and use proceeds for its sustainable development (SDG) investments. Bond investors forego bond coupon payments [US\$9 million], which are used to fund chimpanzee conservation management in the parks, local community benefits, and hectares restored. At the conclusion of the project, if the primate populations within the parks have increased and hectares restored, GEF NCI funds (along with WRI, CIF) are used to pay bond holders a conservation success payment of up to [US \$15 million]. CIF NPC, and WRI will serve as additional outcome payers for this operation. Net present value (NPV) of foregone coupon payments is estimated at [US\$9 million]. USAID investment of \$500,000 supports operation and has been mobilized, and WCS has been contracted as the calculation agent.

ANNEX B: ENDORSEMENTS

GEF Agency(ies) Certification

GEF Agency Type	Name	Date	Project Contact Person	Phone	Email
GEF Agency Coordinator	Elif Kiratli				ekiratli@worldbank.org
Project Coordinator	Elisson Wright				ewright1@worldbank.org

Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):

Name	Position	Ministry	Date (MM/DD/YYYY)
Juliet Kabera	Director General	Rwanda Environment Management Authority	2/28/2024

NGIs do not require a Letter of Endorsement if beneficiaries are: i) exclusively private sector actors, or ii) public sector entities in more than one country. However, for NCI projects please confirm that the agency has informed the OFP of the project to be submitted for Council Approval

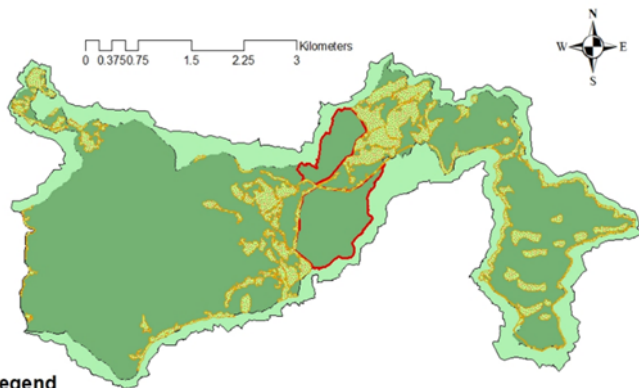
Yes

ANNEX C: PROJECT LOCATION

Please provide geo-referenced information and map where the project interventions will take place

Geographical coordinates

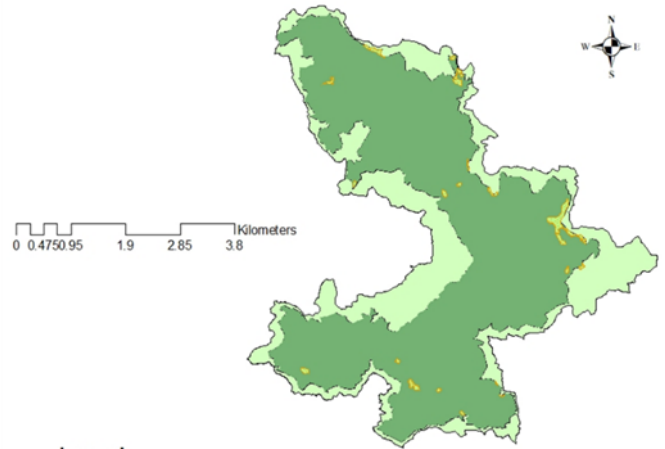
Gishwati



Legend

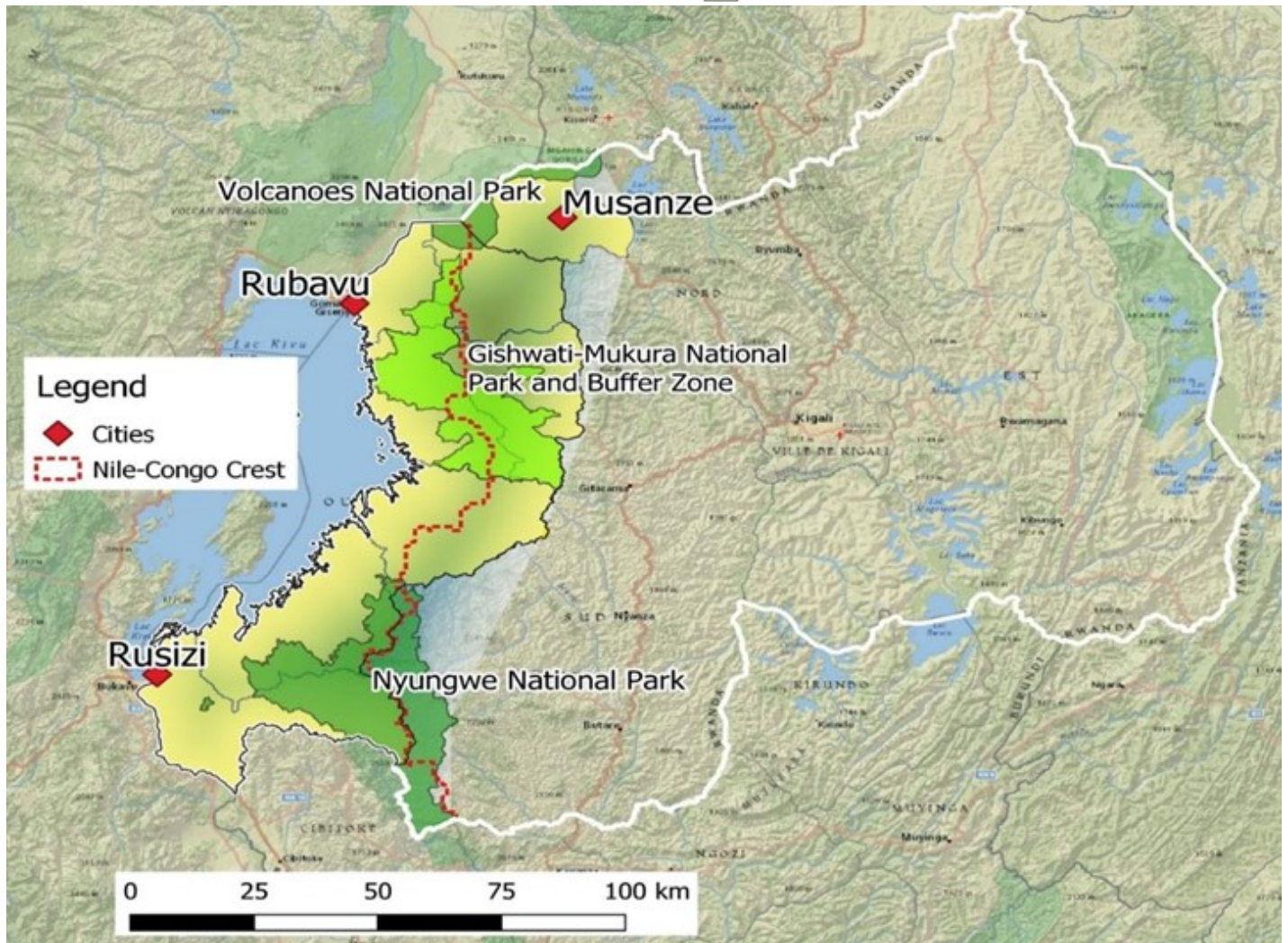
- Area Covered by Exotic Plant Species (242.8 Hectares) to be Removed from Gishwati Forest
- Expropriation Area (151 Hectares) to be planted by using Native Trees
- Gishwati_Forest_Core-Zone
- Buffer Zone_Gishwati

Mukura



Legend

- Area Covered by Exotic Plants (21.6 Hectares) to be Removed from Mukura
- Mukura Forest_Core_Zone
- Buffer Zone Mukura



Name	Hectares	Long (in DD)	Lat (in DD)
Nyungwe National Park	10186229.287578625054E	2.532176320381S	
Gishwati-Mukura National Park	320429.524307157349E	2.001340305910S	

ANNEX D: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING

(PIF level) Attach agency safeguard screen form including rating of risk types and overall risk rating.

Title

Concept Environmental and Social Review Summary (ESRS)

ANNEX E: RIO MARKERS

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Land Degradation
No Contribution 0	Significant Objective 1	Principal Objective 2	Principal Objective 2

ANNEX F: TAXONOMY WORKSHEET

Rwanda Chimpanzee Bond Taxonomy

1. Focal Areas

a. Biodiversity

i. Protected Areas and Landscapes

1. Productive Landscapes
2. Terrestrial Protected Areas
3. Community Based Natural Resource Mngt

ii. Financial and Accounting

1. Conservation Finance

iii. Mainstreaming

1. Tourism

iv. Species

1. Illegal Wildlife Trade
2. Threatened Species

2. Influencing models

- a. Demonstrate innovative approaches
- b. Deploy innovative financial instruments

3. Stakeholders

- a. Type of Engagement
 - i. Consultation
 - ii. Information Dissemination
 - iii. Participation
 - iv. Partnership
- b. Beneficiaries
 - i. Civil Society
 - 1. Community Based Organization
 - 2. Non-Governmental Organization
 - ii. Communications
 - 1. Behavior change
 - 2. Awareness Raising
 - 3. Public Campaigns
 - 4. Strategic Communications
 - iii. Private Sector
 - 1. Capital providers
 - 2. Non-Grant Pilot
 - 3. Project Reflow
 - iv. Local Communities

4. Gender Equality

- a. Gender results areas
 - i. Capacity Development
 - ii. Knowledge Generation
 - iii. Participation and leadership
- b. Gender Mainstreaming
 - i. Sex-disaggregated indicators

5. Capacity, Knowledge and Research

- a. Knowledge generation
 - i. Workshop
- b. Capacity Development
 - i. Learning
 - 1. Indicators to measure change
 - 2. Theory of change
 - 3. Adaptive management
- c. Innovation

ANNEX G: NGI RELEVANT ANNEXES

Please use the most up to date templates per the most recent call for proposals.

Annex G.1: Template for Indicative Financial Termsheet

Instructions. This termsheet to be submitted with the PIF/PFD should include sufficient details to allow a financial expert to understand and judge the financial viability of the proposed investments. Indicative terms and conditions should be used when specific details are not yet available. An equivalent termsheet used for internal Agency purposes is acceptable but must include sections on Currency Risk, Co-financing Ratio and Financial Additionality.

Project/Program Title	Rwanda: Wildlife Conservation Bond
Project/Program Number	P505213
Project/Program Objective	Protect endangered chimpanzee populations and restore ecosystems in target conservation areas in Rwanda. [1] ²
Country [ies]	Rwanda
GEF Agency presenting the Project	The World Bank
Project Financing	<ul style="list-style-type: none"> A. World Bank Outcome Bond issuance: USD [100-150] million B. NPV of foregone bond coupon payments: USD [9.0] million [2]³ C. CIF: USD 2 million D. USAID: USD 0.5 million E. WRI: USD 3.6 million

	Total Project Financing: USD [115.10 – 165.10] million
Currency of the Financing	USD
Currency risk	RWCB is planned as a USD issuance. On the execution date of the bonds, the World Bank will enter into a swap contract with an approved counterparty.
Co-financing ratio	For the overall transaction, every GEF 1 USD mobilizes approx. USD [8.36 – 12.00] from the co-financing of the World Bank outcome bond.
Financial additionality and minimum concessionally of GEF resources	<p>The proposed Rwanda Wildlife Conservation Bond transaction uses an innovative outcome bond model for conservation financing that was first tested in the GEF supported South Africa Wildlife Conservation Bond. This outcome bond will allow capital market investors to support a sector not historically considered for debt instruments, and bring this financial innovation for an IDA country which will be a significant development in the market.</p> <p>Under the indicative proposed structure bond investors will forego a portion of the bond coupon payments that they would otherwise receive on a regular World Bank bond (PV of foregone coupons being no less than [USD 9.0 m]) to fund biodiversity and ecosystem conservation activities. The GEF funds will allow for a contingent success payment to be provided to the bond investors at bond maturity, in lieu of the foregone investor coupons, proportionate to the verified achievements in biodiversity and ecosystem outcomes. Payment by GEF, CIF, and WRI would only be made if there are verified and assured achievements in target outcomes.</p>
Use of proceeds	<p>Bond proceeds [USD 100 – 150 million]: World Bank Treasury will issue an outcome bond and retain the proceeds to use for the Bank’s general sustainable development (SDG) purposes, as with all other World Bank bonds.</p> <p>Conservation Investment Payments [USD 9.0 million^{[3]⁴]: Bond investors will forego some of the bond coupon payments that they would otherwise receive on a regular World Bank bond (approx. [USD9m]) to fund wildlife and ecosystem conservation activities. The conservation investment payments will be paid to the project executing agencies (Rwanda Development Board and African Parks) to support: investments in site-based biodiversity conservation (component 1), promotion of nature-based solutions (component 2), enhance landscape sustainability and habitat connectivity (component 3), and project management and M&E support (component 4 – MRV costs paid by USAID EFO and WCB foregone coupons) to execute project activities effectively and efficiently, including the environmental and social framework (ESF).}</p>
Financing instruments requested from the GEF TF (other than grants)	Contingent success payment (grant) made only upon the verified improvements in biodiversity and ecosystem conservation outcomes by maturity of the bond.
Financing requested from the GEFTF in the form of Grant for Technical Assistance	

Bond Terms and Conditions	<p>For the proposed Rwanda: Wildlife Conservation Bond:</p> <p>(a) <u>Issuer</u>: IBRD</p> <p>(b) <u>Bond principal amount</u>: \$[100-150] million</p> <p>(c) <u>Maturity Tenor</u>: [5 years]</p> <p>(d) <u>Bond coupon</u>: [%] fixed per annum</p> <p>(e) <u>Principal repayment</u>: 100% of bond principal</p> <p>(f) <u>Contingent Success Payment</u>: up to [\$15] million, paid at maturity, subject to the project meeting target outcomes (can be partial payment based on degree of project success).</p>
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[1] Project components support Rwanda’s biodiversity and sustainable landscape management objectives, ecosystem restoration, and use of nature-based solutions which are supported by this operation.

[2] Investors forego a portion of the regular WB coupon.

[3] GEF NGI financing is considered a floor level to mobilize optimal conservation investment payments. The conservation investment payments are subject to market conditions and changes in (among other factors): interest rates, final project budgeted project cashflow requirements, and bond pricing exercise.

Annex G.2: Reflows table

Instructions. Any financial returns, gains, interest or other earnings and remaining principal will be transferred to the GEF Trust Fund as noted in the Guidelines on the Project and Program Cycle Policy. and the GEF Non-Grant Instrument Policy.

Item Data	Item Data
GEF Project Number	11514
Estimated Agency Board approval date	[March 2025]
Investment type description	Bond, Contingent success payment
Expected date for start of investment	[June 2025]
Baseline observation date	[December 2024]
Final observation date	[December 2029][1] ⁵
Amount of investment (USD GEF funds)	USD 9.0 million
Maturity	N/A
First repayment year	May 2030 (only if biodiversity and ecosystem targets are not achieved)
Final repayment year	N/A
Repayment method description	GEF funds will be deployed as a contingent success payment (grant) and will only be used, fully or partially, if the biodiversity and ecosystem success targets are achieved at the close of the 5-year project.
Frequency of reflow payments	One time at year 5 of the project

Estimated reflow schedule	GEF resources will be paid, fully or partially, in year 5 (a single success payment) if biodiversity and ecosystem targets are achieved after five years. GEF resources will be paid out proportionally depending on level of success up to the total GEF funding amount of USD 9.0 million.
Total principal amount to be paid-reflowed to the GEF Trust Fund	Between 0 and USD 9.0 million based on biodiversity and ecosystem targets
Total interest/earnings amount to be paid-reflowed to the GEF Trust Fund	N/A
Total reflows to the GEF Trust Fund (Sum A + B) in whole USD	Between 0 and USD 9.0 million based on biodiversity and ecosystem targets

[1] Project success will be determined based on sub scores in biodiversity (measured by chimpanzee growth data), habitat (measured by hectares restored), and improved management of chimpanzee habitat. Final score will be sum of the three sub scores and a scaled payment using funds from all outcome payers.

Annex G.3: GEF Agency Eligibility to Administer Concessional Finance

The GEF Agency submitting the PIF or PFD will demonstrate its capacity and eligibility to administer NGI resources as noted in the NGI Policy, summarized below:

The GEF Agency submitting the PIF or PFD will demonstrate its capacity and eligibility to administer NGI resources as described below:

1. A GEF Agency is eligible to administer projects using non-grant instruments if it can demonstrate the following:

a) Ability to monitor compliance with non-grant instrument repayment terms;

The World Bank Group Financing and Accounting Trust Funds and Loan Operations department supports an appropriate fiduciary control framework for Bank lending and donor funds. It performs several key financial operation activities related to: loan origination, compliance, disbursements, accounting, and analytics for IBRD/IDA and Trust Funds. The department consists of WFA Client Services (WFACS) and WFA Corporate Services and Accounting Support (WFAAS). WFACS provides client services and related loan operation support to internal and external clients. WFACS provides services related to loan origination and disbursement, advisory and clearance support for project preparation and implementation, project-level fiduciary and loan portfolio management, and regional and country level loan operations activities. WFAAS supports both WBG Trust Funds and Loans portfolios with a range of services that cover: (i) providing advice on the design and implementation of new trust funds and related policies and procedures, and (ii) conducting activities associated with establishment and closure of loans or trust funds, including account creation and maintenance, accounting and reporting, and help desk functions.

b) Capacity to track financial returns (semester billing and receiving) not only within its normal lending operations, but also for transactions across trust funds;

As noted above, the World Bank Group supports an appropriate fiduciary control framework for Bank lending and donor funds. The World Bank Group maintains separate records and ledger accounts in respect of the GEF Funds.

c) Experience and positive track record with the use of non-grant instruments.

The World Bank Group has been operating for more than 75 years and is one of the world's largest sources of funding and knowledge for developing countries. It consists of five institutions with a common commitment to reducing poverty, increasing shared prosperity, and promoting sustainable growth and development. The International Bank for Reconstruction and Development (IBRD) lends to governments of middle-income and creditworthy low-income countries. The International Development Association (IDA) provides financing on highly concessional terms to governments of the poorest countries. The International Finance Corporation (IFC) provides loans, equity, and advisory services to stimulate private sector investment in developing countries. The Multilateral Investment Guarantee Agency (MIGA) provides political risk insurance and credit enhancement for cross-border private sector investors and lenders.

In FY 2022, the World Bank Group committed \$104.37 billion in financing to partner countries. The World Bank (IBRD and IDA) has been extending loans and other non-grant financing to countries since 1946. IBRD's net commitments in FY 2022 totaled \$33.07 billion, all of which were non-grant. IBRD's net loans outstanding totaled \$227.1 billion at the end of FY 2022.

Annex G.4: Management Capacity of Executing Agency and Governance Structure

For projects requesting equity instrument, structured finance, or SPVs please provide following information