Promoting Integrated Landscape Management and Sustainable Food Systems in the Niger Delta Region in Nigeria

Part I: Project Information

Name of Parent Program
Food Systems, Land Use and Restoration (FOLUR) Impact Program

GEF ID
10481

Project Type
FSP

Type of Trust Fund
GET

CBIT/NGI
CBIT **No**
NGI **No**

Project Title
Promoting Integrated Landscape Management and Sustainable Food Systems in the Niger Delta Region in Nigeria

Countries
Nigeria

Agency(ies)
FAO

Other Executing Partner(s)
Federal Ministry of Environment; Federal Ministry of Agriculture and Rural Development; Forestry Research Institute of Nigeria

Executing Partner Type
Government

GEF Focal Area
Multi Focal Area

Taxonomy
Focal Areas, Forest, Forest and Landscape Restoration, REDD - REDD+, Biodiversity, Protected Areas and Landscapes, Productive Landscapes, Mainstreaming, Forestry - Including HCVF and REDD+, Agriculture and agrobiodiversity, Sustainable Development Goals, Climate Change, Climate Change Adaptation, Climate resilience, Innovation, Climate Change Mitigation, Agriculture, Forestry, and Other Land Use, United Nations Framework Convention on Climate Change, Nationally Determined Contribution, Land Degradation, Sustainable Land Management, Restoration and Rehabilitation of Degraded Lands, Sustainable Livelihoods, Improved Soil and Water Management Techniques, Income Generating Activities, Sustainable Agriculture, Integrated and Cross-sectoral approach, Food Security, Land Degradation Neutrality, Land Cover and Land cover change, Land Productivity, Influencing models, Transform policy and regulatory environments, Strengthen institutional capacity and decision-making, Demonstrate innovative approache, Deploy innovative financial instruments, Convene multi-stakeholder alliances, Stakeholders, Civil Society, Academia, Community Based Organization, Non-Governmental Organization, Type of Engagement, Partnership, Consultation, Participation, Information Dissemination, Private Sector, Financial intermediaries and market facilitators, Capital providers, Large corporations, Individuals/Entrepreneurs, SMEs, Beneficiaries, Indigenous Peoples, Communications, Awareness Raising, Education, Strategic Communications, Behavior change, Public Campaigns, Local Communities, Gender Equality, Gender Mainstreaming, Women groups, Sex-disaggregated indicators, Gender-sensitive indicators, Gender results areas, Capacity Development, Access to benefits and services, Access and control over natural resources, Participation and leadership, Knowledge Generation and Exchange, Integrated Programs, Food Systems, Land Use and Restoration, Sustainable Commodity Production, Food Value Chains, Smallholder Farming, Integrated Landscapes, Sustainable Food Systems, Deforestation-free Sourcing, Comprehensive Land Use Planning, Landscape Restoration, Capacity, Knowledge and Research, Learning, Indicators to measure change, Adaptive management, Theory of change, Knowledge Generation, Seminar, Training, Workshop, Knowledge Exchange, Field Visit, Peer-to-Peer, North-South, South-South, Conference

Rio Markers
Climate Change Mitigation
Climate Change Mitigation 2

Climate Change Adaptation
Climate Change Adaptation 1

Submission Date
6/17/2021

Expected Implementation Start
1/1/2022

Expected Completion Date

12/31/2026

Duration

60In Months

Agency Fee($)

481,910.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Focal Area Outcomes	Trust Fund	GEF Amount($)	Co-Fin Amount($)
IP FOLU	Transformation of food systems through sustainable production, reduced deforestation from commodity supply chains, and increased landscape restoration.	GET	5,354,590.00	66,400,000.00
		Total Project Cost($)	**5,354,590.00**	**66,400,000.00**

B. Project description summary

Project Objective

To transform the Niger Delta cocoa and palm oil production systems and landscapes towards sustainability and resilience, delivering multiple environmental and social benefits.

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing ($)	Confirmed Co-Financing($)

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing ($)	Confirmed Co-Financing($)
1. Development of integrated landscape management (ILM) systems	Technical Assistance	Outcome 1.1: Landscapes are managed sustainably through integrated landscape management planning and implementation. *Indicators*: ? Number of ILM plans in place. ? Number of gender-sensitive state and federal government policies, and financing frameworks strengthened. ? At least US$200 million increase in public and private investments in sustainable cocoa-oil palm value chains and restoration. ? 795,200 ha of landscapes covered by ILM plans.	1.1.1: Inclusive, multi-stakeholder platforms (MSPs) for ILM coordination strengthened, gender-sensitive enabling policies developed and sustainability mainstreamed into key investment programs. 1.1.2: Capacities for ILM developed and ILM plans produced. 1.1.3: Integrated land use and investment plans for four (4) priority Local Government Areas (LGAs).	GET	1,024,820.00	10,500,000.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing ($)	Confirmed Co-Financing($)
2. Promoting sustainable and inclusive cocoa and oil palm value chains	Investment	Outcome 2.1: Sustainable, inclusive and resilient cocoa and oil palm value chains and livelihoods. *Indicators*: ? Number of smallholder farmers (disaggregated by gender) supported to acquire registered land titles (Customary Rights of Occupancy). ? Area under sustainable practices. ? Metric tons of CO2e of GHG Emissions mitigated. ? Number of smallholder farmers (at least 30% women) have benefited from trainings on sustainable cocoa, oil palm, and crop and income diversification. ? % increase in number of smallholder	2.1.1: Gender equitable land rights titling supported. 2.1.2: Capacity development program for men and women smallholder farmers and support institutions implemented. 2.1.3: Smallholder farmers and SMEs? access to financial services strengthened. 2.1.4: Diversification of livelihoods promoted, with particular focus on women and youth. 2.1.5: Sustainable landscape sourcing schemes piloted (linking landscapes to markets).	GET	2,364,000.00	35,900,000.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing ($)	Confirmed Co-Financing($)
3. Conservation and restoration of degraded forest ecosystems	Investment	Outcome 3.1: Increased area of forest landscape under restoration *Indicators:* ? Number of people trained and engaged in on-the-ground restoration activities (disaggregated by gender). ? Area of forest landscape under restoration. ? Metric tons of CO2e of GHG Emissions mitigated.	3.1.1: Participatory forest restoration action plans implemented in four (4) priority LGAs. 3.1.2: Capacities strengthened and participatory forest restoration action plans implemented. 3.1.3: Strategy for sustainable financing of forest landscape restoration developed and implemented.	GET	982,400.00	15,000,000.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing ($)	Confirmed Co-Financing($)
4. Knowledge management and M&E	Technical Assistance	Outcome 4.1: Effective knowledge management and M&E supporting scale-up and impact at state, national and global level. *Indicators*: ? Number of project counterparts participating in FOLUR global and regional learning events. ? Knowledge, communication products and tools, shared with FOLUR Global Platform, regional and national platforms. ? Number of organizations and people reached by information dissemination and knowledge exchange ? Project M&E system operational - with protocols for collection	4.1.1: Knowledge management and communications strategies implemented 4.1.2: Project monitoring and evaluation plan implemented and M&E system operational	GET	728,390.00	2,700,000.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing ($)	Confirmed Co-Financing($)
				Sub Total ($)	**5,099,610.00**	**64,100,000.00**
Project Management Cost (PMC)						
				GET	254,980.00	2,300,000.00
				Sub Total($)	**254,980.00**	**2,300,000.00**
				Total Project Cost($)	**5,354,590.00**	**66,400,000.00**

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

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount($)
Recipient Country Government	Forestry Research Institute of Nigeria	In-kind	Recurrent expenditures	5,000,000.00
Recipient Country Government	Forestry Research Institute of Nigeria	Public Investment	Investment mobilized	15,000,000.00
Recipient Country Government	Cross River State Government	In-kind	Recurrent expenditures	5,000,000.00
Recipient Country Government	Cross River State Government	Public Investment	Investment mobilized	2,500,000.00
Recipient Country Government	Ondo State Government	In-kind	Recurrent expenditures	5,000,000.00
Recipient Country Government	Ondo State Government	Public Investment	Investment mobilized	2,500,000.00
Recipient Country Government	Central Bank of Nigeria	Public Investment	Investment mobilized	30,000,000.00
GEF Agency	FAO	Grant	Recurrent expenditures	500,000.00
Other	Solidaridad	In-kind	Recurrent expenditures	400,000.00
Other	Foundation for Partnership Initiatives in the Niger Delta	In-kind	Recurrent expenditures	500,000.00
			Total Co-Financing($)	**66,400,000.00**

Describe how any "Investment Mobilized" was identified

Forestry Research Institute?s provision of seedlings for forest landscape restoration and establishment of nurseries in the two states. This comes from the Presidential Initiative on Tree Planting. The negotiation and agreement between the states and FRIN was facilitated during PPG. Cross River and Ondo State Governments have both made a commitment to provide direct investment for FOLUR project activities, will specific allocations in state budgets. Central Bank of Nigeria co-financing is an estimated volume of credit from the Anchor Borrowers Programme that will go towards cocoa and oil palm smallholder farmers. The partnership with CBN will be to integrate the environmental and social sustainability standards and incentives into the scheme.

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

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount($)	Fee($)
FAO	GET	Nigeria	Biodiversity	BD STAR Allocation	408,716	36,784
FAO	GET	Nigeria	Land Degradation	LD STAR Allocation	1,784,863	160,637
FAO	GET	Nigeria	Climate Change	CC STAR Allocation	1,326,147	119,353
FAO	GET	Nigeria	Multi Focal Area	IP FOLU Set-Aside	1,834,864	165,136
				Total Grant Resources($)	**5,354,590.00**	**481,910.00**

E. Non Grant Instrument

NON-GRANT INSTRUMENT at CEO Endorsement

Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)

PPG Required **true**

PPG Amount ($)

150,000

PPG Agency Fee ($)

13,500

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount($)	Fee($)
FAO	GET	Nigeria	Biodiversity	BD STAR Allocation	50,000	4,500
FAO	GET	Nigeria	Land Degradation	LD STAR Allocation	50,000	4,500
FAO	GET	Nigeria	Climate Change	CC STAR Allocation	50,000	4,500
				Total Project Costs($)	**150,000.00**	**13,500.00**

Core Indicators

Indicator 3 Area of land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
0.00	18800.00	0.00	0.00

Indicator 3.1 Area of degraded agricultural land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
	8,800.00		

Indicator 3.2 Area of Forest and Forest Land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
	10,000.00		

Indicator 3.3 Area of natural grass and shrublands restored

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

Indicator 3.4 Area of wetlands (incl. estuaries, mangroves) restored

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)
0.00	110000.00	0.00	0.00

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)

Indicator 4.2 Area of landscapes that meets national or international third party certification that incorporates biodiversity considerations (hectares)

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)
	110,000.00		

Indicator 4.4 Area of High Conservation Value Forest (HCVF) loss avoided

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

Documents (Please upload document(s) that justifies the HCVF)

Title	Submitted

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?e (direct)	0	15578967	0	0
Expected metric tons of CO?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?e (direct)		15,578,967		
Expected metric tons of CO?e (indirect)				

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Anticipated start year of accounting		2022		
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?e (direct)				
Expected metric tons of CO?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 Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female		50,000		
Male		50,000		
Total	0	100000	0	0

Part II. Project Justification

1a. Project Description

1.1 Global environmental problems, root causes and barriers that need to be addressed

Context

1. Nigeria is a lower-middle-income country with a population of over 200 million, more than 250 ethnic groups, and a land area of approximately 92 million hectares. Forests cover only 7.7 percent of the total land area. The country is a federal republic, with a three-tier government system, comprising a central government with its headquarters in Abuja, 36 states and 774 Local Government Areas (LGAs).

2. The country?s economy, with a Gross Domestic Product (GDP) of more than USD 500 billion, is the largest in Africa. The economy depends heavily on crude oil revenue, which represents 80 percent of the country?s exports and contributes 18 percent of the national GDP. In recent years the economy has been driven by services, agriculture and industry sectors ? an encouraging movement from an ?oil economy? towards diversification. The agriculture sector contributes more than 22 percent of the GDP, employs about 68 percent of the labour force, accounts for over 70 percent of non-oil exports, and provides over 80 percent of food needs of the country. The largest part of the agriculture sector consists of smallholder farmers, with a vast majority cultivating on less than 1 hectare of land.

3. Nigeria?s landscape is ecologically rich and diverse with rainforests in the south, drylands in the north and a wide range of habitats. The country?s nine agro-ecological zones are presented in Figure 1 below. The southern rainforest portion also known as the Lower Guinea forest, where the proposed project is located, is classified amongst the world?s biodiversity hotspots.

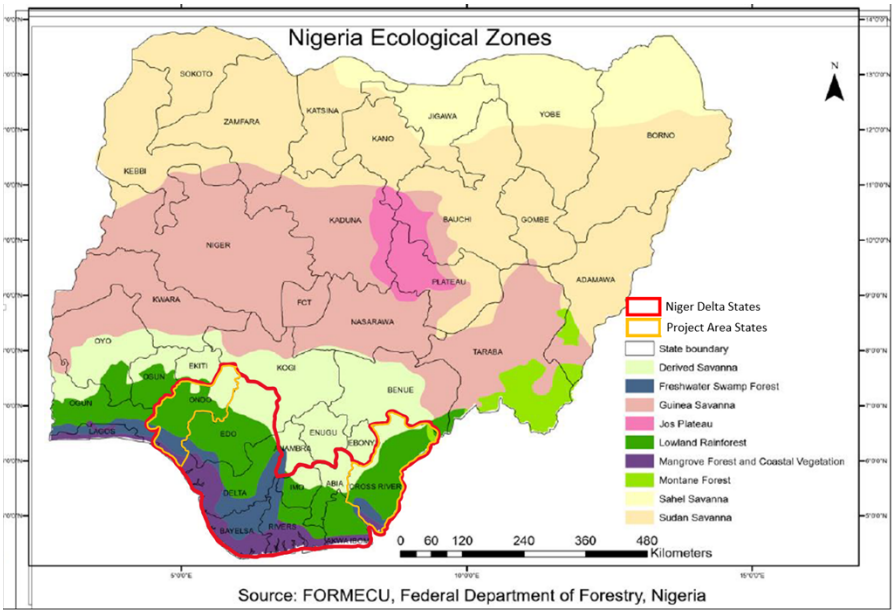
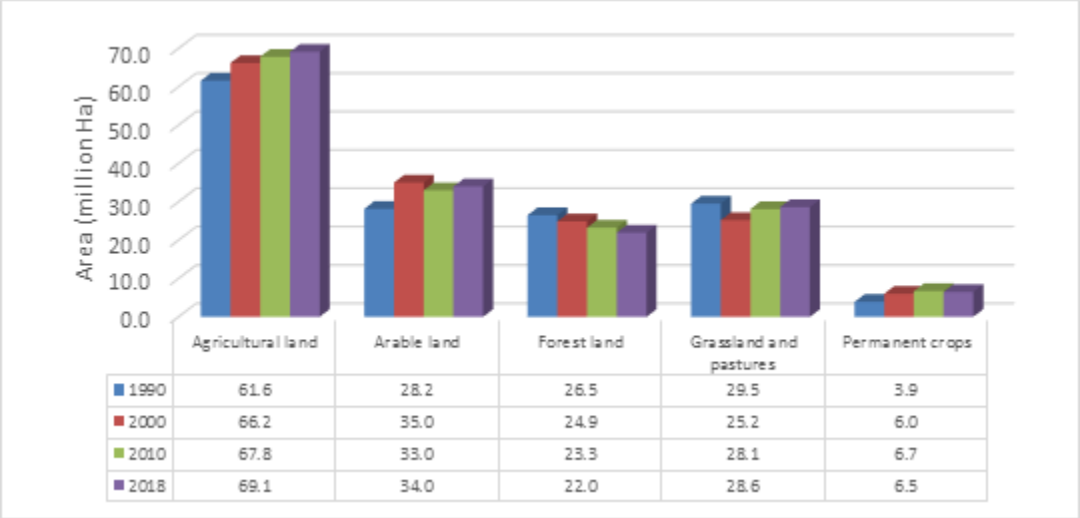


Figure 1: Agro-ecological Zones of Nigeria

4. The ecosystem diversity offers Nigeria high potential for cultivation of diverse agricultural commodities ? including oil palm, cocoa and cassava in the lowland rainforest states, and rice, groundnuts, soybeans and livestock in the northern savannah states. Nigeria is the third largest producer of cocoa in Africa and fourth largest producer globally; a significant producer of oil palm; the largest producer of soybeans and maize in sub-Saharan Africa; the world?s leading producer of yams and cassava; and the leading producer of groundnuts in Africa.

5. However, the production of these commodities has led to serious environmental degradation, including deforestation, declining soil fertility, biodiversity loss and reduction of other ecosystem services. Agricultural production is a primary driver of Nigeria?s rate of deforestation, which at 3.7 percent is among the highest in the world[1][1]. Forest area shrunk from about 26.5 million ha in 1990 to 22.0 million ha by 2018, as agricultural area grew from 61.6 million to 69.1 million ha over the period (Figure 2). These statistics show that Nigeria lost 4.5 million hectares (17-18 percent) of her forest just within three decades (1990 - 2018). Consequently, carbon emissions from Nigerian forests have been on the increase. The total carbon emission from land use and deforestation rose from 9.9MtCO2e in 2000 to 26.8MtCO2e in 2010. Between 2006 and 2016, the total emissions were approximately 32.4MtCO2e[2][2]. Nigeria?s biodiversity has also become highly threatened with a total of 309 threatened species in the IUCN Red List in 2013[3][3].

6. The growing global and national population continues to increase demand for agricultural commodities and thus the pressure on the country?s natural ecosystems.



	Agricultural land	Arable land	Forest land	Grassland and pastures	Permanent crops
1990	61.6	28.2	26.5	29.5	3.9
2000	66.2	35.0	24.9	25.2	6.0
2010	67.8	33.0	23.3	28.1	6.7
2018	69.1	34.0	22.0	28.6	6.5

Figure 2: Trends in Nigeria?s land use (1990-2018)

7. Conscious of the problem, Nigeria is undertaking various programs and commitments to address forest loss, land degradation and transformation of food systems. As stipulated in her REDD+ strategy, the country aims to achieve by 2030 sustainable management of her forests and ecosystems and a 20 percent reduction in emissions. The forest and land use change-related GHG mitigation commitments contained in Nigeria?s Nationally Determined Contributions (NDC) foresee huge investments in sustainable forest and land management and landscape restoration over the 2020-2030 period.

8. Nigeria?s Agriculture Promotion Policy (APP: 2016-2020, APP successor is under finalization in 2021), which aims to improve food security and boost export earnings, recognizes that the sustainable use of natural resources is critical for achieving APP objectives. Through the APP and

other initiatives, Nigeria has prioritized sustainable agricultural production through investment in climate smart agriculture and sustainable land management to improve and restore degraded lands and enhance resilience in food and commodity systems. Nigeria joined the African Forest Landscape Restoration Initiative (AFR100) and is committed to restoring 4 million hectares of degraded land.

9. The next sections zoom into and describe the project target region and landscapes in terms of the global environmental issues, drivers, barriers and the baseline program the proposed project builds upon.

Project target states and landscapes

10. The Niger Delta is a region of Nigeria with significant global environmental importance in terms of climate, biodiversity, and sustainable development priorities. In particular, the region?s lowland tropical forests are recognized for their high conservation value and high carbon stocks.

11. The Delta is the third largest wetland in the world, and the largest river delta and mangrove ecosystem in Africa. As a Global 200 Ecoregion and part of the Guinean Forests Hotspot, the Niger Delta harbours many locally and globally endangered species, and approximately 60-80 percent of all plant and animal species found in Nigeria. The delta is home to six IUCN Red List mammals: the Niger Delta forest elephant (*Loxodonta Africana cyclotis*), the West African manatee (*Trichechus senegalensis*), the White-throated guenon (*Cercopithecus erythrogaster*), the Sclater?s guenon (*Cercopithecus sclateri*), the pygmy hippopotamus (*Choeropsis liberiensis heslopi*) and the Niger Delta red colobus monkey (*Procolobus epieni*). The Niger Delta red colobus is one of the world?s 25 most endangered primates. The delta region is also an important habitat for trans-hemispheric migratory bird species.

12. Petroleum oil is a well-known resource from the Niger Delta region, and as mentioned, of significance for the country?s economy. At the end of 2019 Nigeria had an estimated 37 billion barrels of proven crude metric tons of cocoa beans, earning about US$ 800 million per year, and 90 percent of which is derived from the six Niger Delta states. Beyond direct farmer income, the cocoa industry also creates a number of jobs in cocoa processing, trading and other downstream elements of the value chain. In total the industry engages 123 agribusiness firms in cocoa production and processing, and has 20 exporters of cocoa beans. For oil palm production, farmers produce 1.3 million metric tons of oil palm annually. Of this volume, 97 percent is produced within the landscapes of the Delta states. In 2019 the delta and its offshore waters produced about 2 million barrels per day of petroleum and other liquids.

13. Agricultural production landscapes of the Delta?s lowland rainforest zone uniquely favour cocoa and oil palm i.e. climate and soil conditions. Hence, the production of these two commodities has been identified as an important vehicle for poverty reduction. Both the cocoa and oil palm sub-sectors generate income for farmers and food industries over most states within the Delta Region, extending deep into areas where income opportunities are scarce and rural poverty conditions are most dire. Approximately 300,000 Nigerian cocoa farmers produce 225,000 metric tons within the Niger Delta region.

14. During project concept (PIF) development, two Niger Delta states, Cross River State (CRS) and Ondo State were selected as project intervention states based on the following criteria:

a) CRS and Ondo contain the largest areas of the remaining lowland tropical rainforests;

b) Both states are leading producers of cocoa and oil palm servicing domestic and global markets. The expansion of these commodities is driving high rates of deforestation and degradation in these states;

c) With a push for further growth of cocoa and oil palm sectors, there is need for intervention to ensure that this does not continue to happen at the expense of remaining forest ecosystems.

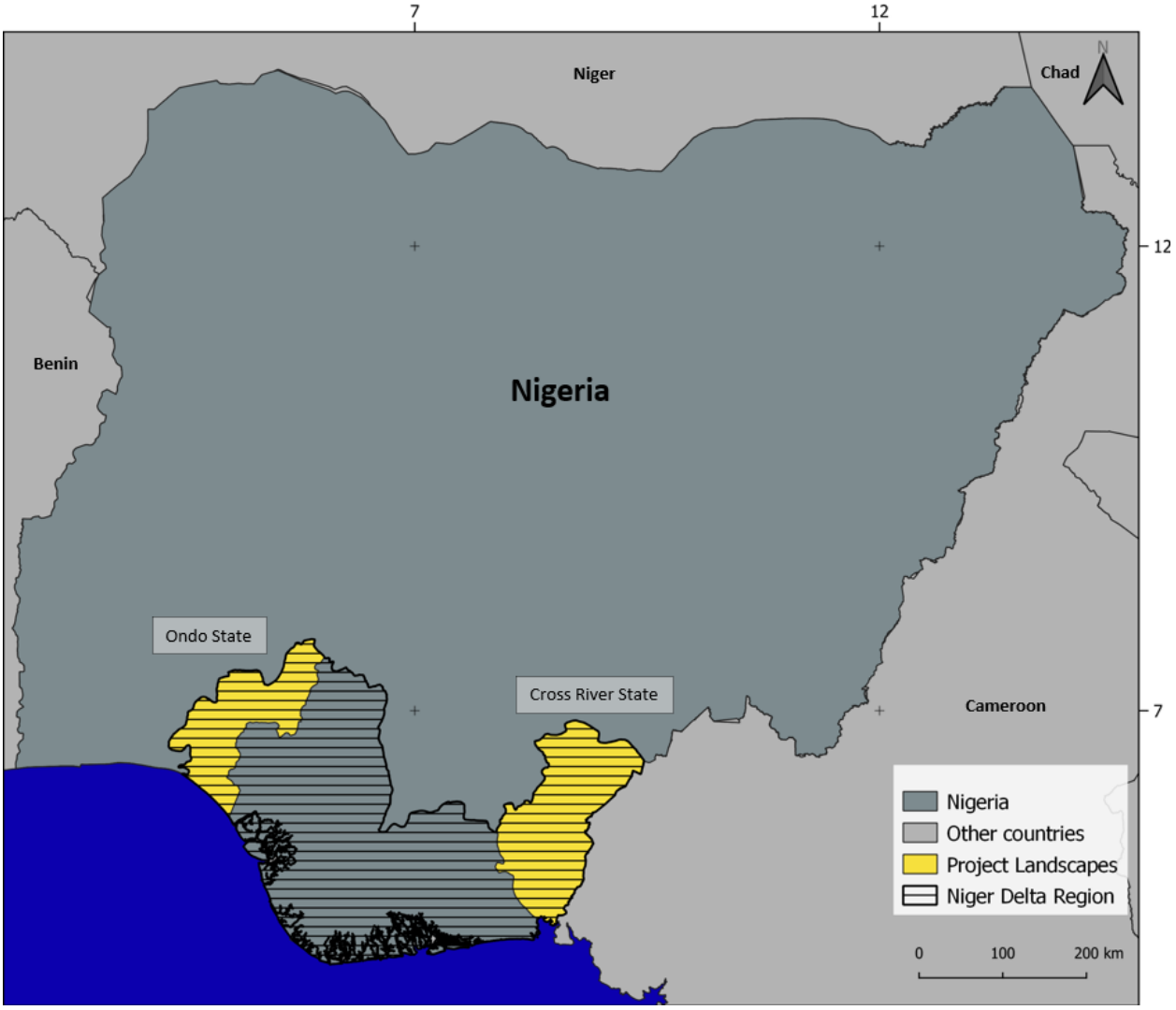


Figure 3: Project States

15. Despite being located on opposite ends of the Niger Delta, the two states have remarkably similar characteristics in terms of the state of their lowland rainforests. Challenges that both states experience in addressing deforestation pressures and balancing trade-offs associated with conservation, restoration and food systems development are largely representative of those in other states across the Niger Delta region. Both have been pilot sites for advancing the ?reducing emissions from deforestation and forest degradation? (REDD+) mechanism. There is therefore an opportunity to showcase innovative, sustainable and inclusive food systems models to scale-up across the Delta.

16. Each state consists of smaller administrative units called Local Government Areas (18 LGAs in Cross River State and 18 in Ondo State, see Figure 4 and Figure 5 below). Cocoa and oil palm are produced in almost all the LGAs as the crops thrive in the rainforest agroecology that characterize the two State. The next step during project preparation was to further refine the selection of priority landscapes. This stage involved the use of a number of criteria, including:(1) current deforestation rates driven by agricultural expansion; (2) presence of at risk High Conservation Value (HCV)/High Carbon Stock (HCS) rainforests and Key Biodiversity Areas (KBAs) ; and (3) restoration potential in forest and agricultural land

17. The multi-criteria analysis was performed on all the LGAs in order to select the final priority landscapes. So, in the end we have two layers of intervention - the two target states and within these, priority LGAs (priority cocoa ? oil palm landscapes), for implementation of ground subcomponents ? under components 2 and 3, for scale up through co-financing across all cocoa and oil palm LGAs.

18. To provide some context on land management, Nigeria?s federal legislature enacted a Land Use Act (LUA) inherited from the military government that ruled Nigeria in 1978/79, into the 1979 constitution and got this published in the Law of the Federation of Nigeria ([LFN], 2004; Chapter L5). The LUA, which remains the principal legislation on land use in Nigeria, vests the control and management of all lands in urban areas on the Governor of each State, and the control and management of all other lands (including agricultural land) on the Local Government Council (LGC) within the area of jurisdiction of which the land is situated (LFN, 2004; Chapter L5, Section 2). In Ondo and Cross River State, National Parks (as well as wildlife and game reserves) lie under federal jurisdiction of the National Parks Service, forest reserves and community lands lie under the administrative jurisdiction of the State Forestry Commissions and Local Government Councils.

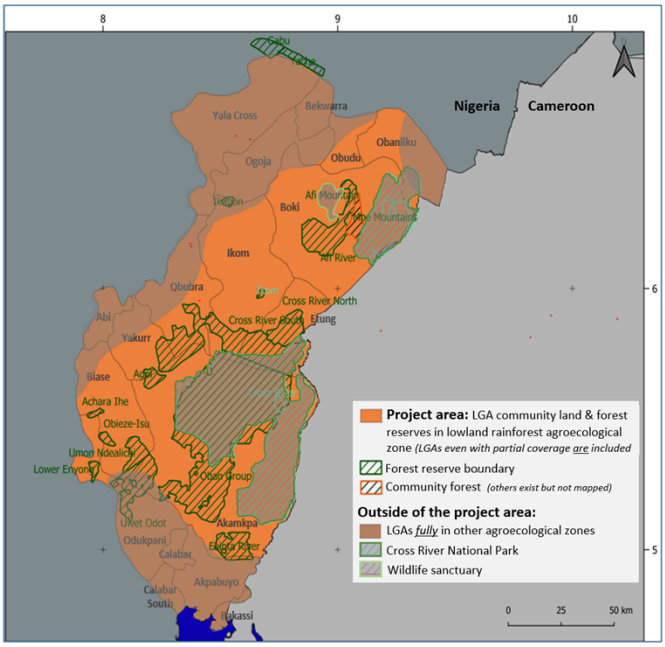


Figure 4: Project Area within Cross River State

19. Cross River State has a surface area of approximately 2 million hectares and a population of 3.8 million people. The forests of CRS represent the most extensive area of relatively undisturbed lowland rainforest in Nigeria. The forest area of Cross River is about 1.26 million hectares. The state maintains substantially more primary forest than Ondo - about 682,000 hectares of primary forest in total, relating to about 54 percent of its total tree cover. Most of the primary rainforest is found within the Cross River National Park (CRNP) and adjoining forest reserves and community forests. CRNP consists of two separate divisions: Okwangwo located in **Boki LGA** and Oban in **Akamkpa LGA**[4]. The Oban division is contiguous with Korup National Park in Cameroon. Oban is a particularly significant site for rare and threatened primate species including Preuss's red colobus *Piliocolobus preussi*, drill *Mandrillus leucophaeus* and Nigeria-Cameroon chimpanzee *Pantroglodytes ellioti*. It may

be the richest site in Africa for butterflies[5][5]. Cross River has 400,000 hectares designated as national parks, and 14 forest reserves covering a total area of over 400,000 hectares.

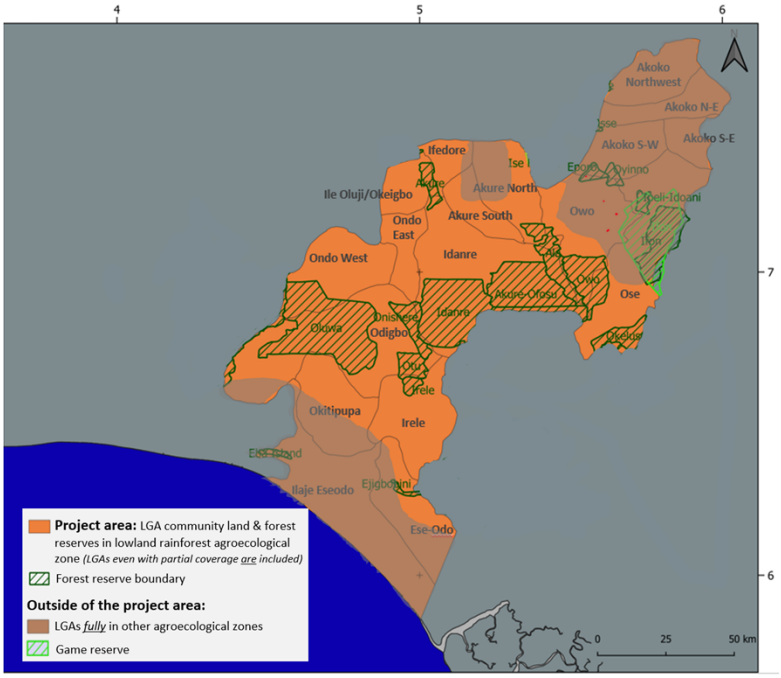


Figure 5: Project Area within Ondo State

20. Ondo State has a land area of approximately 1.5 million hectares, containing about 726,000 hectares of forest area. The state maintains about 147,000 hectares of primary forest. Five local government areas (LGAs) represent 56 percent of total tree cover, within which the primary forests are located. These five LGAs include: **Idanre** (36 percent primary forest), **Odigbo**[6][6] (15 percent primary forest), Ilage Eseodo (11 percent primary forest), Ose, and Ondo West (11 percent primary forest). There are 16 forest reserves in Ondo.

21. Cocoa and oil palm are produced in virtually all LGAs in Cross River and Ondo as the crops thrive naturally in the rainforest agroecology that characterizes the two states. In CRS the dominant landscapes for cocoa are found in Boki, Etung, Ikom, and Obubra while oil palm landscapes are found in Akamkpa, Akpabuyo, Biase and Ogoja LGAs. In Ondo, the dominant landscapes for cocoa are found in Akure South, Idanre, Ondo West and Owo LGAs while dominant oil palm landscapes are found in Ile-Oluji, Irele, Odigbo, and Okitipupa LGAs.

22. These landscapes also produce arable crops and small livestock, notably cassava, yam, plantain, banana and maize as well as free range poultry, sheep and goats. Artisanal fishing is also very common in most of the LGAs in Cross River and in the riverine areas of Ondo State.

23. Communities in these cocoa and oil palm producing landscapes, however, generally lack access to basic social infrastructure. Personal observations and focus group discussions conducted during project preparation revealed, for example, that very few of the cocoa and oil palm producing communities have access to roads (12 percent in Cross River and 18 percent in Ondo), electricity (13 percent in Cross River and 12 percent in Ondo) or portable water (16 percent in Cross River and 18 percent in Ondo) that may be classified as good or fairly functional.

Deforestation and environmental degradation in Cross River and Ondo States

24. Cross River and Ondo are losing their rainforests at an alarming rate. Evidence from the Global Forest Watch (2020), based on Hansen et al., (2013) revealed that the two states lost about 187,100 hectares of forests over the period 2001 to 2019.

Table 1: Forest loss and emissions over the period 2001-2019

Parameter	Cross River State	Ondo State	Total
Tree cover (ha)	1,260,000	726,000	1,986,000
Overall tree cover loss (ha)	88,800	98,300	187,100
Humid primary rainforest loss (ha)	26,300	32,100	58,400
Estimate CO? emissions (tons)	24.3 million	23.2 million	47.5 million

25. Beyond GHG emissions, forest loss (particularly of the primary rainforests) has been accompanied by anecdotal evidence in reductions in water purification, nutrient cycling, pollination that underlie the land?s productive capacity for farming. Soil and vegetation degradation on community cropland is leading to increased losses of soil organic matter, including soil organic carbon, and challenges with plant nutrient absorption and contaminant removal.

26. The impact of habitat loss on biodiversity resources in both states is being felt primarily within the national park and forest reserves, as well as the forested farmland that serves as migratory corridors between protected areas. In Cross River, for example, a critical area of degraded farmland that needs to be restored for better fauna migratory capacity is the strip of community farmland that cuts into the Cross River National Park (CRNP) Oban Division within the Akamkpa LGA. This strip extends deep into the heart of the Key Biodiversity Areas (KBAs) that cover CRNP and Korup National Park in Cameroon. The loss of habitats poses a threat to important biodiversity including the earlier mentioned endangered white-throated guenon, Sclater?s guenon and red colobus monkey.

27. An analysis of deforestation by the Local Government Area in Ondo and CRS ? a key input to the selection of priority landscapes - is presented in Annex E.

28. Agricultural expansion, especially the expansion of the two commodities, is the most important driver of deforestation and degradation in Ondo and CRS, as also confirmed by studies conducted under the REDD+ programme. Ground truthing conducted as part of project preparation confirm that the deforestation in both states is largely due to expansion of cocoa and oil palm plantations? taking up areas classified as community forests, buffer zones, and in some cases, direct encroachment into protected areas.

29. In the next section, the overall context of the cocoa and oil palm systems is presented briefly[7][7] - highlighting some of the issues contributing to extensification of these commodities into forests - before getting into the description of drivers/root causes and barriers.

Target commodities ? cocoa and oil palm

30. The historical association between oil palm and human habitation in Nigeria goes back several hundred years and predates some modern forests in the Niger Delta. The African oil palm (*Elaeis guineensis*) is endemic to West Africa and Nigeria. Cocoa was introduced to the region in the late nineteenth century. Cocoa export in Nigeria started in 1910. Over the next sixty years cocoa production expanded in the South West states of the Delta and contribution to the total agricultural export earnings became massive, growing to about 70 percent of agricultural exports in 1970. However, with the entrance of a military government in the early 1970s petroleum oil quickly became the countries? leading export earner and this coincided with a diversion of federal attention towards development of petroleum resources in the Delta Region. Cocoa production suffered as a result, as did

oil palm production. This changed in 1987, through the introduction of structural adjustment programs that boosted cocoa output by subsidizing inputs, providing productivity training, and improving value addition along the supply chain. Both sectors have faced a number of important challenges in recent years, including low productivity and environmental degradation.

31. Nigeria still holds an important position in the global production of cocoa and oil palm. The country was the fourth largest producer of both crops in 2019[8][8] ? with the bulk coming from the Niger Delta landscapes, specifically Cross River and Ondo States. About 350,000 metric tons of cocoa beans are produced annually. 71 percent of the Nigerian cocoa bean export is destined to the Netherlands, while the United Kingdom is responsible for 11 percent. For oil palm, annual production is estimated at 1.3 million metric tons. However, this is not enough to offset Nigeria?s domestic demand of 1.6 million metric tons, let alone additional international demand. Thus Nigeria does not export any oil palm, and is in fact a net importer, in the amount of about 0.3 million metric tons per year.

32. **Nigeria has extremely low cocoa and oil palm productivity**. The area under cultivation has been growing, yet the country?s output for both crops has been declining over the years ? see Figure 6 and Figure 7 below.

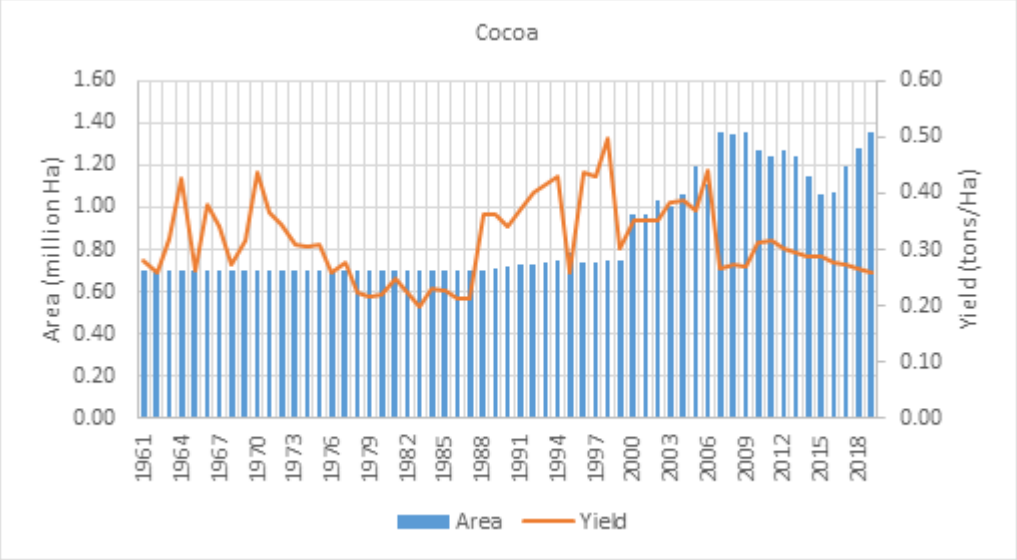


Figure 6: Trends in area cultivated and yield of Cocoa in Nigeria (*FAOSTAT Data, 2020)*

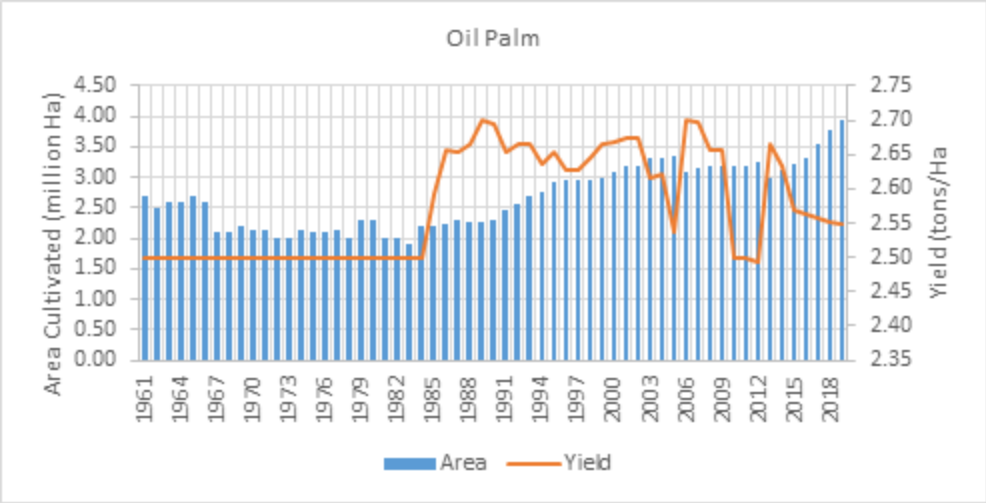
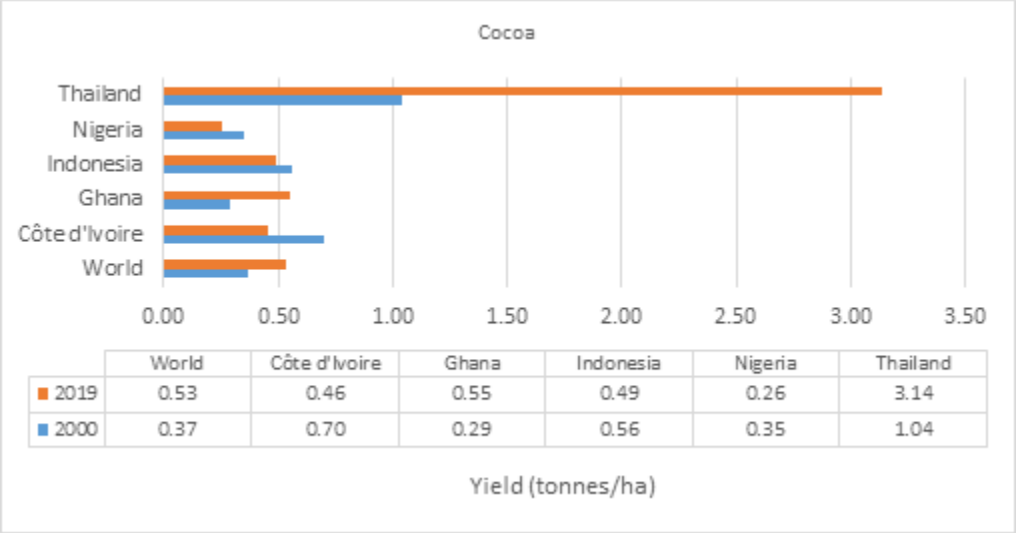


Figure 7: Trends in area cultivated and yield of Oil palm in Nigeria (*FAOSTAT Data, 2020)*

33. Comparing yield performance in Nigeria with that in other cocoa and oil palm producing countries (Figure 8 and Figure 9), it will be noted that average yields in Nigeria are extremely low.



	World	Côte d'Ivoire	Ghana	Indonesia	Nigeria	Thailand
2019	0.53	0.46	0.55	0.49	0.26	3.14
2000	0.37	0.70	0.29	0.56	0.35	1.04

Figure 8: Estimate cocoa yields in leading producer countries around the World

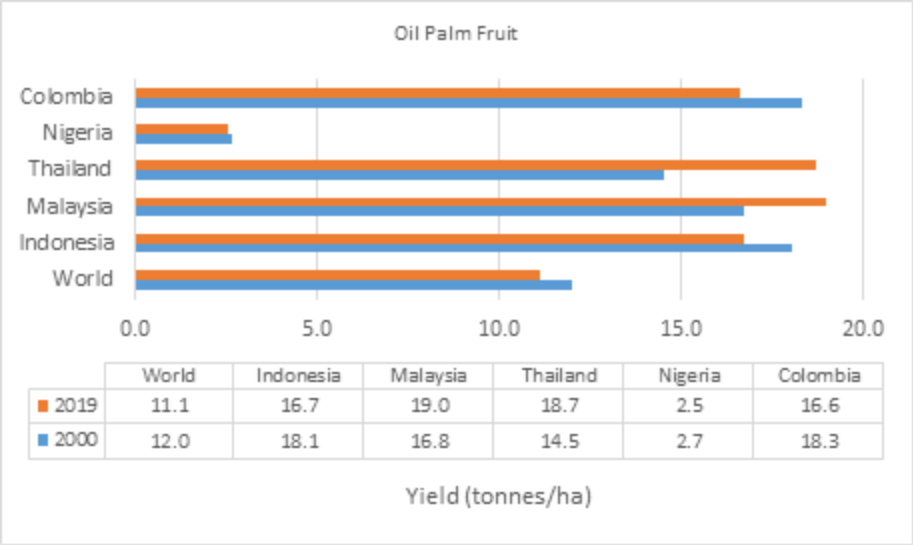


Figure 9: Estimate oil palm yields in leading producer countries around the World

34. To compensate for the low productivity, smallholder farmers are expanding their farms into forests. Hence the high rates of deforestation seen in Cross River and Ondo States.

35. The main factors contributing to the declining cocoa and oil palm productivity include the following: (1) poor soil fertility and knowledge gap on good crop nutrition and proper management of tree crops, (2) limited access to quality inputs and planting material especially improved (non-GMO) varieties of cocoa and oil palm, (3) low access to information/extension, (4) land ownership issues/insecurity, preventing farm investments and adoption of good practices, (5) limited access to credit, (6) poor smallholder organization and market access, (7) climate variability, pests and diseases; and (8) inefficient post-harvest techniques e.g. traditional methods used in oil palm processing (mortar and pestle), extract only up to 25 percent of available oil in the fruit.

36. A cross-section of smallholders were interviewed across 48 cocoa and oil palm producing communities and 13 LGAs in the two states as part of data gathering during project preparation (PPG). Table 2 below summarizes some of the information (NB. this offers a glimpse as substantial data could not be gathered due to COVID-19).

Table 2: Smallholders access to key inputs

Description	Irriga-tion	Ferti-lizer	Mecha-nisation	Credit	Exten-sion	Market
Cocoa	**12.0%**	**32.4%**	**11.3%**	**10.6%**	**40.1%**	**35.9%**
Cross-river State	**15.1%**	**52.8%**	**9.4%**	**18.9%**	**50.9%**	**22.6%**
Female	6.3%	43.8%	6.3%	6.3%	37.5%	25.0%
Male	18.9%	56.8%	10.8%	24.3%	56.8%	21.6%
Ondo State	**10.1%**	**20.2%**	**12.4%**	**5.6%**	**33.7%**	**43.8%**
Female	19.0%	14.3%	19.0%	4.8%	38.1%	42.9%
Male	7.4%	22.1%	10.3%	5.9%	32.4%	44.1%
Oil Palm	**12.8%**	**28.2%**	**7.7%**	**14.1%**	**26.1%**	**31.2%**
Cross-river State	**6.1%**	**17.2%**	**4.3%**	**12.9%**	**19.0%**	**22.1%**
Female	5.7%	17.0%	3.8%	9.4%	17.0%	18.9%
Male	6.4%	17.3%	4.5%	14.5%	20.0%	23.6%
Ondo State	**28.2%**	**53.5%**	**15.5%**	**16.9%**	**42.3%**	**52.1%**

Description	Irriga-tion	Ferti-lizer	Mecha-nisation	Credit	Exten-sion	Market
Female	14.3%	57.1%	7.1%	28.6%	64.3%	71.4%
Male	31.6%	52.6%	17.5%	14.0%	36.8%	47.4%

37. *Short-medium term outlook*. Oil palm and cocoa production in the Niger Delta region is expected to grow substantially in the coming years, primarily due to: (1) promotion policies and programs aimed at quickly ramping up production; and (2) increasing national demand, and export opportunities. The government is attempting to drastically boost the sectors? output and competitiveness by promoting smallholders? vertical integration into commercial out grower schemes. The primary mechanism for achieving this is the Central Bank of Nigeria?s (CBN) Anchor Borrowers Programme (ABP), described in detail later within the baseline section of the document.

38. The national agricultural policy[9] Agricultural Transformation Agenda (ATA)/Agricultural Promotion Plan (APP) states that in addition to improving productivity: ?a key challenge is how to get more smallholders and estates to efficiently put more land areas, the access of which is usually difficult, under production.? This could have serious implications, with further expansion of the two commodities into the remaining Niger Delta rainforests.

39. At the same time, the country has made commitments towards the Paris Agreement Nationally Determined Contributions (NDC), Land Degradation Neutrality (LDN) and biodiversity conservation (National Biodiversity Strategy and Action Plan). Nigeria is also advancing with the REDD+ programme, with Cross River and Ondo taking the lead at state level. The challenge is to bring these environmental and agriculture transformation objectives in line, and embed sustainability and resilience (deforestation-free cocoa and oil palm) within key policies and investment programs, especially the ABP.

Drivers of deforestation and degradation

40. Forest loss and degradation in Cross and Ondo River are directly driven by spatially expansive unsustainable agricultural processes in both smallholder and commercial estate production systems. The modality through which agricultural expansion occurs in smallholder farming systems in both states is through low productivity production practices (particularly for cocoa and oil palm) and unsustainable land management practices (namely shifting cultivation of seasonal food crops). Commercial agricultural expansion occurs through new development of commercial estates. These direct drivers are described as follows:

(i) *Low productivity tree crop management practices*: Smallholders growing permanent tree crops, like cocoa and oil palm, typically establish plantations with low yields when they do not have suitable access to factors of production (land, capital, training on sustainable, productive practices, inputs including high quality seedlings, and technology). Low yield plantations combined with low yield management practices inherently require a larger plantation area to produce suitable levels of output. High rates of forest loss can occur in the presence of strong indirect factors (such as high market demands, rapid population growth etc.) that incentivize increased production without providing access to the factors of production. In the case of Cross River and Ondo States, more smallholder farmers enter into cocoa and oil palm farming every year in part because the population is growing, poverty levels are high and there is a growing need for cash income and diversification. High rates of forest loss in the two states are thus directly attributed to the growth in additional farmers employing low productivity cocoa and oil palm systems over an expansive area. These systems are also characterized by low resilience to pests and diseases, and to climate variability and extremes.

(ii) *Shifting cultivation practices*: Smallholders growing seasonal food crops (maize, cassava, and yam) in landscapes alongside cocoa and oil palm also experience low productivity, due to limited access to factors of production. However, their expansionary nature and clearance of forests operates somewhat differently than with permanent crops like cocoa and oil palm. In this approach, common cultivation practices are characterized by high soil nutrient and organic matter losses, and once depleted, land is abandoned and left to fallow while forest is cleared, through slash and burn, for new fertile cultivation areas.

(iii) *Commercial oil palm estate development*: Expansion of commercial oil palm production through new estate development also directly drives deforestation. This process is more straightforward and involves oil palm companies purchasing land (ex. a community forest or de-reserved section of a forest reserve) from the state/a community, clearing forest on the land, and establishing an intensified plantation. While this production system is typically branded as ?intensified?, as it is in fact very intensified at the farm level, the model is characterized by large scale conversion of forests to oil palm estates. In other words, this practice involves large scale expansion of intensified estates.

(iv) *Climate change*: Crop production in Nigeria has experienced and is experiencing many hazards related to climate change (Third National Communication, 2020). While climate change is driving aridity and desertification in northern Nigeria, it is increasing flooding and erosion in the rainforest ecological zone. These are some of the impacts of various hazards on cocoa and oil palm:

- *Drought*: high seedling mortality, increase in pests and diseases, and decrease in yields.
- *Prolonged heavy rainfall*: high seedling mortality, increase in pest and diseases, flower abortion, topsoil erosion and soil nutrient depletion, mould beans and decrease in yields.
- *Heat-stress effect*: decrease in yield, reduction of flower and fruit production, wilting of leaves, high seedling mortality.

41. A series of indirect drivers combine to amplify the direct drivers of deforestation in both states. These indirect factors include compartmentalized agriculture and forest sector agendas, high market demand for cocoa and oil palm, population growth and limited livelihood options.

(i) *Compartmentalized agriculture and forest sector agendas*: Deforestation and degradation occur indirectly primarily through the agriculture and forest sectors? compartmentalization of policy and implementation at federal, state, and local levels. At the federal level, agricultural policy focuses narrowly on agricultural success metrics, and does not set tangible objectives for reducing forest loss or increasing forest recovery within agricultural landscapes. Forest policy is narrowly focused on protected areas (national parks, wildlife preserves, game reserves, and forest reserves). While some federal forestry programs do extend to community land, funding for these programs is scarce, particularly in comparison to federal agricultural programs that place little priority on forest objectives. At state and local level, this compartmentalized policy agenda follows an isolated implementation approach in the landscapes. Furthermore, Local Governments and communities have limited capacity to harmonize agriculture and forest sector activities at local level. Their immediate needs are served by compartmentalized ?top down? agricultural plans that have stronger budget lines than forestry. This contributes to a shift in land use where agriculture displaces forests.

(ii) *Increasing market demand for cocoa and palm oil products*: High global and national demand for cocoa and palm oil products are incentivizing smallholder farmers to establish new cocoa and palm oil plantations. For palm oil, especially, domestic household and commercial demands greatly exceed supply.

(iii) *Population growth*: According to Nigeria?s National Bureau of Statistics, over the time period of 2006 to 2016, Cross River and Ondo both had population increases of about 34 percent and 35 percent respectively. This is about a 3.4 to 3.5 percentage increase every year, which is higher than the national average of 2.8 percent per annum. Conservatively assuming no increases in these annual state growth rates, by 2026 Cross River will have a population of 5.67 million, and Ondo will have a population of 6.31 million inhabitants. Such sharp population increases and associated actions in available arable land drive the pressure on forests.

(iv) *Poverty and limited livelihood options*: All issues related to inadequate alternative employment opportunities, limited income generating opportunities, marginally diversified livelihood options and limited food sources are components that characterize poverty in both states. Such conditions of poverty, hunger, and unemployment contribute to agricultural expansion through unproductive and unsustainable means.

42. The COVID-19 pandemic has exacerbated many socio-economic challenges in Nigeria. The impacts include: reduced availability of agricultural produce such as rice, maize and cassava in 2020 due to the late start of the farming season; decline in household income and food consumption; significant increase in food prices; decline in cocoa export due to lockdown measures. Labourers, especially women in rural areas, and migrant workers in agricultural value chains have been severely impacted by the crisis[10][10]. In addition, delays in the start of the farming season in 2020 and negative investor sentiments, may have caused a decline in agribusiness investments, particularly in value chain financing and long term investments.

43. As Nigeria strives to recover from the economic downturn due to the pandemic, the overall impact could be additional pressure on land and forest ecosystems in the Niger Delta - forest conversion to other land use types.

Barriers to be addressed

44. Faced with all these challenges, the country seeks to embark on a different path towards a climate-resilient economy and improved livelihoods, in which landscapes are managed in a sustainable and inclusive manner and they continue to deliver multiple environmental and socio-economic benefits. To allow this to happen, the following key barriers need to be addressed:

Barrier 1: Major gaps in capacity for integrated landscape management planning, coordination and implementation at state and local levels.

45. The pressing challenge in Cross River and Ondo is linking agricultural practices, institutions and policies with forest protection practices, restoration activities, and other landscape-scale activities. During project preparation it was noted that major gaps in multi-sectoral planning capacity exist at state and local level. This is a significant barrier to overcoming the ?compartmentalized agriculture and forest sector development agendas? driver.

(i) *State Level*: Jurisdictional planning and implementation is constrained by limited technical capacity for spatial planning and its implications for integrating agriculture, forest, and other sector objectives into concrete targets, stakeholder actions, land use maps, and state policies. Without spatial planning capacity, diagnostic information and decision tools (e.g. clearly defined existing/future scenario land use maps, HCV/HCS forest maps, cocoa and oil palm sector data, climate scenarios, restoration opportunities, monitoring systems) it is not possible to evaluate trade-offs involved and to make informed management decisions, to optimize environmental and socio-economic benefits.

At present, various Ministries, Departments and Agencies (MDAs) have some land use plans and maps that exist in fragments and with conflicting provisions as well as demarcations. The Ministry of lands at state and federal levels have maps for the overall area of the states and country, some of which are very old and do not reflect present realities.

(ii) *Local government and community level*: Integrated planning at local government and community level is also constrained by a lack of spatial information and capacities to. At local level, producers and other land users need to know specific sites where their activities are most suitable (i.e. sites for optimal cocoa/oil palm production, degraded sites for restoration etc.) or where they should not be producing (i.e. within protected area boundaries, on HCV/HCS forest land etc.). Local

Governments and traditional authorities need to have spatial information to accompany the land use planning process, and importantly for issuing land titles.

(iii) *Coordination between state and local landscape stakeholders is weak*: Integrated land use management requires multi-stakeholder engagement and coordination, to establish strong ownership. While some multi-stakeholder platforms exist at state level (REDD+ platforms hosted within State Forestry Commission in CRS and Ondo) there is limited participation of agricultural departments, producers, women, private companies, financial institutions and youth and other commodity value chain actors.

The absence of financial and planning institutions at national and state level in policy dialogues and planning processes is also one of the contributing factors to misalignments between large agricultural credit and grant schemes and sustainability policies and priorities. This is clearly evident in the recently issued Central Bank of Nigeria guidelines for the Private sector led Accelerated Agriculture Development Scheme (PAADS). This is an initiative aiming to provide up to 10 years single digit interest loan to the private sector ?to fast track land clearing for primary production of agricultural commodities? including cocoa and oil palm. While PAADS presents huge opportunities for increased cash crop production to diversify Nigeria?s non-oil export revenue base, create employment, and enhance agricultural productivity and income, it also presents significant risk and could accelerate the loss of rainforests in the Niger Delta. By not engaging financial institutions, the opportunity to mainstream environmental, social and economic sustainability standards and incentives into important investment programs is missed.

Barrier 2: Smallholder farmers? limited access to secure land.

46. Land tenure security is fundamental to unlocking investments in and adoption of sustainable agricultural production practices at scale. In Nigeria approximately 95% of agricultural lands are not titled, and hence cannot be used as collateral for financial transactions. Based on surveys conducted during project preparation, less than 5% of cocoa and oil palm farms in Cross River and Ondo State are titled or have Certificate of Occupancy. This situation would not allow for the achievement of sustainable integrated cocoa- oil palm landscapes.

47. Nigeria?s Land Use Act 2004 vests the Local Government Councils with the power for issuance of land titles on agricultural lands in their jurisdiction (Local Government Areas). A number of states are making progress in simplifying the process and are issuing Certificates of Occupancy for the benefit of their smallholders who have been able to access credit to invest in their farms. Cross River and Ondo are lagging behind largely due to limited capacities within Local Governments and their Land Allocation Advisory Committees, on the land titling process and tools.

Barrier 3: Limited technical capacity, access to credit and incentives for adoption and scale-up of sustainable and innovative cocoa and oil palm production

48. Sustainable cocoa and oil palm production systems (including agroforestry systems and other climate-smart agricultural practices) are knowledge intensive and context specific. They require strong long-term linkages between research institutions (such as Cocoa Research Institute of Nigeria CRIN, Nigerian Institute for Oil Palm Research NIFOR, and Forestry Research Institute of Nigeria FRIN) and public and private extension, NGOs and farmers and SMEs - to continuously learn, share and innovate.

49. At present, extension and advisory services are delivered to farmers and other value chain actors mostly by extension officers employed by the State Agricultural Development Programs (ADPs) which were established in the late 1980s with funding from the World Bank. These services are limited in terms of reach as well as quality, a fact acknowledged in the upcoming national agricultural policy (National Agricultural Technology and Innovation Plan 2021-2024). In this period, the Federal Government plans to collaborate with state governments to deploy at least 300,000 additional extension officers across the 36 states, and strengthen partnership with private sector extension.

50. Poor access to quality planting material for both cocoa and oil palm was cited many times during project preparation consultations with stakeholders. For example, the Cocoa Research Institute of Nigeria (CRIN) provides cocoa seedlings to small, medium and large-scale farmers, primarily through seed gardens that have been established in the states. Presently only four CRIN seed gardens are functional in the whole Niger Delta, therefore there is a big challenge of access to quality cocoa varieties for the majority of smallholders.

51. Inadequate access to credit is also a leading constraint to smallholder farmers and SME investments in sustainable practices and technologies. This is closely linked to not having formal land titles to use as collateral (barrier 2) and the fact that production faces a wide range of risks and uncertainties particularly due to climate and market volatility. The case of cocoa and oil palm is further complicated by their long gestation period. Hence, most commercial banks are very reluctant to lend to smallholder cocoa and oil palm farmers. In addition, with regard to access to markets and incentives, the landscape approach proposed requires new models that incentivize adoption of sustainable practices at an appropriate scale (vs individual farmer-based incentives), there is limited experience in Nigeria and in the target landscapes on this.

Barrier 4: Limited knowledge of and capacity to access available funding mechanisms for sustainable production and restoration of landscapes.

52. There are a number of traditional and innovative funding mechanisms available at national, regional, and global level, but relevant federal and state institutions, smallholder producers, communities and landscape stakeholders do not know about them and have limited capacity to develop eligible proposals to access the funds. For example: (1) National Forest Trust Fund (NFTF) established in 2017 to facilitate the promotion and financing of forestry development projects and programmes as a sustainable source of funding. The fund can be accessed by state and local governments (LGAs), communities and private sector based on certain criteria; (2) Rainforest Alliance?s Africa Cocoa Fund (ACF) which aims to support sustainability projects for cocoa farmers and their landscapes, and (3) Nigerian Sovereign Green Bond programme which finances eligible climate change mitigation and adaptation projects that contribute towards NDC targets.

1.2 Baseline scenario and projects

53. Described below are key policies and planning frameworks, and ongoing investment and technical assistance programs that form a strong baseline for the proposed GEF FOLUR project.

54. The Federal Government of Nigeria?s (FGN) most recent Economic Growth and Recovery Plan (ERGP) and recent sectoral additions specifically emphasize a new vision for sustainable agricultural transformation as a part of its 11 transformational pillars. The ERGP is a medium-term plan, developed by the Administration of President Muhammadu Buhari for the purpose of restoring economic growth. This plan was developed in 2017 as a response to the economic recession that Nigeria experienced in the second quarter of 2016. However, as a result of the additional challenges posed by the COVID-19 pandemic, the plan has been revised to build on the initial ERGP through 2022. The ERGP has placed significant emphasis on the Niger Delta region, as it is undoubtedly the area of the country richest in natural resources and its landscapes are a critical and strategic contributor to the Nigerian economy. The Buhari Administration?s Vision for a prosperous Niger Delta is that ?in which the people of the region maximally benefit from the wealth of their land ? developed through forthright partnership between the Federal Government, State Governments, Private Sector and Local Communities.?

55. A key sectoral addition to the ERGP is the Post-COVID Medium-Term Strategy for the Environment (2020-2022). Produced in May 2020, this strategy document is a ?living document? that is in the process of being updated per the developing conditions of the pandemic. The document outlines a strategy for incorporating COVID concerns and key principles into development projects. The principles include (i) consistence with national development priorities; (ii) promoting equitable and

gender, youth and children-sensitive sustainable development in national response to environmental challenges; (iii) adopting multi-sectoral and coordinated participatory approach; (iv) managing the country?s ecosystem in an integrated manner; (v) treating the environment as a business by adopting entrepreneurial-ship approach viable environment-friendly business and ventures; (vi) applying critical knowledge for environmental sustainability; and (vii) sustaining strong institutions for effective environmental governance. This is an important strategy for the FOLUR project, as it strongly supports the push for mainstreaming environmental sustainability into agricultural promotion policies and programs.

56. The policy regime for Nigerian agriculture development and food security is defined primarily through the Federal Ministry of Agriculture and Rural Development (FMARD)?s Agricultural Promotion Policy (APP). Additionally, the agriculture sector is supported through trade and investment policy through the Federal Ministry of Trade and Investment (FMTI). FMARD is currently in the process of drafting a predecessor to the APP (National Agricultural Technology and Innovation Plan, NATIP 2021-2024) to be released in 2021. NATIP is conceived to address critical challenges of the Nigerian agriculture and lay a solid foundation for modernizing the sector in line with the changing global food systems and supply chains. In specific terms, NATIP is uniquely designed to turn COVID-19 into a growth opportunity through a well-coordinated policy direction that attracts massive public and private sector investments in research and development, especially in high quality seeds; training and extension; and deployment of appropriate technologies in agricultural production and processing. The eleven pillars of the NATIP include: (1) Synergy and MDA (Ministries, Departments and Agencies) alignment; (2) Livestock development; (3) **Knowledge creation and transfer**; (4) Access to mechanization; (5) **Quality extension service delivery**; (6) **Strengthening Value-Chains for priority crops**; (7) Fisheries and aquaculture: (8) Development of marine resources; (9) **Market Development**; (10) **Establishment of Agricultural Development Fund**; and (11) Partnership for Securing Agricultural Lands and Investments (PSALI). To facilitate scale-up and sustainability, part of the strategy for the FOLUR project is to promote the integration of sustainable cocoa and oil palm and food systems and the ILM approach into the next agricultural policy update (2024-2027), based on lessons from 2-3 years of implementation in the project target states.

57. State Medium-Term Strategies and Fiscal Frameworks in Cross River and Ondo. These are 3-4 year plans that define priorities and budgets, largely influenced by policy directions at national level. The current strategy for agriculture (2021-2023)[11][11] includes the following relevant priority programs and associated budget allocations: (1) food and cash crops value chain development (~US$8 million annual allocation); (2) agricultural inputs supply (US$48,000/year), and (3) forest regeneration and conservation (US$760,000/year). There is also a specific budget line for agro-women empowerment initiatives. The proposed project will aim to promote the mainstreaming of FOLUR objectives and priorities (funding for implementation of ILM plans) into state sectoral planning and budget processes for the 2023-26 term (through component 1).

58. Ondo State Green Growth (GG) Plan for Oil Palm Development under preparation with IDH support. The GG plan aims to: (1) improve the productivity of farmers, processors and other actors in the oil palm value chain, (2) create jobs directly or indirectly through on-farm and off-farm activities, (3) ensure that oil palm production has minimal impact on fragile ecosystems and forests, and (4) ensure that all actors comply with environmental standards. The FOLUR support to this process will be technical support to the development of sustainability standards (output 1.1.1).

59. REDD+ programme (national and state level). Nigeria joined the UN-REDD+ programme in 2009, and undertook key readiness activities including: (i) the development of institutional and technical capacities at national level, and (ii) preparation of state-level strategy and demonstration activities in Cross River. As of 2020, the programme has been expanded to 6 more states ? Ondo, Nasarawa, Edo, Ogun, Plateau and Kaduna. Within the recently finalized National Strategy for REDD+ the first strategic priority is ?to reduce forest and carbon losses from agriculture, bush burning,

charcoal production and grazing? through a range of activities including: (a) implementation of participatory forest restoration plans; (b) promotion of climate-smart agriculture; (c) capacity building for gender mainstreaming, MRV and communication. REDD+ units, technical committees and multi-stakeholder platforms have been established at federal level and in Cross River and Ondo. A strategic choice has been made to closely link the FOLUR project with the REDD+ programme, to enhance and use the existing REDD+ structures for integrated landscape management planning and monitoring. REDD+ is a long-term programme that has strong backing and funding support from the government, therefore a partnership with the programme will facilitate scale-up and sustainability of the FOLUR objectives and impacts.

60. Central Bank of Nigeria (CBN) Agriculture Credit Initiatives. There are several agriculture credit initiatives led by the CBN designed to boost production of key crops including cocoa and oil palm. These include: (a) the $130 million Agricultural Credit Support Scheme (ACSS) that provides credit to farmers and agro-allied entrepreneurs at 14% interest rate with the opportunity to receive 6% interest drawback if repaid within the loan term; (b) $520 million Commercial Agriculture Credit Scheme (CACS) that provides credit to large-scale commercial farmers at a single digit (9%) interest rate; and (c) Anchor Borrowers Programme (CBN-ABP) that provide credits to Economic Interest Groups (EIGs)/Cooperatives of 5 ? 20 smallholder farmers at a single digit (9%) interest rate, and funded from the $570 million Micro, Small and Medium Enterprises Development Fund (MSMEDF) established by the Federal Government of Nigeria. Closely linked to the CBN-ABP is the Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL) Microfinance Bank that offers up to $25,000 credit to farmers and agribusinesses through its Agribusiness Small Medium Enterprises Investment Scheme. Efforts are also ongoing by the Federal Government to recapitalize and scale activities of the Bank of Agriculture toward effective credit delivery to smallholders. Currently, the Bank of Agriculture has concluded arrangements with IFAD to implement what is referred to as ?Livelihood Improvement Family Enterprise (LIFE-ND) project.

61. The FOLUR project will address one of the key barriers to smallholder farmers? access to these available opportunities ? land ownership. Equally important will be the mainstreaming of sustainability into the credit schemes to minimize the risk of deforestation and other types of environmental degradation (e.g. use of highly hazardous pesticides).

62. Presidential Tree Planting Initiative. This initiative was established following President Buhari?s commitment at the 74th Session of the United Nations General Assembly (UNGA) Climate Change Summit to plant 25 million trees in Nigeria. The stated objective during this address, was ?to mitigate the effects of Climate Change in Nigeria?, furthermore that it was the president?s ?hope that the planted tree species would be properly utilized to mitigate biodiversity loss and climate change and improve the nation?s natural habitats.? The commitment aims to align tree planting with the objectives of the six state REDD+ programs, including Cross River and Ondo States. Additionally, a focus of this initiative is to get youth involved in the planting activities. A mandated implementing and coordinating partner to assist the country in this commitment is the Forestry Research Institute of Nigeria (FRIN). FRIN has tree seedling plantations/nurseries in both Cross River and Ondo, with the capacity to produce 2.6 ? 2.7 million native seedlings per year in each state.

63. The opportunity and aim of the FOLUR project is to transform this initiative into a participatory forest landscape restoration (FLR) program, guided by FLR principles and approaches such as the Restoration Opportunities Assessment Methodology (ROAM), and BD conservation principles (use of indigenous tree species) ? particularly linked to components 1 and 3. Given that FRIN?s mandate covers the entire country, the potential to scale-up the project approach to other states beyond the delta is significant.

64. Agricultural Development Programs (ADPs). Both Cross River and Ondo have ADPs that provide extension services to smallholder farmers through a field school approach. The focus of each program is broadly on ?increasing food production and raising the incomes of smallholder farmers?. Each ADP program extends technical assistance services through extension to all Local Government Areas in each state. During project preparation, it was noted that one of the primary barriers to

improving extension support in general was a lack of ?training and capacity building?. With respect to promoting climate smart agriculture, the two state ADPs reported minimal involvement, and noted that it was necessary to receive support in training of personnel in these innovative approaches and practices.

65. The National Initiative for Sustainable and Climate Smart Oil Palm Smallholders (NISCOPS). The initiative is funded by the Government of the Netherlands and is implemented through a partnership between Solidaridad and IDH. It aims to support Nigeria to meet her Paris Agreement NDC commitments by promoting CSA in the Niger Delta oil palm belt. The value proposition of NISCOPS is that by simultaneously addressing multiple factors through a multi-partner and stakeholder platform, a lasting transformation can be achieved in the livelihoods of smallholders in an environmentally friendly and socially responsible manner. A multi-stakeholder platform NISCOPS Nigeria Forum (NNF) has been established, bringing together key stakeholders from civil society, public and private sector, for coordination, dialogue and knowledge exchange. A partnership between the FOLUR project and NISCOPS (both IDH and Solidaridad) has been cultivated during project preparation.

66. Foundation for Partnership Initiatives in the Niger Delta (PIND) program. PIND is a non-profit organization that promotes peace and economic growth in the Niger Delta region. Established in 2010, PIND is helping to break the cycle of conflict and poverty by creating strong, stable communities in all the nine (9) states within the region. PIND has supported both Cross River and Ondo State Governments in developing their Agricultural and Growth Development Policies. PIND has also built the capacity of a range of market actors (agro dealers, input companies, farm services providers, equipment providers, fabricators, nursery operators, etc.) and supported them to provide their services and inputs to farmers to address the constraints farmers face.

67. PIND?s work in the cocoa sector commenced in 2018 with a value chain assessment of the sector to identify opportunities, uncover the binding constraints and identify key players within the sector. Interventions in the palm oil sector centre on stimulating best management practices among farmers and improving access to oil palm seedlings. Previous interventions - some under a program funded by the Department of International Development (DFID) of the United Kingdom ?Market Development in the Niger Delta? - included stimulating the use of harvesting technologies and improved processing equipment. PIND has budgeted to spend about US$500,000 over the next five years, to support oil palm and cocoa smallholder farmers.

68. PIND provided valuable inputs to the design of the FOLUR project in the form of their cocoa and oil palm market studies and discussions with their experts, a partnership that will continue in project implementation particularly in the delivery of component 2.

69. Cocoa Soils program funded by the Norwegian Agency for Development Cooperation (NORAD) and led by the International Institute of Tropical Agriculture (IITA) and Wageningen University and Research. The objective of the program, which covers Cote d?Ivoire, Ghana, Nigeria, and Cameroon, is ?a sustainable cocoa supply sector with increased productivity of cocoa farms and improved livelihoods while reducing the risk of cocoa-driven deforestation?. The program focus is on developing integrated soil fertility management products and related tools. One of the main tools currently being rolled out in the program countries including in Nigeria is the ISFM training manual to partners (Ministry of Agriculture and Rural Development, Cocoa Research Institute of Nigeria and IDH are program partners). Cocoa Soils tools are going to be key inputs under component 2.

70. FAO Hand-in-Hand Initiative. The initiative is FAO?s evidence-based, country-led and country-owned initiative to accelerate agricultural transformation and sustainable rural development to eradicate poverty (SDG 1) and end hunger and all forms of malnutrition (SDG 2). HiH was operationalized in Nigeria in early 2021, with the aim of supporting the Government to accelerate the finalization and implementation of the new agricultural policy, Nigeria Agriculture Technology and Innovation Plan (NATIP). Relevant to the FOLUR project are specific investment programmes that

will be designed to implement NATIP, within which support for the integrated landscape management approach and sustainable food systems will be promoted.

71. Overall, the baseline program is quite broad. It offers a good foundation to transform the cocoa and oil palm systems and landscapes in the target states and beyond. Yet, it is also a fragmented baseline that needs to be brought together, and at the same time mainstream FOLUR sustainability and resilience objectives, for greater impact.

1.3 The proposed alternative scenario and description of components

72. Nigerian agriculture is undergoing a major transformation, with significant baseline investments going into cocoa and oil palm production. At the same time, diverse stakeholders recognize that such investments must happen in a sustainable, inclusive, and responsible way in order to ensure the long term viability of these sectors, protect important forest ecosystems and improve livelihoods. In line with the FOLUR IP principles and theory of change, and targeting the main barriers to the shift to sustainable cocoa and oil palm landscapes, the project strategy includes the following elements:

(i) Selection of target landscapes based on high potential to generate multiple global environmental benefits. Cross River (CRS) and Ondo, both leading producers of cocoa and oil palm, contain the largest areas of remaining rainforests in Nigeria, hotspots for rare plant and animal species. The expansion of cocoa and oil palm production is driving high rates of deforestation and degradation. Within the broader CRS and Ondo landscapes, smaller jurisdictional-scale landscape units (LGAs) have been further prioritized for participatory planning and implementation of ground activities under project components 2 and 3. These were also selected based on: (1) numbers of smallholder cocoa and oil palm farmers, (2) current deforestation rates; (3) presence of at risk High Conservation Value (HCV)/High Carbon Stock (HCS) rainforests and Key Biodiversity Areas (KBAs); (4) restoration potential within forest reserves and agricultural land.

(ii) Mainstreaming sustainability and resilience into large agricultural finance schemes. With the level of public and private finance going into cocoa and oil palm, if sustainability standards are not integrated, the loss of Nigeria?s remaining rainforests could accelerate. Mainstreaming sustainability and incentives into key schemes such as the Central Bank of Nigeria?s Anchor Borrowers Programme could have an impact beyond the project target landscapes and food systems, given that the schemes cover many other commodities and states.

(iii) Addressing insecure land tenure by facilitating land titling as one of the main keys to unlocking smallholder farmers? access to finance and their investment in sustainable production practices and technologies.

(iv) Strengthening public private partnerships, and research-extension-farmer knowledge platforms. There are a number of multi-stakeholder partnerships and platforms established at federal and state level (e.g. REDD+ platforms, NISCOPS National Forum, Ondo State Green Growth Multi-Stakeholder Platform, and Cocoa Soils Partnership for Delivery (P4D)). Given that there is already a certain amount of trust and momentum in these platforms, the FOLUR project approach is to build on these partnerships, address the still existing fragmentation and strengthen inclusion and participation of smallholder farmers, women and financing institutions.

(v) Gender integration and women empowerment. In addition to setting specific targets to ensure equal participation of women across all components, a key activity has been included in the design - women leadership development, under components 1 and 2. Women have been excluded for a long time from planning, policy and implementation processes at all levels, federal, state and community. Therefore this is a contribution to bridging the leadership experience gap and to ensure effective participation of women in all aspects of the project.

(vi) Crop and livelihood diversification is included in the design as a strategy to reduce pressure on forests, and to build resilience to climate change, commodity price volatility (improved productivity does not guarantee improved smallholder incomes if cocoa and oil palm prices crash) and other shocks such as the COVID-19 pandemic.

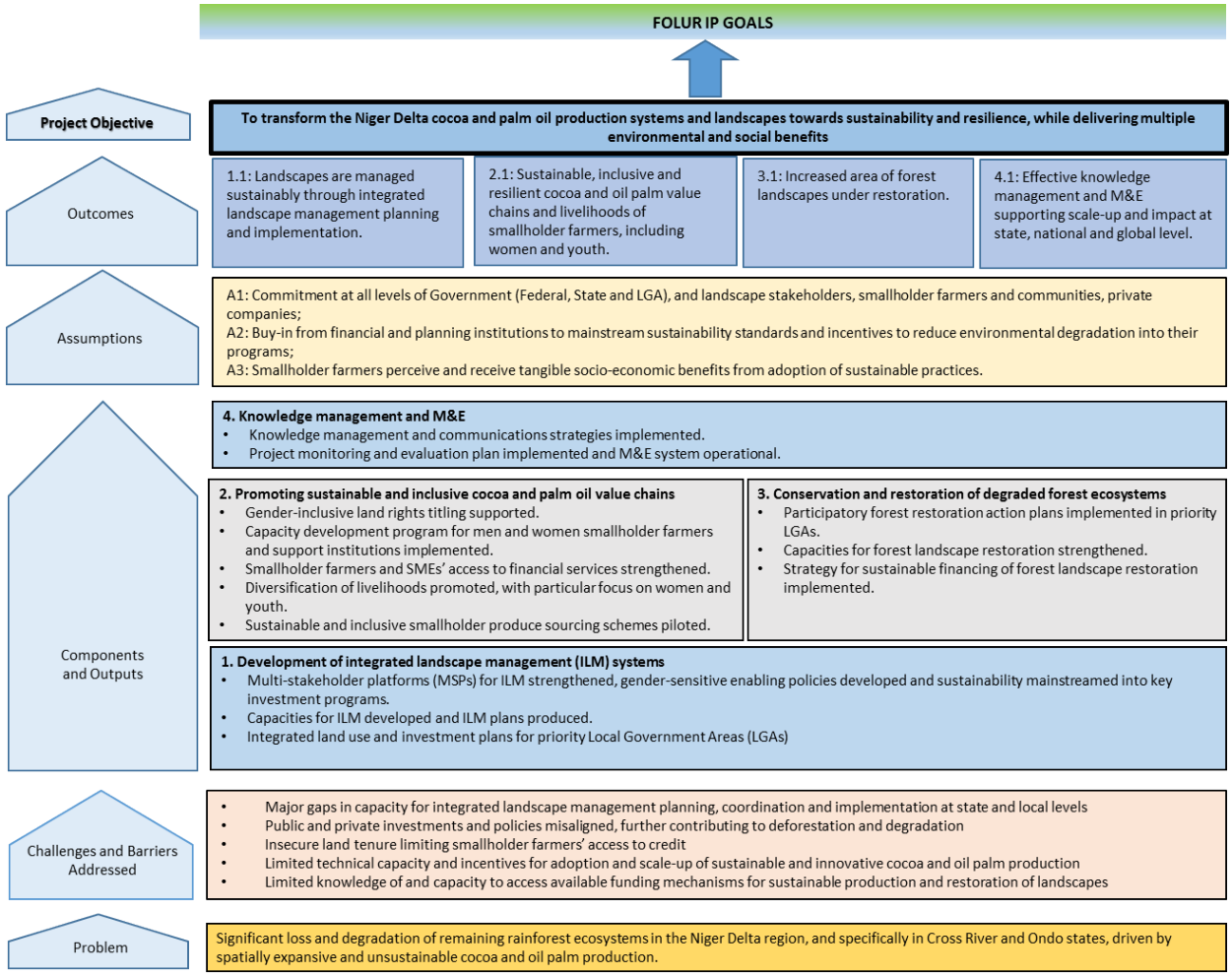


Figure 10: Theory of Change

73. A simplified and brief project design logic, captured in the theory of change diagram (Figure 10) above is that if:

? multiple stakeholders benefiting from and influencing cocoa and oil palm landscapes and systems, come together to define a common vision in line with the FOLUR program, and evidence-based strategies and actions;

? an enabling environment, in the form of knowledge and technical capacities, access to land and finance, and supporting policies and incentives, is created;

? financing and planning institutions mainstream sustainability standards that discourage deforestation and environmental degradation ? including use of highly hazardous pesticides ? into their operations and programs;

? local and international private sector, including sourcing companies, is fully engaged and complies with environmental and social standards; and

smallholder farmers and communities perceive and receive tangible socio-economic benefits from adoption of sustainable practices,

Then, transformation of the Niger Delta cocoa and palm oil production systems and landscapes towards sustainability and resilience, shall be achieved.

74. **Project Objective**: to transform the Niger Delta cocoa and palm oil production systems and landscapes towards sustainability and resilience, delivering multiple environmental and social benefits.

75. To achieve this objective, the project has adopted a two-layered approach, with component 1 at state or broader landscape level and components 2 and 3 implemented within priority LGAs (priority cocoa-oil palm landscapes) for scale-up to other Local Government Areas (LGAs) through co-finance. As mentioned in previous sections, a multi-criteria analysis was performed on all LGAs in order to select four priority landscapes: Boki LGA and Akamkpa LGA in Cross River; Idanre LGA and Odigbo LGA in Ondo. The profiles, including maps and coordinates of the landscapes are detailed in Annex E.

Component 1: Development of integrated landscape management (ILM) systems

Outcome 1.1: Landscapes are managed sustainably through integrated landscape management planning and implementation
Key targets:
- Two (2) ILM frameworks at state-level and four (4) integrated land use plans at LGA level;
- At least two (2) gender-sensitive state and federal government policies, and financing frameworks strengthened;
- At least US$200 million increase in public and private investments in sustainable cocoa-oil palm value chains and restoration;
- 795,200 ha of landscapes covered by ILM plans.

76. The overall objective of this project component is to enable landscapes to be managed sustainably, such that the spatial footprint of production activities (namely agriculture) does not displace forest resources and does not degrade other ecosystem services. Component 1 will provide technical assistance for: (1) strengthening capacities of technical and administrative agencies on

integrated landscape management at the level of the state and at local government level (LGAs); (2) strengthening multi-stakeholder platforms (MSPs) for ILM development and coordination, and mainstreaming sustainability into key investment programs; and (3) delivery of ILM and restoration plans to be implemented under components 2 and 3.

Output 1.1.1: Inclusive, multi-stakeholder platforms (MSPs) for ILM coordination strengthened, gender-sensitive enabling policies developed and sustainability mainstreamed into key investment programs.

77. This output aims to: strengthen the operations of the REDD+ multi-stakeholder forums in each state for ILM planning and coordination, ensuring women and youth representation, and participation of financing institutions; and develop gender-sensitive supporting policies. In Cross River State, REDD+ forums occur: (1) either on a regular monthly basis through a comprehensive multi-stakeholder engagement process that includes extended stakeholders, or ad-hoc basis, involving only ?Technical Committee? members from each of the state Government Ministries, Departments and Agencies (MDAs); and (2) at a local level, with ward councillors, civil society organizations and community-based organizations. In Ondo, MSP meeting frequency is intermittent. Support will be provided through the three activities detailed below:

Activity 1.1.1.1: Enhancement of MSP functionality for ILM planning: This activity builds upon the REDD+ forum and other platforms relevant to FOLUR. The platforms in each of the two states will be reinvigorated, harmonized and expanded into a unified FOLUR Multi-Stakeholder Platform. The MSP will be strengthened through (1) facilitation of regular meetings (at least six per year), and (2) expanding outreach to a larger group of state level stakeholders, ensuring equitable participation of women, youth and vulnerable groups. This activity requires the ILM Technical Working Group (see activity 1.1.2.1) taking an active role in presenting and leading ILM planning discussions, seeking feedback from stakeholders, and coordination on progress of the state ILM plan deliverables.

Activity 1.1.1.2: Cross sector policy and investment dialogues for food systems, forests, and habitat conservation: The activity involves conducting policy dialogues within the MSP roundtable events for the purpose of advancing supporting state policies for ILM and sustainable cocoa and oil palm landscapes, with participation of key financing institutions, including the Central Bank of Nigeria (CBN), the Bank of Agriculture (BOA), and microfinance institutions participating in various national initiatives supporting smallholder farmers? access to finance. The dialogues will provide the opportunity to discuss cocoa and oil palm sector development in light of the sectors? impacts on forest ecosystems, food security, women and youth inclusion such that these issues can be addressed.

The activity will also include dialogue on sustainable smallholder sourcing areas models (?verified sourcing areas? and ?climate-smart territories?) and how these can fit into the development of ILM plans at state and LGA levels linked to outputs 1.1.3 and 2.1.5.

Activity 1.1.1.3: Revision and development of gender-sensitive policies for approval by state authorities, and mainstreaming of sustainability into investment programs. To complement the policy dialogues, a thorough review of relevant existing policies at all levels of government will be completed, led by policy and legal expert(s). Based on this and inputs from the dialogues and implementation of components 2 and 3, revision and development of gender-sensitive policies and mainstreaming of sustainability into key agricultural investment programs and credit schemes shall be supported.

Activity 1.1.1.4: Technical support to the development of sustainability standards for cocoa and oil palm. Working with the MSPs, National Initiative for Sustainable and Climate Smart Oil Palm Smallholders (NISCOPS) National Forum, Produce Departments at state and Quarantine Services at federal level, and the National Agency for Food and Drug Administration and Control (NAFDAC) and informed by component 2 implementation, a consultant will be engaged to draft a manual for minimum standards (including environmental, social and economic sustainability) for cocoa and oil palm in Nigeria.

Activity 1.1.1.5: Women leadership training to strengthen engagement in ILM planning and policy processes. The activity aims to build the capacity of smallholder women farmers (representatives from women associations) on government policy and budget processes and advocacy ? to strengthen women?s engagement and influence in the MSPs and ILM planning process.

Output 1.1.2: Capacities for ILM developed and ILM plans produced.

78. The output involves: (i) the establishment of a functional integrated landscape management Technical Working Group (ILM-TWG) in each state, building upon existing operations of the REDD+ Units and coordination structures; and (ii) delivery of trainings, decision-support, monitoring and enforcement tools and diagnostic information for ILM planning at state and LGA levels. The training shall include a module addressing equity and women participation in integrated land management planning and implementation. The main activities include the following:

Activity 1.1.2.1: Establishment of ILM-TWG: Integrated landscape management planning involves a diversity of landscape stakeholders with varied interests and perspectives. For this reason, it needs to be anchored within, and facilitated by an institution with an appropriate mandate and technical and convening capacity in REDD+ Units in both states. Through a capacity needs assessment carried out during project preparation, it was noted that neither of the REDD+ units had a designated team specifically focused on ILM, although they do have some personnel with land use mapping and natural resources management capacities. Each REDD+ Unit will be supported to develop terms of reference and recruitment or designation of 4 staff who will form the core of the ILM-TWG. Two of the staff recruited must have expertise on cocoa and oil palm sectors, as well as extensive working relationships with a multitude of stakeholders, and the technical ability to collect data and model competing land use trade-offs.

Activity 1.1.2.2: Development of ILM guidelines: This is a fundamental activity that aims to develop an ?ILM plan requirements document? for the TWGs, LGA planners and decision-makers, drawing from existing ILM guidelines and experiences from FOLUR the FOLUR Global Platform. The intention is to adapt existing guidelines to the diverse set of local stakeholders in Cross-River and Ondo States. The ?ILM plan requirements document? will focus on defining minimum requirements in line with these critical elements of an ILM plan : (1) agreed management objectives that encompass multiple benefits from the landscape, (2) field, farm and forest practices that are designed to contribute to multiple objectives, including climate change mitigation, biodiversity conservation, sustainable land management, climate resilience and improved livelihoods and food security, (3) collaborative, multi-stakeholder and community-engagement approaches for dialogue, negotiating and monitoring decisions, (4) gender-sensitive policies that support the achievement of agreed landscape objectives; and (5) gender equity and women empowerment, and youth inclusion. The document will also define requirements for institutional roles and responsibilities, information sharing processes and requirements for gender equality and women participation and youth inclusion in the development and implementation of the ILM plans. An ILM communication strategy will be developed, highlighting the goals of ILM planning relevant to decision-makers and landscape stakeholders, the value of cocoa and oil palm production in a sustainable and inclusive manner to ensure forest ecosystem protection and improvement of livelihoods.

Activity 1.1.2.3: Setting up a GIS Lab to support ILM analyses, monitoring and enforcement (Ondo State only): This activity will only be carried out in Ondo State given that Cross River State?s REDD+ Unit already has a fully functioning GIS Lab where land use mapping and deforestation monitoring across the state and local levels, is being carried out. Ondo has received trainings from FAO on SEPAL (System for Earth Observation Data Access, Processing, and Analysis for Land Monitoring) and other monitoring systems, but does not currently have adequate computer equipment, software licenses, and other materials needed to carry out ILM spatial planning tasks. In order to establish the GIS Lab within Ondo REDD+ Secretariat, the Ondo State Government will provide co-financing of $50,000 to cover the cost of high speed internet connectivity and renovation of office space, while the GEF budget will be used to procure and install equipment and software.

Activity 1.1.2.4: Delivery of ILM training: A series of training workshops will be undertaken to institutionalize ILM planning and enable each state to develop the ability to independently lead ILM planning and produce ILM diagnostic and monitoring information, and updating of ILM plans. The activity will be supported by a team of consultants who will develop and deliver training modules on ILM, stakeholder consultations, gender and women participation in the process, and spatial planning tools including the Restoration Opportunities Assessment Methodology (ROAM). In developing the training modules, the project will make use of, and adapt existing training materials prepared by FAO, WRI, and other organizations.

A series of activities (described below) will be implemented to provide analytical inputs to the ILM planning. These include comprehensive land use assessment and mapping of High Value Conservation (HCV) and High Carbon Stock (HCS) areas, mapping of restoration opportunity areas, and compact groups of smallholder farmers across each state.

Activity 1.1.2.5: Assessments of land use, biodiversity and ecosystems: A comprehensive assessment of land use and land-use change across the project area will be undertaken. These assessments will help map and generate information on agricultural production areas (especially cocoa and palm oil) and other land uses, HCV/HCS forest areas, important ecosystems, protected areas etc.

A training workshop for mapping HCV/HCS forests will be provided with specific focus on generating maps for the project?s priority LGAs. This will be done at a resolution that is sufficient for prioritization of high conservation value forests (as hotspots of biodiversity) in local land use planning. The HCV/HCS forest area datasets will be managed by each state?s REDD+ Unit to be shared with Local Government Councils, private sector and other landscape stakeholders. Protected area boundary demarcations and GIS coordinates? information will be confirmed through consultations with the National Park Service, State Forestry Commission/Department, and State Ministries of Planning, local communities and relevant stakeholders.

Activity 1.1.2.6: Mapping of smallholder farmers: The activity involves mapping clusters of smallholder farmers across each state. While each state has many small-scale producers, their locations and density to one another is not well known by state and LGA level land planners and decision-makers, and private sector. For this reason, engaging them and planning around their needs is a challenge. This activity aims to produce spatially explicit maps of smallholder clusters, or ?compacts? for the purposes of overlaying this information on LGA land use / land use change maps, HCV/HCS maps, restoration maps etc., and to facilitate outreach and inclusion of smallholder producers and communities in the overall land use planning process, and their inclusion in cocoa and palm oil value chains. During project preparation, it was noted that PIND has begun collecting a substantial amount of information on geo-tagged smallholder farmers, particularly palm oil farmers. The Central Bank of Nigeria through its Anchor Borrowers Programme and to some extent Solidaridad as well as IDH have collected substantial coordinate information on palm oil farmers, and prospective palm oil farmers. Once this information and additional data sets of cocoa and additional palm oil farmers are consolidated, the REDD+ unit will start sharing this information with stakeholders in priority LGAs (in Output 1.1.3).

Activity 1.1.2.7: Application of Restoration Opportunities Assessment Methodology (ROAM): The primary objective of applying ROAM is to provide the necessary geospatial information to inform a sustainable, long-term restoration planning that will benefit both the environment and people. Results from ROAM will help stakeholders in Cross River and Ondo know where restoration opportunities exist, which areas should be prioritized, and where potential areas for new sustainable oil palm and cocoa could be developed on degraded agricultural lands, without compromising production of crops important for food and nutrition security.

The activity will be carried out at two levels: (a) broadly at the project area level, which covers all LGAs in cocoa-palm landscapes in Cross River and Ondo, and (b) at the specific level of the project priority LGAs. The ROAM diagnostic deliverables will include: (1) a shortlist of the most relevant and feasible restoration intervention types across the cocoa-palm landscapes, and those within the priority

LGAs; (2) identified priority areas for restoration; (3) quantified costs and benefits of each intervention type; (4) estimated values of carbon sequestered by these intervention types; (5) a diagnostic of the presence of key success factors and identification of strategies to address major policy, legal and institutional bottlenecks; and (6) an analysis of the financing options for restoration. While deliverables 1 and 2, are the most important at LGA level, training on procedures for updating the others will also be undertaken.

Activity 1.1.2.8: Drafting of jurisdictional ILM plan for approval at the State Governor?s Office: This activity is about the delivery of ILM plans (2) based on the analyses and information generated through the previous activities and consultations with landscape stakeholders at state (through MSPs) and local levels. The ILM plans will cover cocoa-palm landscapes in Cross River and Ondo (broad project area), and will provide the framework for developing LGA level plans (output 1.1.3). Finalized ILM plans will be widely communicated after endorsement by the State Governors for Cross River and Ondo.

Output 1.1.3: Integrated land use and investment plans for priority Local Government Areas (LGAs)

79. This output aims to ?step down? state-level ILM planning to prioritise LGAs i.e. utilizing the state-level plans as a framework for development of LGA integrated land use plans (LUPs) and associated investment plans. Experience from the development and implementation of the LUPs in priority LGAs will inform further refinement of state-level ILM planning and replication in additional LGAs and scale-up to other Niger Delta region cocoa and oil palm producing states. The delivery of LUPs will involve building a coalition of stakeholders to: (1) define a common vision for the sustainability of their landscape, (2) identify priority areas within the landscape for conservation, restoration, and sustainable production; (3) set goals, targets and priority actions for biodiversity and forest ecosystems conservation, sustainable production, climate resilience and socio-economic benefits, (4) agree on a joint implementation roadmap and stakeholder roles and responsibilities, and investment needs, funding sources and commitments, and (5) set a monitoring and evaluation framework. To build resilience to climate change and to commodity price volatility, and to strengthen food and nutrition security, crop and income diversification shall be incorporated in the LUPs. Activities will include:

Activity 1.1.3.1: Facilitation of LGA stakeholder engagement forums and governance arrangements ensuring participation of smallholder women farmers, CSOs and private sector, and youth ? in priority LGAs for development and implementation of LUPs, to reduce deforestation and ecosystem degradation and improve productivity and value of cocoa and oil palm and food crops within LGA landscapes.

Working with local women CSOs, the project will pilot the innovative Dimitra Clubs approach in target LGAs to empower communities and enhance women and youth leadership and full engagement in land-use planning. It is a powerful tool that promotes social cohesion and gender equality, and access to knowledge and information. The approach has been promoted by FAO in a number of GEF-funded projects in West Africa.

Activity 1.1.3.2:?Step down? support from the REDD+ unit for spatial planning: This activity involves the REDD+ Unit ?stepping down? ILM analyses to LGAs, and providing implementation support to LGA stakeholders for the development and implementation of LUPs. An important part of this activity will be the establishment of landscape monitoring systems, to be able to track progress, compliance and impact at this level.

Activity 1.1.3.3: *Finalization, approval and implementation of LUPs* through components 2 and 3 as two fundamental ground subcomponents of ILM.

Component 2: Promoting sustainable and inclusive cocoa and oil palm value chains

Outcome 2.1: Sustainable, inclusive and resilient cocoa and oil palm value chains and livelihoods.
Key targets:
- At least 5,000 smallholder farmers (disaggregated by gender) supported to acquire registered land titles (Customary Rights of Occupancy);
- Budget allocations in state medium-term plans and budgets for cocoa and oil palm innovation platforms and increased allocations to women in agriculture initiative;
- At least 110,000 ha of land under sustainable practices (GEF core indicator 4);
- At least 40,000 smallholder farmers (at least 30% women) have benefited from trainings on sustainable cocoa, oil palm, and crop and income diversification (GEF core indicator 11);
- 25% increase in number of smallholder farmers (disaggregated by gender) accessing local microfinance and financial services (savings, credit and insurance);
- At least 250 women value chain groups supported;
- % increase in cocoa and oil palm yield per hectare (at least 20% by the end of 5 years);
- % increase in income.

80. Component 2 is aimed at transforming, cocoa and oil palm food systems in Cross River and Ondo State, to enable them to become sustainable and resilient, while also supporting gender equality, social inclusion and improved livelihoods, using a landscape approach ? implemented as a subcomponent of the integrated land use plans developed under component 1. To unlock investments and transform the systems, the component will focus on the following aspects: (1) support to land tenure security, with emphasis titling of customary rights on smallholders? farmland and increasing women?s access to land; (2) demonstration of an integrated innovation system efficiently serving smallholders and agribusiness, to support adoption at scale; (3) improving smallholders and SME?s access to credit; (4) improved access to markets, and (5) crop and income diversification. Although initial focus will be on the four priority LGAs, the rest of the cocoa-oil palm producing LGAs in both states will also be engaged and benefit from component 2 activities. This will be achieved through partnership with State Agricultural Development Extension Programs (ADPs) which cover all LGAs, the Foundation for Partnership Initiatives (PIND) and Solidaridad and IDH. These partners and programs have extension networks also in other states across the Delta, which will contribute to replication and scale-up of the models to be promoted in Cross River and Ondo.

Output 2.1.1: Gender equitable land rights titling supported.

81. As pointed out in earlier sections, land tenure security is one of the fundamental ingredients for investments in and adoption of sustainable agricultural production practices at scale. In Nigeria approximately 95% of agricultural lands are not titled, and hence cannot be used as collateral for financial transactions. Based on surveys conducted during project preparation, less than 5% of cocoa and oil palm farms in Cross River and Ondo State are titled or have Certificate of Occupancy. This situation would not allow for the achievement of sustainable integrated cocoa-oil palm landscapes. The main activity to be supported under this output shall be:

Activity 2.1.1.1: Preparation and delivery of simple guidelines and training package on gender equitable issuance of Customary Rights of Occupancy. This activity will be delivered in conjunction with the ILM capacity programs to be developed under component 1, with specific focus on project priority Local Government Areas ? and subsequent roll out to other LGAs across the two states. The activity builds upon National Initiatives for Sustainable & Climate Smart Oil Palm Smallholders (NISCOPS) baseline activities. Working closely with the State Ministries of Land and the State REDD+ Units, simple guidelines will be developed and training delivered to Local Government Councils with participation of representatives from NGOs, women groups, community leaders, farmer associations and youth.

An important indicator under this output will be functional cadastres registering and titling Customary Rights and increase in titled farmlands (men and women farmers with Customary Rights of Occupancy titles). The project will ensure that there is gender equity in the process of land titling.

Output 2.1.2: Capacity development program for men and women smallholder farmers and support institutions implemented.

82. The output is intended to improve smallholder farmers and SMEs? access to knowledge, information and innovations in order to accelerate landscape-wide adoption of sustainable and climate-smart cocoa and oil palm production technologies, innovative practices and related services. The vast baseline upon which the output builds includes: (i) Cocoa Soils Program led by the International Institute of Tropical Agriculture (IITA); (ii) State Agricultural Development Programs (ADPs) modified Training and Visit (T&V) system of extension; (iii) IDH and Solidaridad programs in Ondo and CRS; (iv) FAO Farmer Field Schools (FFS) and GIZ Sustainable Smallholder Agribusiness Farmer Business Schools (FBS) and Green Innovation Centre Programs; (iv) Foundation for Partnership Initiatives in the Niger Delta (PIND) cocoa and oil palm programs; (v) Cocoa Revolution Project (CRP) and Agro-climatology Project in Ondo State: (vi) Women in Agriculture Initiatives of both Cross River and Ondo states. The main activities shall include:

Activity 2.1.2.1: Establishment of inter-state integrated innovation platforms for sustainable cocoa and oil palm linking research (IITA, CRIN, NIFOR, FRIN), public and private extension service providers, technical experts from relevant MDAs including State Ministries of Women Affairs and Social Development, smallholder farmers representatives, IDH, Solidaridad and representatives from cocoa and oil palm industry (WCF and member companies) and NGOs. The aim is to bring together the currently fragmented partners and initiatives that are generating new knowledge and providing training and advisory services to farmers. This is to ensure coherence in the approaches and innovations being promoted and facilitate inclusion, knowledge sharing, coordination, replication and impact at scale, in line with sustainability visions and goals of the integrated land use plans to be developed under component 1. The platforms will provide inputs to the review of available (and those under development) sustainable climate smart agriculture training packages (manuals), which will feed into the next activity. The platform(s) will be convened by IDH/Solidaridad in coordination with the States? REDD+ Units and the Ministry of Agriculture, with at least one meeting held virtually every quarter, and convening physically once or twice a year. Although initially the focus will be on the two project states, the intention is to have the platforms extended/replicated to other Niger Delta cocoa-oil palm states.

The innovation platform will be linked to the existing Cocoa Soils Partnership for Delivery (P4D) national multi-stakeholder committee and NISCOPS national forum (NNF), basically expanding the partnerships to the landscapes. To sustain these platforms, the project will advocate for the inclusion of specific budget lines in state medium-term plans and budgets.

Activity 2.1.2.2: Preparation of training packages on sustainable cocoa and oil palm production systems. A team of thematic experts (consultants), including a gender expert, will be constituted to prepare, in consultation with the innovation platforms, comprehensive training packages and simple guides for farmer training based on existing and new training manuals particularly those developed by IITA on sustainable and climate-smart cocoa and oil palm systems. Training modules will cover a range of areas: integrated soil fertility management; agroforestry; integrated crop and pest management (discouraging use of highly hazardous pesticides); seed selection; crop diversification; biodiversity conservation in and around farms; application of agrometeorological information; improved post-harvest and processing practices and technologies; cooperatives and group organization including governance and conflict resolution, business and financial planning and access to credit, negotiation and marketing with particular focus on women and youth; among others. Women empowerment and leadership development shall be a key module in the training packages. These manuals shall serve as the basis for agricultural extension and advisory services delivery to cocoa and oil palm smallholders, businesses, and for service institutions (public, private, NGO/CSOs etc.) that support the cocoa and oil palm smallholders through activities 2.1.2.3 - 2.1.2.5. A detailed description of climate smart

agriculture including agroforestry systems for cocoa and oil palm that will be considered, is presented in Annex L. As mentioned, the Cocoa Soils program is finalizing a set of comprehensive models for sustainable and climate resilient cocoa production, and these shall be a core part of the FOLUR project packages.

An integrated pest management (IPM) expert will be engaged in project year 1 to support the development of a pest management plan in collaboration with IITA, CRIN and NIFOR, to address the risk of the project contributing to use of highly hazardous pesticides. This will be incorporated into the training packages.

Activity 2.1.2.3: Delivery of trainings to smallholder farmers and SMEs. The project will use an approach based on the Farmer Field and Business Schools (FBS) model to achieve delivery of training at scale (and depth), as well as ICT tools (e.g. training videos through WhatsApp and pocket projectors) developed under the GIZ Innovation Centre Initiative. These include: (1) training of master trainers (ToT), through a series of in-person and virtual sessions targeting groups of trainers with participants drawn from state ADP extension programs, the Local Government Councils? Department of Agriculture, private extension services, Commodity Associations and partner initiatives (IDH, Solidaridad, PIND); (2) step-down training sessions for lead facilitators (lead farmers and village/community extension agents, CBOs); and (3) FBS training sessions delivered by lead facilitators, following structured cropping calendars stipulated in the training manuals. While some farmers and SMEs are already organized in groups, many are not. Hence this activity will also facilitate the formation, aggregation and registration of smallholder farmers and economic interest groups. In all these steps it shall be ensured that women are equitably represented in the training and in the leadership of the groups, and that youth are also included. The training will be complemented with a series of radio programs to be funded through co-financing provided by State Governments.

Activity 2.1.2.4: Facilitating the establishment of private sector/community-managed seed gardens and nurseries. Improving sustainability and productivity of cocoa and oil palm relies as well, on farmers being able to access high quality planting materials i.e. seedlings of improved varieties of cocoa, oil palm and indigenous fruit & economic trees. Therefore, this activity promotes private sector/producer groups driven supply of quality inputs. Working with CRIN, NIFOR, FRIN, and CSOs with co-financing from the State Governments, the activity will support technical and business plan development training to private nursery operators especially (young women and men) agricultural entrepreneurs ? to include setting-up seed gardens and nurseries demonstrations in priority LGAs for upscaling across the two states through state co-financing.

Activity 2.1.2.5: Demonstration of ?green? processing and harvesting technologies for oil palm and cocoa, which will entail the review of technologies available to improve yields and products, and reduce post-harvest losses. This is particularly important for oil palm processing, where it is estimated that ~30% is lost because of the use of inefficient traditional processing technologies. Processing is also part of the oil palm value chain dominated by women. The activity will involve the review of technologies available on the market in Nigeria and outside the country, participatory selection and demonstration, as part of SME and farmer training. This is an important aspect of improving productivity that contributes to reducing the risk of expansion into forests.

Output 2.1.3: Smallholder farmers and SMEs? access to financial services strengthened

83. As noted under the baseline section, there are several agriculture credit initiatives led by the Central Bank of Nigeria designed to boost production of key crops including cocoa and oil palm. Despite this wide range of agricultural development finance initiatives, the majority of oil palm and cocoa smallholder farmers still struggle to access finance. A survey conducted by the project preparation team indicates that less than 15% of men and women cocoa and oil palm smallholders gained access to credit in the past 2 years ? primarily due to the fact that most farmers do not have land titles (addressed through output 2.1.1), and limited access to information and organization (addressed through output 2.1.2). Low appetite of commercial banks and microfinance institutions for cocoa and

oil palm due to their long gestation periods is also an important barrier. The following activities will be implemented to further facilitate farmers? access to credit:

Activity 2.1.3.1: Design and pilot of an incentive mechanism for sustainable cocoa and oil palm production and other food crops. The project will facilitate the design of an ?Eco-Credit? pilot within the Central Bank of Nigeria ABP program and BoA credit schemes that incentivize farmers? adoption of sustainable production and post-harvest practices and technologies, based on agreed environmental, social and economic sustainability standards including women and youth empowerment.

Activity 2.1.3.2: Facilitation of dialogue with microfinance institutions. A series of sensitization dialogues will be organized with financial institutions, particularly microfinance, to discuss and demonstrate benefits of doing business with oil palm and cocoa smallholder farmers. This will be done in order to catalyse improvement in credit products available. At the moment, microfinance banks prefer very short gestation (3 ? 6 months) lending and charge high interest rates.

Training and communication packages offering information on sources of finance for smallholder farmers and SMEs and simple step-by-step guides on business plan development, loan applications, opening bank accounts etc. will be prepared and delivered through output 2.1.2 activities.

Output 2.1.4: Diversification of livelihoods promoted, with particular focus on women and youth

84. Crop, livelihood and income diversification is a vital component of sustainable and resilient food systems ? which has become even more important for ?building back better? post-COVID. Commodity price volatility, especially for cocoa, also makes diversification a necessity. Therefore this output will promote livelihood diversification, building upon several past and ongoing initiatives such as: (a) the World Cocoa Foundation Livelihoods Program implemented between 2009 and 2019, which promoted food crop diversification on cocoa farms; (b) the Livelihood Improvement Family Enterprise (LIFE) program of the Federal Ministry of Agriculture and Rural Development (FMARD) - promoting community-based on-farm and off-farm business activities along key agricultural value chains as a mechanism for job and wealth creation amongst unemployed youth and women in rural and sub-urban households; (c) State Government-funded women in agriculture empowerment initiative; and (d) Foundation for Partnership Initiatives in the Niger Delta (PIND) programs. The main activities shall include:

Activity 2.1.4.1: Review, identification and support to strengthen diversification. Although some information was gathered through stakeholder consultations during project preparation, there is need to carry out an in-depth review and consultations to determine diversification activities to be further strengthened and/or developed.

In addition to promotion of diverse food crops (activity below), options could include poultry production and soap making. These activities are easily adaptable and sustainable since they are already in practice amongst local farmers in priority LGAs with positive outcomes.

Activity 2.1.4.2: Support to improved production of food crops as part of agroforestry/intercropping systems. Food crops such as plantain and banana, cassava, yam, maize and vegetables can be intercropped with cocoa, oil palm and economic tree species, generating alternative income, and contributing to household food security and nutrition. This activity will be implemented in conjunction with activities under output 2.1.3.

Output 2.1.5: Sustainable landscape sourcing schemes piloted

85. This will pilot an innovative market approach developed by IDH: the Verified Sourcing Areas (VSA) model. In this approach a whole landscape, rather than individual farmers, is linked directly to markets. VSA aims to ?provide a market mechanism that enables responsible sourcing and sustainable development at scale, by connecting sourcing jurisdictions directly to markets?. The

process for a landscape to become a VSA starts with: (1) establishing a PPI (production, protection and inclusion) Compact, bringing together key landscape stakeholders: local government, CSOs, smallholder farmer groups and cooperatives and traders, to jointly agree on sustainable landscape management/improvement plan including indicators and targets and monitoring and reporting progress through SourceUp platform https://sourceup.org/; (2) Compact implementation; and (3) VSA meeting established minimum requirements. At least 1 priority landscape will be accompanied towards becoming a verified sourcing area. The target towards VSA has to be incorporated into the development, implementation and monitoring of integrated land use plans (LUPs) developed under component 1.

The output builds upon IDH?s ongoing collaboration with Bambi Farms Limited ?Bambi sustainable oil palm smallholder inclusion project? in Odigbo LGA in Ondo State. The activities will include:

Activity 2.1.5.1: Sensitization and training on the VSA model, process and minimum requirements ? including compact indicators and monitoring and reporting requirements, with landscape stakeholders and commodity companies/buyers. The activity will be carried out as part of the development of the LUPs.

Activity 2.1.5.2: Facilitating the preparation, signing and monitoring of sustainable and inclusive sourcing agreements (public-private-community partnership MoUs) with cocoa and oil palm companies (Committed Buyers), defining terms of engagement and stakeholder commitments.

Component 3: Conservation and restoration of degraded forest ecosystems

Outcome 3.1: Increased area of forest landscapes under restoration.
Key targets:
- # of participatory forest landscape restoration action plans (RAPs);
- 18,800 ha of degraded forest landscape restored (GEF core indicator 3);
- 15.6 million tonnes of CO_2 sequestered (GEF core indicator 6);
- At least 5,000 people trained and engaged in on-the-ground restoration activities;
- At least 10,000 people benefiting from income diversification interventions (disaggregated by gender ? with a target of at least 50% women, GEF core indicator 11);

86. This component will support Cross River and Ondo States to restore degraded land within and around forest reserves and community forest lands in the priority cocoa and oil palm producing LGAs whose activities have resulted in significant deforestation and forest degradation. The component will promote on-the-ground restoration activities in order to deliver multiple benefits ? biodiversity conservation and restoration of carbon stocks, climate resilience and improvement of livelihoods for local communities.

87. The component will be guided by the ROAM assessments and LGA land use plans (LUPs) developed in component 1, as well as past and ongoing forest landscape restoration initiatives such as the Forest and Landscape Restoration Mechanism, the GEF-funded Restoration Initiative (TRI) and from implementation of Community-Based REDD+ Programme in Cross River State. This component is linked to the 2019 presidential initiative on reforestation (planting 25 million trees) led by the Forestry Research Institute of Nigeria (FRIN). FRIN will support implementation of the component through the provision of seedlings, establishment of nurseries, training and supervision of restoration activities in agreed priority restoration sites ? identified through the ROAM activity. The project shall emphasize use of diverse native species to ensure alignment with biodiversity conservation objectives.

88. Component 3 outputs will focus on: (1) Developing participatory forest restoration action plans (RAPs); (2) Building capacity and implementing the RAPs; and (3) Developing sustainable financing strategy for forest landscape restoration.

Output 3.1.1: Participatory forest restoration action plans implemented in priority LGAs

89. An initial step of this output will be the review of ROAM findings and confirmation of priority sites for restoration with LGA ILM committees, consultations and awareness raising with stakeholders including communities and local leaders and chiefs, women and community-based organizations. In engaging with communities, the project will respect and take into consideration social and cultural context and existing natural resources management governance structures and community forest and land management plans, some of which were developed through the Community-Based REDD+ programme and other initiatives. The following activities will be undertaken:

Activity 3.1.1.1: Raising awareness and mobilizing support at LGA and community levels. This activity will be linked to the cross-cutting communication strategy developed under component 4, and shall lead to the production of key messages in local languages and diffused through appropriate channels, articulating the benefits of ILM in general and forest restoration in particular, to the environment and sustainable livelihoods. These messages will be coherent and complementary to those produced within the REDD+ communication strategy in Cross River and Ondo states.

Activity 3.1.1.2: Consultations with LGA and community-level stakeholders: Key stakeholders envisaged are Local Government Councils, communities and their leaders, farmers, women associations, community-based organizations, private sector (including off takers/aggregators farmers sell farm products to), and extension agents and foresters in the state forestry commissions. Stakeholders will be consulted on: restoration types and preferences (agroforestry, assisted natural regeneration, woodlot restoration, etc.); selection of native and economic tree seedlings (e.g. fruit, timber, etc.) taking into consideration local climatic conditions, trends and climate change projections and the need to enhance biodiversity in the landscapes; livelihood diversification options including support to non-timber forest product enterprises.

Activity 3.1.1.3: Facilitate establishment and/or strengthening of community-level structures for landscape restoration. Landscape management and restoration is a long-term undertaking, hence the need for strong and sustainable organization at all levels, particularly at community level. Some communities already have NRM governance structures, while some do not. This activity will support the establishment and/or strengthening of landscape restoration units in Local Government Councils and communities and undertake training and undertake restoration interventions.

Activity 3.1.1.4: Finalization and validation of participatory forest restoration action plans with gender and women empowerment incorporated in the plans. This activity will lead to the drafting and publication of simple forest landscape restoration action plans. These will be simple documents that summarize agreed objectives, priority areas, restoration targets, and a set of subsequent actions to achieve the targets, budget, co-financing contributions, and roles and responsibilities of LGA and community-level stakeholders.

Output 3.1.2: Capacities for forest landscape restoration strengthened

90. The output will involve the establishment of tree nurseries in LGAs and the delivery of training to communities, restoration committees/structures, women and community-based organization, field foresters, LGC technical team, extension agents and NGOs. The activities will include:

Activity 3.1.2.1: Establishment of new nurseries in line with participatory forest restoration action plans. New tree propagation nurseries to supply seedlings for restoration will be established by FRIN in strategic sites within priority Local Government Areas. The target will be to produce 1 million seedlings per year in each project state. GEF funds will be used to support FRIN with the scoping and siting work involved with the development of new nurseries. This may include assessing/surveying land availability, estimating LGA supply/demand aspects of particular tree seedlings, consultations with state, local, private sector, and community stakeholders.

Activity 3.1.2.2: Forest landscape restoration training to communities, local restoration committees, and community-based organizations, ensuring equitable participation of women in the training and

inclusion of young people. Currently, FRIN is not involved with community engagement in either states and this activity will help extend activities to communities, smallholder farmers and others within each targeted LGA. The community outreach training program that FRIN will deliver will go hand in hand with delivery of tree seedlings to the communities. Training will focus on effective planting and maintenance of the trees, best practices in woodlot reforestation and assisted natural regeneration, and agroforestry. During project preparation, FRIN has indicated that it will re-allocate up to 5 percent of its labour force to support this activity. This reflects a strong commitment that will help expand the impact of this activity during the project, and also ensure sustainability beyond the project.

Activity 3.1.2.3: Forest landscape restoration trainings delivered to field foresters and extension agents. FRIN will extend training (quarterly training sessions) to foresters from state forestry commissions/departments and extension agents in support of additional seedling provision and restoration of deforested/degraded forest reserves and buffer zones.

Activity 3.1.2.4: Distribution of tree seedlings. FRIN have two (2) trucks for seedlings distribution, and sixty-five (65) technical staff currently on the ground in Cross-river & Ondo State, with up to additional staff available from FRIN?s national pool, as needed. To strengthen FRIN?s capacity to perform this activity i.e. nursery logistics, seedling distribution and delivery of training to communities, purchase of two vehicles with GEF funding has been requested ? taking into consideration that vehicle hire would be much more expensive.

Activity 3.1.2.5: Support to sustainable diversification of forest-based livelihoods. The activity will be carried out utilizing the FAO market analysis and development of forest-based enterprises approach which aims to assist communities to develop enterprises to generate and improve their incomes while ensuring the sustainable management of forest resources, in a gender-sensitive way. The approach will include review of current livelihood strategies, identifying potential women and men entrepreneurs within the communities, selection of potential products for development, preparation of enterprise development plans, support to accessing credit and markets, and training.

Output 3.1.3: Strategy for sustainable financing of forest landscape restoration implemented

91. The purpose of this output is to support the sustainability and scaling-up of restoration interventions across cocoa and palm landscapes in Cross River and Ondo through development and implementation of a strategy to mobilize public and private investments for restoration. Some potential opportunities exist at state and national level. The first opportunity is public funding from the State Governments, through policies and programmes that support ILM and restoration objectives (under component 1) which will then facilitate the inclusion of these priorities in sectoral strategies and multi-year budget frameworks with specific budget allocations. The second potential source of financing is the National Forest Trust Fund established for ?reforestation and sustainable management of degraded forest estates, reserves and production landscapes to achieve significant increase in forest cover, sustainable production, supply of forest products and services for socio-economic development?. The activities will include:

*Activity 3.1.3.1: Design of a sustainable financing strategy l*ed by a national/international expert who will work with ILM stakeholders at state and LGA levels, to understand key barriers and capacity needs for accessing available financing mechanisms.

Activity 3.1.3.2: Design and delivery of training on accessing private and public, and innovative financing as identified in the strategy ? developing ?bankable proposals?. These will be at state, LGA and community levels. Wherever possible, these trainings will be delivered as part of other trainings for cost effectiveness.

Component 4: Knowledge management and M&E

92. The aim of this component is threefold: (i) communication and outreach to stakeholders at landscape, state, and federal levels to enhance their engagement, support and ownership of the project and its objectives ? and to communicate impact; (ii) knowledge generation and dissemination; and (iii) effective monitoring and evaluation of results. Component 4 will ensure both that project activities are imbued with cutting-edge global knowledge and that new knowledge generated by the project is amplified and replicated through landscape, national (the REDD+ National Platform and cocoa and oil palm multi-stakeholder platforms) and regional-level platforms. It is through component 4 that the project will be connected to the FOLUR Global Knowledge Platform, to share knowledge coming out of Nigeria, while accessing innovations and best practices from FOLUR countries, including Cote d?Ivoire, Ghana and other major cocoa and oil palm producers. To facilitate sustainability (funding and maintenance) of Nigeria FOLUR knowledge management, the strategy is to closely link or embed this component within the planned National REDD+ knowledge management platform.

93. Nigeria is a member of several African regional initiatives, which will provide additional opportunities for sharing knowledge across the region; these include the African Forest Landscape Restoration Initiative (AFR100), Alliance for Green Revolution in Africa (AGRA), and the African Circular Economy Alliance whose current membership includes Cote d?Ivoire, Ghana, Nigeria, Rwanda and South Africa.

Output 4.1.1: Knowledge management and communications strategies implemented

94. The strategies will be developed within the first 6 months of project implementation, using FOLUR Global Knowledge Platform guidelines. They will be reviewed and refined periodically based on feedback from stakeholders and target audiences (both internal and external to the project). The activities will include:

Activity 4.1.1.1: Design of the knowledge management and communication and outreach strategy. The activity will involve: review of the current situation regarding knowledge management and communications about ILM, food systems, and land use and restoration issues in the project states and at national level (existing strategies ? REDD+ programme knowledge management system, messages, channels, audience); and defining goals, target audience and dissemination platforms, and preparation of the strategies based on the review.

Activity 4.1.1.2: *Sharing knowledge, communication products and tools* including: at least two outcome stories per year (case studies documenting project impact, lessons learned and best practices, capturing also women empowerment, shared with FOLUR Global Platform, and with state and federal level multi-stakeholder platforms, NGOs, private sector, civil society and communities); policy briefs; thematic technical papers/publications; newsletters, posters, billboards, social media posts; etc.

Activity 4.1.1.3: Participation and contribution to FOLUR Global Platform events. The platform will organize meetings (at least one annual meeting) and training events with FOLUR partners and country projects including Nigeria FOLUR, for learning, networking, assessing results and demand for technical support. As a requirement and opportunity, the project team will participate and contribute to these events.

Activity 4.1.1.4: Interstate learning events organized. At least one learning event will be organized annually, wherever possible, back-to-back with project steering committee meetings and/or REDD+ program events. Some will be virtual. Representatives from Niger Delta cocoa-oil palm states will be invited to participate.

Given that the project will be implemented in two states, with several delivery partners, it is important that knowledge and lessons are shared within the project partnership itself. Hence, virtual bimonthly internal knowledge sharing and learning sessions will be organized with the project team and delivery partners.

Output 4.1.2: Project monitoring and evaluation plan implemented and M&E system operational.

95. This output will support adaptive management, learning and accountability to stakeholders and beneficiaries. It is through this output that the global environmental and socio-economic benefits generated by the project will be measured.

Activity 4.1.2.1. At project inception, the project M&E plan will be reviewed and further elaborated by the project teams and M&E specialist in consultation with partners. This will entail defining specific requirements for each indicator ? data collection methods, frequency, responsibility for data collection and analyses, taking into consideration costs and budget availability.

Activity 4.1.2.2. M&E system(s) in place. Part of ILM planning at state and LGA levels will be defining specific landscape indicators (in addition to core indicators), that should be tracked within the life of the project and beyond. Following available guidelines e.g. FAO monitoring forest and landscape restoration guidelines[12][12], the project will help set-up system(s) that will track progress and impact at target landscape level and again linked to state-level REDD+ monitoring systems for sustainability.

Activity 4.1.2.3. Preparation of internal project partnership guide building on the proposed implementation arrangements. With the number of partners and service providers that are going to take part in direct implementation and delivery of outputs, it is necessary that the project develops an internal document outlining coordination and interactions within the partnership, and how internal conflicts that may arise would be addressed collectively. The guide should be available within the first 2 months of project implementation ? inception.

Activity 4.1.2.4: Independent mid-term evaluation (end of project year 2) and final evaluation (3 months project end) conducted.

1.4 Alignment with GEF-7 FOLUR Impact Program and Focal Areas Strategies

96. The project has been designed in line with all key principles and structure of the FOLUR Impact Program. In particular, the project contributes to FOLUR IP objective 2 ?promoting deforestation-free agricultural supply chains to slow loss of tropical forests? and objective 3 ?promoting restoration of degraded landscapes for sustainable production and to maintain ecosystem services?. The project is placed within the most important states and landscapes in terms of remaining tropical rainforests in the Niger Delta, and the level of threat posed by expansion of cocoa and oil palm production. To address this challenge, the project has adopted the FOLUR IP approach i.e. comprehensive land use approach linking production, biodiversity conservation and restoration at scale; building on and strengthening existing public-private-smallholder producer coalitions and networks to advance commitment to and adoption of sustainable landscape management and sustainable and inclusive production and restoration approaches; addressing technical, financial and market access barriers preventing adoption of sustainable cocoa and oil palm production models.

97. Further, the project will make the following contributions to the GEF-7 focal area objectives for land degradation (LD), Climate Change (CCM) and Biodiversity (BD):

Table 3: GEF-7 Focal Area contributions

Focal Area	Project contribution
LD	Contribution to objective 1 ?Support on the ground implementation of SLM to achieve LDN? through promotion and scale-up of cocoa and oil palm production and restoration practices.

CCM	Contribution to objective 2 ?Demonstrate mitigation options with systemic impacts? by reducing deforestation and degradation of tropical forests, through placing integrated ag and forest landscapes under sustainable management + restoration using native species.
BD	Contribution to objective 1 ?Mainstream biodiversity across sectors as well as landscapes and seascapes? by mainstreaming sustainability, and biodiversity conservation into cocoa and oil palm land use plans, investments and practices ? and in this way, reduce pressure on key forest habitats in the Niger Delta.

1.5 Incremental cost reasoning

98. *Without FOLUR intervention*. The Government of Nigeria has prioritized economic diversification based on increased production of certain agricultural commodities with potential to generate export revenues, including cocoa and oil palm. This is being accompanied by large public and private sector investments such as the Central Bank of Nigeria smallholder lending schemes. While improving smallholder access to credit is much needed, if sustainable production and environmental sustainability are not incorporated into these schemes and related programs, they could result in a significant new wave of deforestation in the Niger Delta region and in Cross River and Ondo, specifically.

99. The National and State REDD+ Strategies recognize agricultural expansion as the main driver of deforestation and degradation of Nigeria?s tropical rainforests. The recently adopted National REDD+ Strategy, identifies as the first strategic intervention (activity 1.1.1) to reduce deforestation from agriculture and other sectors ?Organize a National Conference for Stakeholders within and outside the forest sector to jointly develop National Action Plan and programme for adopting integrated landscape management approaches for sustainable management in the country.? Experience and capacity for ILM is limited and therefore the need for technical assistance that is being provided *with the FOLUR intervention* - to develop and implement integrated landscape management systems, with sustainable production and restoration models, in key landscapes, for scale-up across the country. The incremental reasoning is further elaborated in Table 4, below.

Table 4: Incremental cost reasoning

Project component	Baseline scenario	With-project scenario
1. Development of integrated landscape management (ILM) systems	Nigeria has established the REDD+ programme and supporting structures at national and state level in Cross River and Ondo. Within these structures are REDD+ units which have been equipped with personnel and some spatial planning tools. There also exist REDD+ Stakeholders? platforms, NISCOPS National Forum (NNF), and IDH Oil Palm Green Growth MSP, which provide opportunities for stakeholder coordination. At present various Government Ministries, Departments and Agencies have some land use plans and maps that exist in fragments and with conflicting provisions as well as demarcations. The Ministry of lands at state and federal levels have maps for the overall area of the state and country, some of which are old and do not reflect present realities. There are ongoing agricultural investment and lending programs, but they do not incorporate environmental sustainability standards, and some actually encourage land clearing.	With the FOLUR project, capacities for multi-stakeholder participatory ILM development, implementation and monitoring will be strengthened at state and local landscape level. Sustainability standards will be mainstreamed into key agricultural programs and financing schemes. Policies will be reviewed and aligned to enable and incentivize sustainable cocoa-oil palm systems and landscapes. The FOLUR project will generate ILM experience and models that will be scaled to other food systems and landscapes, through REDD+ and other programmes.
2. Promoting sustainable and inclusive cocoa and palm oil value chains	Cross River and Ondo have Agricultural Development Programs (ADPs) that provide extension services to smallholder farmers. ADP officers do not have sufficient technical capacities on sustainable production practices and technologies ? which translates into limited capacities of farmers as they do not receive quality services. Partners such as IDH, Solidaridad and PIND have ongoing interventions to promote climate-smart agriculture in cocoa and oil palm. CocoaSoils program is developing integrated soil fertility management products and related tools ? for sustainable intensification of cocoa production. CBN Anchor Borrowers Programme, credit scheme for smallholder farmers.	With the project, technical support will be provided to unlock one of the main barriers to smallholder farmers? access to finance and therefore limit their investment in improved and sustainable practices ? secure land. GEF funding will allow for strengthening of capacities ? both smallholder farmers and support institutions, and introduction of innovative extension, finance/incentive and market models ? all elements important for the adoption and scale-up of sustainable cocoa and oil palm production. An additional value that the project brings is joining together, for coherence and impact, the many and yet fragmented initiatives in the target states and landscapes.

Project component	Baseline scenario	With-project scenario
3. Conservation and restoration of degraded forest ecosystems	Key baseline is the Presidential Tree Planting Initiative, under which the Forest Research Institute of Nigeria provides tree seedlings and technical support to states.	With the GEF project, technical support will be provided to transform this initiative into a participatory forest landscape restoration initiative that delivers both ecological and socio-economic benefits ? using innovative tools and approaches, such as ROAM - and building capacities for identifying and accessing finance for sustainability and scale-up.
4. Knowledge management and M&E	Some partners working in the Niger Delta cocoa and oil palm systems, in particular, the Foundation for Partnerships Initiatives in the Niger Delta (PIND), have set up robust knowledge management systems, which the FOLUR project preparation team benefited from. There are also several relevant platforms at regional and national level (in additional to REDD+ and NISCOPS platforms): CocoaSoils partnership for development (P4D) platform; African Forest Landscape Restoration Initiative (AFR100), Alliance for Green Revolution in Africa (AGRA), and the African Circular Economy Alliance whose current membership includes Cote d?Ivoire, Ghana, Nigeria, Rwanda and South Africa.	GEF funding will facilitate knowledge management to ensure that project activities are imbued with cutting-edge global knowledge and that new knowledge generated by the project is amplified and replicated through landscape, national and regional-level platforms. Through connection with the FOLUR Global Knowledge Platform knowledge coming out of Nigeria will be shared globally, while accessing innovations and best practices from FOLUR countries, including Cote d?Ivoire, Ghana and other major cocoa and oil palm producers.

1.6 Global environmental benefits

100. The project is designed to deliver global environmental benefits (GEBs) across multiple focal areas. These are summarized in Table 5 below.

Table 5: GEBs from project key interventions

Intervention	**Cross River State**		**Ondo State**		**Contribution to GEF-7 core indicators**
	Akampka	**Boki**	**Idanre**	**Odigbo**	
Area (ha) covered by ILM plans (component 1)	237,894	180,531	189,080	187,823	795,328

Agriculture production area (ha) under improved practices: Climate-smart agriculture/sustainable intensification practices including cocoa and oil palm agroforestry systems and integrated soil fertility and pest management (component 2)	25,000	20,000	35,000	30,000	110,000 (sub-indicator 4.3)
Area of forest and forest land restored (ha)[13][13] based on ROAM and participatory restoration plans: assisted natural regeneration, woodlot restoration, replanting local tree species (component 3). This will cover community forest land, forest reserves and buffers.	9,000	6,000	800	3,000	18,800 (indicator 3)

101. Carbon benefits: Project mitigation potential is **15.6 million tons of CO2 eq**, over a 20-year time horizon (5 of which for project implementation), corresponding to about 4.9 tons of CO2 eq mitigated per ha and per year. Use of innovative, sustainable agronomic/agroforestry practices for cocoa and oil palm (see Annex L) allows for good mitigation potential, mainly given the use of reduced tillage, that permit a total balance of about 6 million tons of CO2 eq mitigated over the 20 years (partially attributable to the LUC from degraded land to agroforestry and partially to better practices), vis-a-vis traditional agricultural practices.

102. Forest management represents the most relevant carbon mitigation potential, with about 14.9 million tons of CO2 eq mitigated over the 20 years. This is largely attributable to a range of restoration practices (local tree replanting, assisted natural regeneration, agroforestry) that will be implemented under component 3.

1.7 Innovativeness, sustainability and potential for scaling-up

Innovativeness

103. The project has adopted the holistic FOLUR impact program systems approach of shifting whole landscapes towards sustainability, as opposed to the business-as-usual approach of attempting to change individual components of food systems, one at a time. In addition, there are specific innovative aspects that have been incorporated in the design. These include: (1) expanding multi-stakeholder partnerships to the financial sector. The multi-stakeholder platforms will engage the Central Bank of Nigeria, the Bank of Agriculture and other financial institutions to review their agricultural development finance policies, guidelines and strategies to deliver innovative, ecologically-friendly and

inclusive products for sustainable cocoa, oil palm landscapes in the Niger Delta; (2) strengthening women?s leadership and participation in the policy, land use planning and land titling processes, recognizing that inclusiveness is more than invitation to attend meetings, it involves all stakeholders? having skills and experience in articulating their visions and priorities ? the project will pilot the Dimitra clubs approach that has been impactful in supporting women empowerment in a number of West Africa countries; (3) piloting the IDH SourceUp approach to linking sustainable landscapes to buyers.

Sustainability

104. With sustainability in mind, from the onset the project team was deliberate in identifying and seeking out partnerships with ongoing initiatives with ample evidence of broad stakeholder acceptance and potential for sustainability. First and foremost is the REDD+ programme at federal level and the project states. The programme recognizes the ILM approach as key to reducing deforestation, as reflected in the National and State strategies, and based on discussions with the REDD+ management team during PPG. The potential for institutionalization and funding of the FOLUR objectives and ILM implementation within the REDD+ programme is quite high ? due to regular funding from the Government and pipeline investments.

105. Another key element that will support sustainability is smallholder farmers? ability to invest in innovative practices and technologies, which relies on secure land and access to credit, markets and knowledge ? all aspects addressed by the project. Emphasis has been placed on strengthening the capacity of all key stakeholders, farmers, SMEs and support institutions on ILM, sustainable production, forest landscape restoration, and the preparation of bankable proposals to tap into existing funding mechanisms.

Potential for scaling-up

106. As mentioned earlier, although the project is implemented in Cross River and Ondo, challenges that both states experience in addressing deforestation pressures are representative of those in other states across the Niger Delta region. Both have been pilot sites for (REDD+ mechanism. There is therefore an opportunity to showcase innovative, sustainable and resilient cocoa-oil palm models to scale-up across the Delta.

107. The connection with national institutions and platforms, the REDD+ programme, national project steering committee, implementing and co-financing partners and national producer associations is one of the ways that scale-up will be facilitated. Scale-up will also happen through the integration of sustainability standards into national level policies and credit schemes, as well as implementation of the knowledge management and communication strategies ? including participation in FOLUR Platform, regional and national-level knowledge events (see also knowledge management section).

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[1] National REDD+ Framework Strategy of the Federal Republic of Nigeria, 2021.

[2] Ibid.

[3] National Biodiversity Strategy and Action Plan (2016-2020).

[4] Both Boki and Akamkpa are project priority landscapes in CRS.

[5] Cross River State REDD+ Strategy.

[6] Idanre and Odigbo are project priority landscapes in Ondo.

[7] Detailed structure of cocoa and oil palm in the Niger Delta and project states is presented in Annex K.

[8] FAOSTAT Data, 2020.

[9] The next agricultural policy detailing the national approach for the oil palm and cocoa sectors is still in development, and will be released in 2021.

[10] National agrifood systems and COVID-19 in Nigeria: Effects, policy responses and long-term implications. FAO, 2021.

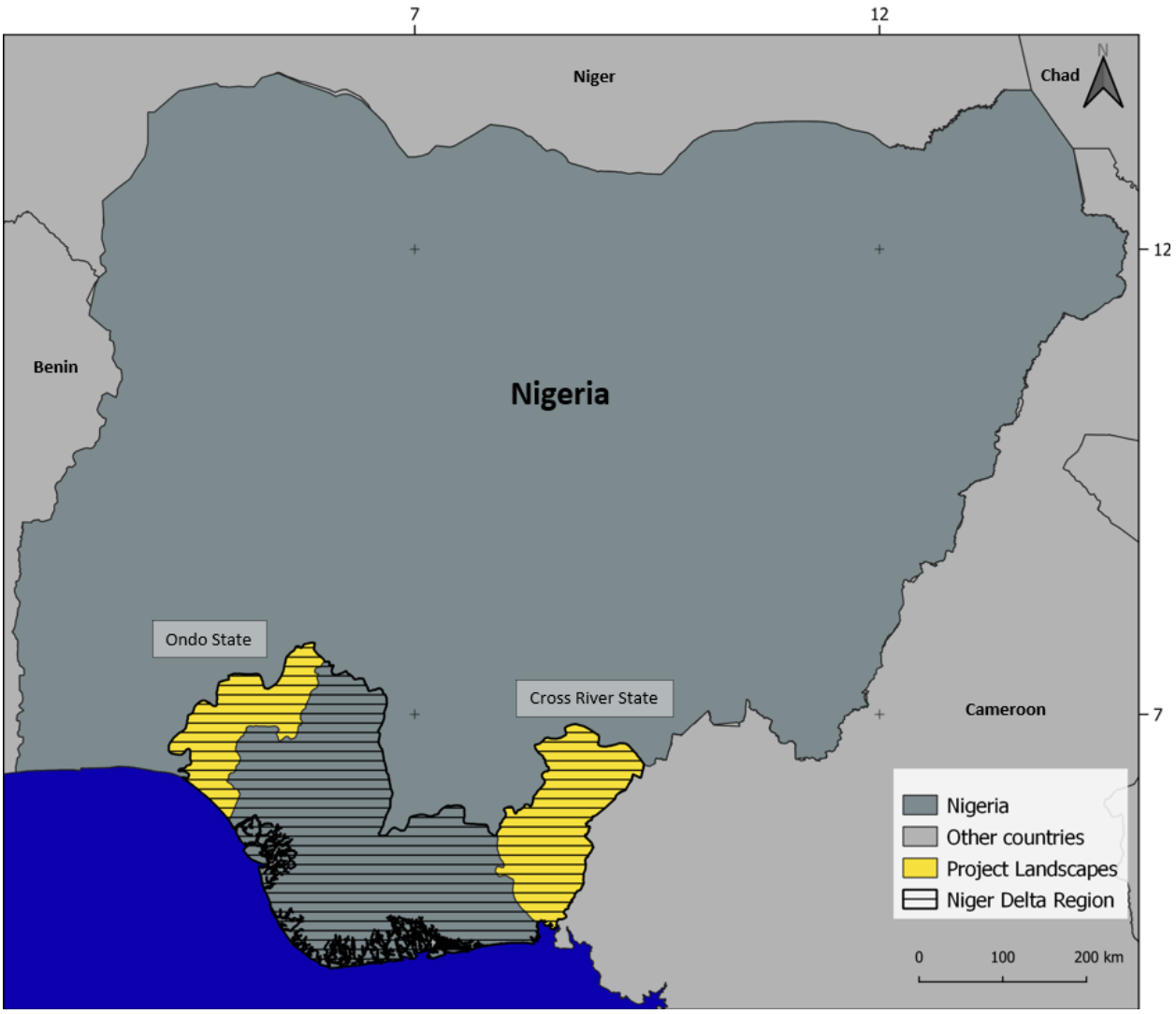
[11] Ondo State.

[12] http://www.fao.org/in-action/forest-landscape-restoration-mechanism/resources/e-learning-courses/monitoring-flr/en/

[13] Derived from estimated restoration potentials, Bastin et al. (2019).

1b. Project Map and Coordinates

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

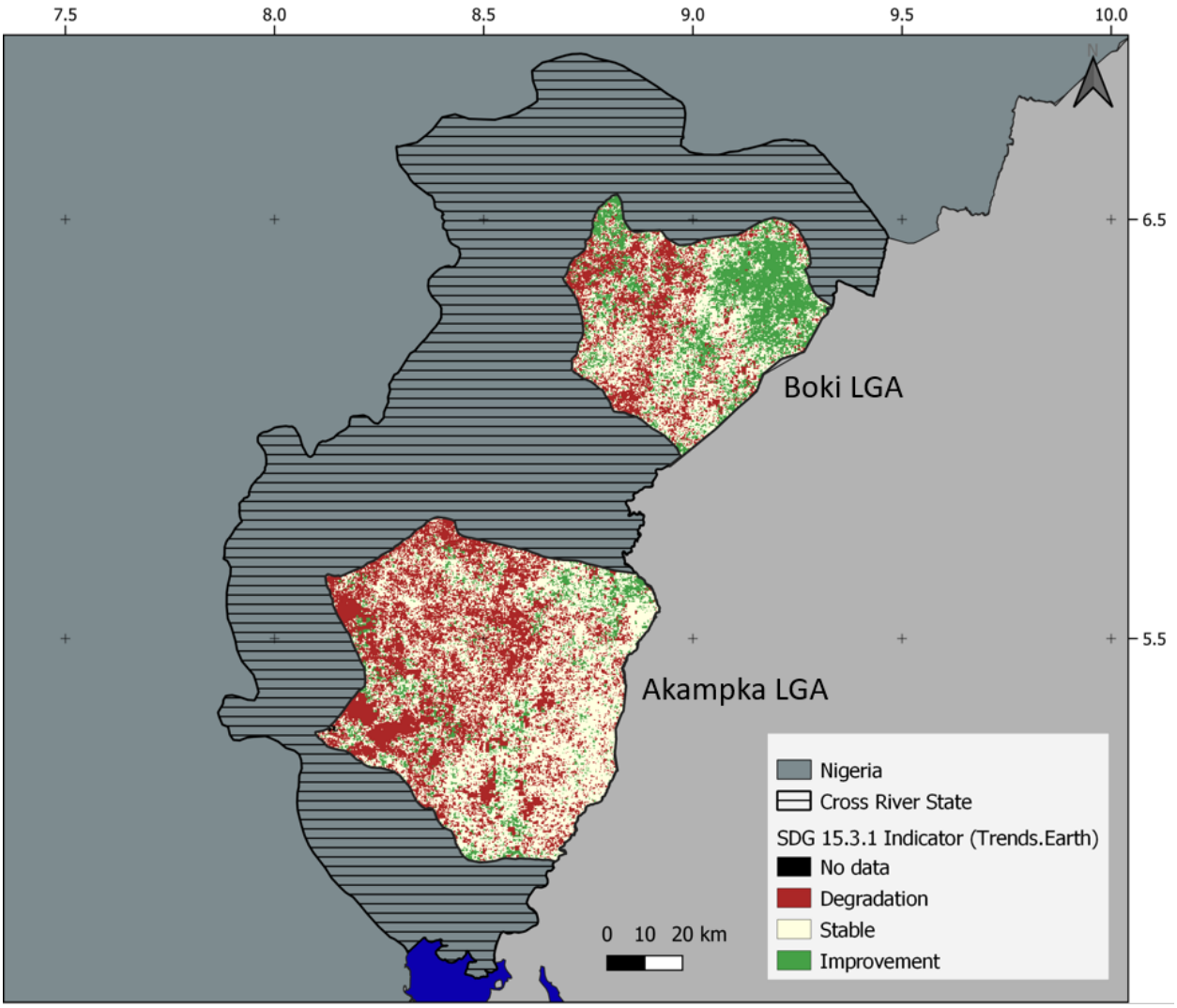


Project states

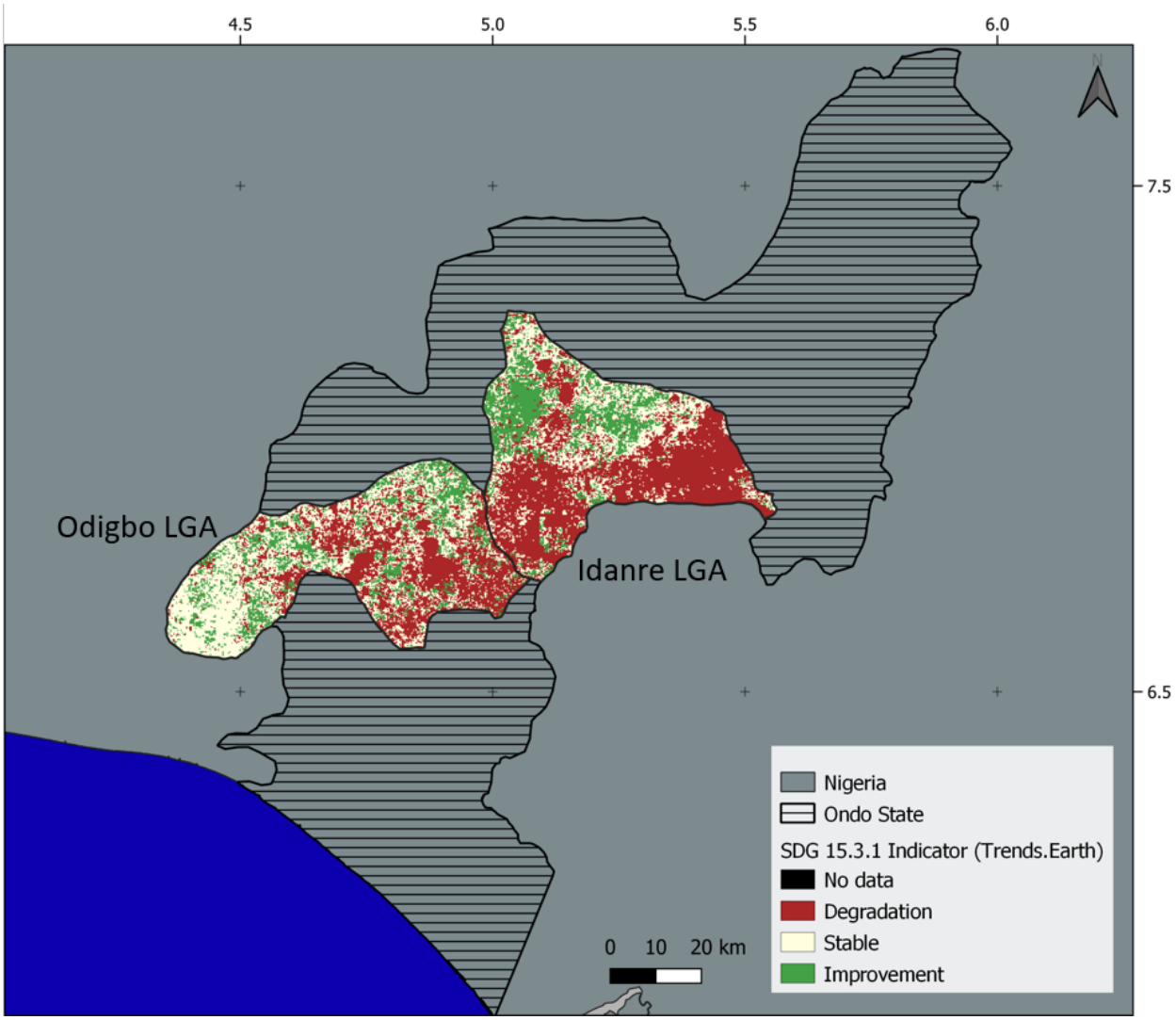
Each state consists of smaller administrative units called Local Government Areas (18 LGAs in each state).

The next step during PPG development was to further refine the selection of priority landscapes for the project. This stage involved the use of a number of criteria, including:(1) current deforestation rates driven by agricultural expansion; (2) presence of at risk High Conservation Value (HCV)/High Carbon Stock (HCS) rainforests and Key Biodiversity Areas (KBAs) ; and (4) restoration potential in forest and agricultural land

The analysis led to the selection of two priority LGAs per state; **Akampka LGA** and **Boki LGA** in Cross River State and **Odigbo LGA** and **Adanre LGA** in Ondo State.



Cross River State and priority landscapes



Ondo State and priority landscapes

1c. Child Project?

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

The project contributes directly to the FOLUR program impact as summarized in the table below:

FOLUR Impact Program		Nigeria Country Project	
Program objective: To promote sustainable, integrated landscapes and efficient food value & supply chains at scale		**Project objective:** To transform the Niger Delta cocoa and palm oil production systems and landscapes towards sustainability and resilience, delivering multiple environmental and social benefits.	
GEF Core Indicators:		**GEF Core Indicators:**	
Core Indicator 3: Area of land restored	2,387,402 ha	Core Indicator 3: Area of land restored	18,800 ha

FOLUR Impact Program		Nigeria Country Project	
Core Indicator 4: Area of landscapes under improved practices	42,954,864 ha	Core Indicator 4: Area of landscapes under improved practices	110,000 ha
Core Indicator 6: GHG emissions mitigated	304,701,753 tCO2e (direct)	Core Indicator 6: GHG emissions mitigated	15,578,967 tCO2e (direct)
Core Indicator 11: Direct beneficiaries	7,277,223 (3,609,733 female)	Core Indicator 11: Direct beneficiaries	100,000 (of whom 50,000 are female)

2. Stakeholders

Select the stakeholders that have participated in consultations during the project identification phase:

Civil Society Organizations Yes

Indigenous Peoples and Local Communities Yes

Private Sector Entities Yes

If none of the above, please explain why:

Please provide the Stakeholder Engagement Plan or equivalent assessment.

The design presented in the document is based on extensive stakeholder consultations and inputs at all levels of project intervention ? from federal to state and local communities. These were facilitated by a PPG team consisting of: a Sustainable Agriculture and Value Chain Specialist, Landscape Management and Stakeholder Consultation Specialist, Gender and Socio-economic Expert, and GEF design expert. The work started with mapping of key stakeholders and initial national and state-level stakeholders? sensitization and meetings, culminating in an inception workshop held in Abuja in September 2020. The workshop was attended by representatives of the Federal and State (Cross River and Ondo) governments, development partners, Civil Society Organizations (CSOs), financial institutions and key agribusinesses operating along the Cocoa and Oil Palm value chains and farmer associations. At the inception workshop, the project concept including the FOLUR Impact Program context, objective, outcomes and preliminary outputs were reviewed and the PPG approach validated.

The PPG team embarked on a series of baseline data gathering, institutional capacity assessments, and stakeholders? consultations in the two states, and selected LGAs as well as community levels for inputs into the State-level project design between November 2020 and February 2021. Consultations were held with officials of state and federal governments? Ministries, Departments and Agencies (MDAs) whose mandates are relevant to FOLUR-IP objectives. Also consulted were officials of selected Local Government Councils (LGCs) ? four each in Cross River and Ondo States; cocoa and oil palm commodity associations at state and LGC levels, community institutions, Economic Interest Groups (EIGs) of cocoa and oil palm value chain actors at community levels, randomly sampled representatives of the value-chain actors (farmers, processors, marketers, input suppliers, service providers, etc.). The Small Scale Women Farmers Organization in Nigeria (SWOFON) was also consulted.

Participatory institutional capacity assessments were also undertaken for each of the State MDAs and LGCs in addition to the general stakeholders/sector needs assessments. These consultation were conducted through Focus Group Discussions (FGDs), Key Informant Interviews (KIIs) and personal interview of sampled value chain actors; with emphasis also on identifying baseline

initiatives/activities. Below is a summary of key stakeholders and their proposed engagement during in project execution.

Following the production of the draft State-level project design, electronic copies were shared with state-level stakeholders (Cross River and Ondo) for review and inputs, revised based on inputs received, and thereafter, presented to representatives of various categories of stakeholders (State and LGC officials, communities, commodity associations, agribusinesses, and CSOs among others) in each of the two states in State-level validation workshops organized in March 2021. The validated State-level project design informed the finalization of the project document, subsequently presented to the general stakeholders at the final National Validation Workshop held in Abuja on May 27-28, 2021. A full list of stakeholders consulted during project preparation and their roles in implementation, is presented in Project Document Annex I.

Category	Partners	Expected Roles
UN Organization	Food and Agriculture Organization of the United Nations (FAO)	***GEF Implementing Agency***. To provide project cycle management services as established in the GEF Policy. Shall be responsible for providing oversight, technical backstopping and supervision of project implementation to ensure that the project is being carried out in accordance with the approved project document and GEF rules and requirements.
Federal MDAs	Federal Ministry of Environment (FMEnv)	***Lead Government Partner.*** To provide strategic leadership to the implementation of the project, working closely with other Federal MDAs, particularly FMARD, Federal Ministry of Finance, Budget and National Planning (FMFBNP), Central Bank of Nigeria (CBN) and Bank of Agriculture (BOA). Shall host, and nominate the Chair of, the National Project Steering Committee; facilitate multi-stakeholder dialogues at national level; and ensure delivery of technical and co-financing inputs to the project as well as its coordination and coherence with relevant ongoing programs. In addition, FMEnv shall provide financing support to FRIN other relevant FMEnv Agencies and Departments toward providing input and technical support (indigenous economic / fruit tree seedlings, training, community infrastructure, etc.) for the project implementation while also facilitating the FOLUR project to leverage on other Federal Government?s tree planting and landscape restoration initiatives.

Category	Partners	Expected Roles
	Federal Ministry of Agriculture and Rural Development (FMARD)	***Co-Lead Government Partner.*** To support the FMEnv in providing strategic leadership to the implementation of the project. Shall nominate the Co-Chair of the National Project Steering Committee; and support facilitation of multi-stakeholder dialogues at national level; and ensuring delivery of technical and co-financing inputs to the project as well as its coordination and coherence with relevant ongoing programs. In addition, FMARD shall engage with CBN toward enhanced capitalization of BOA and deployment of CBN ? ABP and other agricultural development finance initiatives for effective agricultural credit delivery to cocoa and oil palm sectors. It shall also directly support the Cross River and Ondo State Governments toward recruitment and/or deployment of more Agricultural Extension Officers towards effective project implementation.
	Federal Ministry of Finance, Budget & National Planning (FMFBNP)	***Government Partner.*** To support the FMEnv and FMARD towards the strategic management and provision of Federal co-financing of the FOLUR project; and facilitate the integration of FOLUR-IP objectives and priorities, outcomes and lessons into national planning and budgetary processes.
	Federal Ministry of Women Affairs and Social Development (FMWASD)	**Government partner.** FMWASD will provide oversight and guidance to the project on alignment with policies on gender equality and mainstreaming, and prevent and address child labor, as member of the National Project Steering Committee.
	National REDD+ Program	**Collaborating Partner.** To provide technical support to Cross-river and Ondo States? REDD+ Secretariat in facilitating the development and implementation of Integrated Landscape Management (ILM) systems (Component 1).
	Forestry Research Institute of Nigeria (FRIN)	**Operational Partner.** To serve as the operational partner in the implementation and management of the project in line with Operational Partner Agreement (OPA) to be concluded with FAO within 3 months of project approval by the GEF. Key roles will include: (i) Project planning, coordination, management; (ii) Project monitoring, evaluation, and reporting; (iii) Risk management; (iv) Procurement; and (v) Financial Management. To provide US$20 million co-financing as public investment towards supply of tree seedlings, training and community extension outreach activities, among others.

Category	Partners	Expected Roles
State Government	Cross River State Government	**Implementation Partner:** To provide oversight and strategic leadership to the project implementation in Cross River State, in coordination with FAO, FRIN and the LGCs. Shall provide the Secretariat for the State Project Implementation Unit, including full compliments of support personnel, office facilities and project vehicles. The State Governor (or his nominee) shall chair the State Project Management Committee; facilitate multi-stakeholder dialogues for effective project implementation at state level; and ensure delivery of technical and co-financing inputs to the project as well as its coordination and coherence with relevant ongoing programs in the State. The State Government shall provide at least US$7.5 million co-financing to the project, at least US$5million of which shall be public investment in the cocoa and oil palm sector, and the rest as recurrent expenditure related co-financing.
	Ondo State Government	**Implementation Partner:** To provide oversight and strategic leadership to the project implementation in Ondo State, in coordination with FAO, FRIN and the LGCs. Shall provide the Secretariat for the State Project Implementation Unit, including full compliments of support personnel, office facilities and project vehicles. The State Governor (or his nominee) shall chair the State Project Management Committee; facilitate multi-stakeholder dialogues for effective project implementation at state level; and ensure delivery of technical and co-financing inputs to the project as well as its coordination and coherence with relevant ongoing programs in the State. The State Government shall provide at least US$7.5 million co-financing to the project, at least US$5million of which shall be public investment in the cocoa and oil palm sector, and the rest as recurrent expenditure related co-financing.
Cross River & Ondo State MDAs	CRS & Ondo State REDD+ Secretariat	***Implementation Partner.*** To host the State?s project Technical Committee, and work with the State Project Implementation Unit in the implementation of Component 1 activities, focusing on development and implementation of Integrated Landscape Management (ILM) systems. To support LGCs and Communities in the production of Land Use maps.
	CRS & Ondo State Ministry of Agriculture and Natural Resources, and allied Agencies as well as programs	***Implementation Partner.*** To work with the State Project Implementation Unit on Component 1 & 2 activities, focusing on harmonization of State?s agricultural policies, adaptation strategies and investment plans with national equivalents; personnel capacity development; and provision of institutional support towards sustainable service delivery to cocoa and palm oil value chain actors, commodity associations and agribusinesses. To also support Integrated Landscape Management (ILM) activities.

Category	Partners	Expected Roles
	CRS & Ondo State Agricultural Development Program	***Implementation Partner.*** To work with the State Project Implementation Unit on Component 2 activities, focusing on Agricultural Extension & Advisory Services delivery to value-chain actors.
	CRS & Ondo State Ministry of Natural Resource	***Implementation Partner.*** To work with the State Project Implementation Unit on Component 1 & 3 activities, focusing on Forest Restoration and supporting Integrated Landscape Management (ILM) Activities.
Local Government Councils (LGCs) in Cross-river State	Akampa, Akpabuyo, Biase Boki, Etung, Ikom, Obubra and Ogoja LGCs	***Implementation Partner.*** To work with the State FOLUR-IP Implementation Committee on Components 1 - 3 activities, focusing Land Use Planning and Issuance of Title Certificates to affirm Customary Right of Occupancy or attestation of long lease agreements on agricultural lands in coordination with State Land Registry and Traditional Institutions in Local Communities. To provide appropriately equipped Project Liaison Office as well as a Liaison Officer and other support personnel for the project implementation at the LGA. To jointly provide about US$1,000,000 co-financing in LGC Budgets for activities in support of project components 1 & 2.
Local Government Councils (LGCs) in Ondo State	Akure South, Idanre, Ile-Oluji, Irele, Odigbo, Okitipupa, Ondo West and Owo LGC	***Implementation Partner.*** To work with the State FOLUR-IP Implementation Committee on Components 1 - 3 activities, focusing Land Use Planning and Issuance of Title Certificates to affirm Customary Right of Occupancy or attestation of long lease agreements on agricultural lands in coordination with State Land Registry and Traditional Institutions in Local Communities. To also provide appropriately equipped Project Liaison Office as well as a Liaison Officer and other support personnel for the project implementation at the LGA. To jointly provide about US$1,000,000 co-financing in LGC Budgets for activities in support of project components 1 & 2.
National Research Institutions	Cocoa Research Institute of Nigeria (CRIN),	**Collaborating Partner.** To provide research & training support to the project in the area of Sustainable & Climate-Smart Cocoa Production, Cocoa Agroforestry, and supply of quality seedlings.
	International Institute for Tropical Agriculture (IITA)	**Collaborating Partner.** Knowledge partner, to share products (including training manuals) from the CocoaSoils program and participate in the innovation platforms.
	National Institute for Oil Palm Research (NIFOR)	**Collaborating Partner.** To provide research & training support to the project in the area of Sustainable & Climate-Smart Oil Palm Production, Oil palm Agroforestry, and supply of quality seedlings. Knowledge partner.
	Institute for Agricultural Research and Training (IAR&T)	**Collaborating Partner.** To provide research & training support to the project in the area of Sustainable & Climate-Smart Cocoa and Oil Palm Production; particularly in the coordination of research content of the State ADPs? extension outreach activities. Knowledge partner.

Category	Partners	Expected Roles
National Financial Institutions with Products for Agriculture	Central Bank of Nigeria (CBN)	**Collaborating Partner.** To participate in MSPs and policy dialogues. Mainstreaming of FOLUR objectives, and environmental and social sustainability standards and incentives into agricultural credit schemes.
	Bank of Agriculture (BoA)	**Collaborating Partner.** To participate in MSPs and policy dialogues. Facilitate mainstreaming of environmental and social sustainability into their lending schemes and operations. Actors in Cross-river and Ondo States.
	National Agricultural Insurance Corporation (NAIC)	**Collaborating Partner.** To participate in MSPs and policy dialogues. Facilitate mainstreaming of environmental and social sustainability into their products and programs.
	Nigeria Incentive-based Risk Sharing system for Agricultural Lending (NIRSAL)	**Collaborating Partner.** To provide index insurance cover under its Hybrid Multi-Peril Crop Indemnity-Index Insurance (HM-II) product. Facilitate smallholders and SMEs access, and mainstream sustainability standards into their products.
	NIRSAL Microfinance Bank Plc	**Collaborating Partner.** To serve as a participating bank in MSPs and policy dialogues towards development of products that incentivize adoption of sustainable practices.
NGOs/CSOs	IDH	**Executing Partner.** To provide technical, advocacy and co-financing support for the project implementation in Ondo State; facilitation of MSPs activities and scale-up through NISCOPS program, and implementation of the Verified Sourcing Area (VSA) market model.
	Solidaridad	**Executing Partner.** To provide technical, advocacy and co-financing support for project implementation in Cross River State; particularly towards development of training manuals and delivery of Training of Trainers to the State ADPs for effective extension service delivery to value-chain actors, facilitation of MSPs activities and scale-up through the NISCOPS program.
	PIND	**Executing Partner.** To provide technical, advocacy and co-financing support for project implementation across the two States; particularly towards implementation of Women and Youth empowerment interventions, and management of microfinance schemes for value-chain actors. Facilitate scale-up across other Niger Delta cocoa-palm oil states.

Category	Partners	Expected Roles
	Small Scale Women Farmers Organization in Nigeria (SWOFON)	**Collaborating Partner and beneficiary**. To work with the project to ensure women?s challenges and priorities related to sustainable cocoa, oil palm and food production are addressed. Promotion of the objectives of the project among members, sharing knowledge and sustainable practices. Will be engaged though the multi-stakeholder platforms (component 1), the innovation platforms for sustainable cocoa and oil palm (component 2). Play an active role in the project governance, including the MSPs activities, and decision making.
	Cocoa and Oil Palm Producer Associations	**Collaborating Partner and beneficiary.** To work with the project to mobilize smallholder farmers? participation and benefit from the project. Promotion of the objectives of the project among members, sharing knowledge and sustainable practices. Will be engaged though the multi-stakeholder platforms (component 1), the innovation platforms for sustainable cocoa and oil palm (component 2). Play an active role in the project governance, including the MSPs activities, and decision making.
Agribusiness along Cocoa & Oil Palm Value Chains	Bean & Co Nig. Ltd; Tulip Cocoa Processing Ltd; Other Local Processors; Cocoa Exporters and Licensed Buying Agents in Cross-river & Ondo States	***Collaborators.*** To participate in activities of the multi-stakeholders? platforms; commitment to buy only duly certified cocoa beans from farmers that comply with sustainability and social standards in line with international standards. Serve as Off-takers for Cocoa farmers applying for CBN ABP; and provide financial incentives, training and support to farmers that work towards/achieve the Standards.
	Wilmar Africa and Other medium-Large Scale Processors/ Buyers of Oil palm Produce	***Collaborators.*** To participate in activities of the multi-stakeholders? platforms and dialogues. Compliance with sustainability and social standards developed in line with the Roundtable on Sustainable Palm oil (RSPO) Standard; commits to buy only duly certified fresh fruit bunch, palm oil from or palm kernel oil from farmers and/or processors that comply with the Standards. Serve as Off-takers for Oil Palm value chain actors applying for CBN ABP; and provide financial incentives, training and support to farmers that work towards/achieve the Standards.
	World Cocoa Foundation	***Collaborator.*** To participate in activities of the multi-stakeholders? platforms and facilitate dialogue with WCF member companies operating in and sourcing cocoa from Nigeria. Knowledge exchange on sustainable cocoa production models.

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

Stakeholders will be engaged through:

1. Multi-stakeholder platforms (MSPs) for ILM planning and coordination, expanding and enhancing the existing REDD+ stakeholder consultation mechanisms in both states (under output 1.1.1). It is foreseen that 6 meetings of the MSP will be held per year.

2. Local government area stakeholder forums, with the engagement of communities, local authorities, CSOs, smallholder farmers and youth. This activity is budgeted under output 1.1.3.

3. National Project Steering Committee, 2 annual meetings (5 in person and 5 virtual over the course of the project) budgeted under M&E.

4. State level project implementation and technical committees, 2 meetings per year, budgeted under M&E.

Detailed description of how stakeholders will be engaged is provided under implementation arrangements and in Annex I.

In addition to implementation of the project communication strategy, an internal project partnership guide will be prepared within the first two months of project implementation. This is needed given the number of partners and service providers that are going to take part in the project.

Select what role civil society will play in the project:

Consulted only; Yes

Member of Advisory Body; Contractor; Yes

Co-financier; No

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

Executor or co-executor; Yes

Other (Please explain)

3. Gender Equality and Women's Empowerment

Provide the gender analysis or equivalent socio-economic assesment.

Gender equality and women?s empowerment have been mainstreamed into the project design based informed by a gender analysis conducted during PPG, and in line with FAO Policy on Gender Equality (2020-2030) and the GEF Policy on Gender Mainstreaming.

The population of Nigeria was estimated to be 200 million in 2019 with women accounting for 49.3% of the total population. Nigeria is among the top 10 percent of countries worldwide that exhibit the highest levels of gender discrimination according to the OECD?s Social Institutions and Gender Index (SIGI). In 2019, the SIGI category and value were High and 46% respectively, and with an assessment of ?high? or ?very high? in all of the evaluated categories (discriminatory family code, restricted physical integrity, son bias, restricted resources and assets, and restricted civil liberties).

Nigeria also falls in the group of countries with the highest gender inequality in human development outcomes[1]. The country has a Gender Development Index value of 0.868[2] and is classified in group 5[3], which includes countries with very low levels of human development. Due to the lack of data, there is no Gender Inequality Index for Nigeria. Given the strong link between social norms and women?s economic participation and access to productive assets (especially land), addressing discriminatory practices impeding gender equality requires a systematic and tailored approach to the Nigerian context.

The FAO Gender Country Assessment reports that in Nigeria, women?s contribution to agriculture is estimated at 60-79% of the labour force, especially in food production, processing and marketing. Many women are farmers in their own right while many work on family farms.

The Federal Government of Nigeria (FGN) has shown an increasing commitment to supporting gender equality over the years. The 1999 Nigerian Constitution Chapter IV Section 42 (I), (a) and (b); (2); and (3) prohibits discrimination based on gender, religion, ethnicity, age, or circumstances of birth. In 2011, the Legal Aid Act was reviewed and expanded to cover crimes against human body and sexual offences. The first National Women Policy was drafted in 2000, followed by the National Gender Policy in 2006, with a goal to make gender equality a driver of growth and good governance.

The National Gender Policy is anchored on four pillars: policy and legislation; systems and structures; processes, procedures, and mechanisms; and services, goods, and products. The National Gender Policy was followed by the National Plan of Action, which has a five-year target period (2014?2019) with a comprehensive plan of action for the delivery of the National Gender Policy. The Vision 2020?Nigeria?s National Development Plan recognizes that women?s contribution to the economy remains largely undocumented and makes a national commitment to redressing long-term systemic discrimination against women, identifying and overcoming the limitations to gender equality as integral to guaranteeing well-being and productivity of all Nigerians, and ultimately creating a society that values gender balance and equity.

Even so, most of the programming for women has so far focused on mainstreaming gender into broader sectoral responses, rather than stand-alone initiatives dedicated to addressing specific constraints that limit women?s productivity and upward socioeconomic mobility. Women who are on, or just above the poverty line and economically active and smallholder farmers, constitute the ?underserved middle? and suffer from a significant gap in programming.

In terms of the target commodities and landscapes, it is estimated that there are 92,000 cocoa smallholder farmers in Cross River and Ondo, ~20-25% of which are women; and 150,000 oil palm smallholders, ~12-20% women. Oil palm is particularly important for women as a source of income, with women dominating the processing and marketing nodes of the value chain. Women make up a large percentage of the estimated 37,000 oil palm processors and traders in the project target region.

The following gender-based constraints were identified in the target landscapes and oil palm and cocoa value chains:

(i) Limited access by women to secure (and larger) land for production. Inheritance and acquiring (buying, leasing) of land is limiting women?s investment in production. In most cases women receive smaller plots, less fertile land or are to use portions of their husband?s land in order to partake in farming. Women continuously are beholden to male ownership of resources which can affect the recognition of women as stakeholders in the value chains and the representation of women in the

negotiation (underlying causes are the application of customary laws; gender norms in the communities; lack of information by women and youth on their rights and government initiatives to secure women?s and youth?s access to land). Smaller plots and insecure land also limits women?s long-term investments in improved production and processing practices and technologies.

(ii) Women are underrepresented in multi-stakeholder platforms, policy and planning processes.

(iii) Both men and women face a major constraint in accessing finance. Women have much less assets that can serve as collateral and at the household level, the control of income and decisions on investments is male dominated. Underlying causes are in social and cultural practices and gender norms.

(iv) Lower access to reliable information on innovation, rights and the functioning of the value chains. Women participate less in producer organizations, have less access to new technology and this influences negatively their access to information. Participation in training and community processes due to their time burden contributes to less innovation and information on their rights compared to men.

(v) Women are more involved in food crop production and processing of crops to meet the needs of the household. Women participate less in decision making and have less influence on trade-offs between cash crop production and food crop production affecting household food and nutrition security. Land use planning needs to consider tradeoffs between cash and food crop production and the interests and needs of women and youth for balanced investments in all services for food crops.

(vi) Organizational. Women oil palm processors work more on an individual basis, which influences negatively transaction costs and the ability to compete with larger companies.

(vii) Women and men?s perceptions of benefits, risks and constraints of investment in agroforestry and crops to integrate are different. For example, women have good possibilities in the cassava value chain (production and processing) in the Niger Delta region and target landscapes. There is potential to improve cassava production; the main limiting factor is money for planting, harvesting and processing. Because of women?s specialization in processing they are more interested in expanding cassava production than men who consider alternative crops in relation to market prices. Women are concerned to make enough money to sustain their family, particularly providing for children?s needs, including their school fees.

Actions to address these issues have been incorporated in the project design, as recommended in the gender action plan presented in Annex M.

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[1] UNDP, Gender Inequality Index, Human Development Report, 2017.

[2] UNDP, 2019. Inequalities in Human Development in the 21st Century: Briefing note for countries on the 2019 Human Development Report. Nigeria

[3] Gender Development Index groups: Countries are divided into five groups: Group 1 comprises countries with high equality in HDI achievements between women and men (absolute deviation of less than 2.5 percent), group 2 medium to high equality in HDI achievements (absolute deviation of 2.5? 5 percent), group 3 with medium equality in HDI achievements (absolute deviation of 5?7.5 percent), group 4 medium to low equality in HDI achievements (absolute deviation of 7.5?10 percent) and group 5 with low equality in HDI achievements between women and men (absolute deviation from gender parity of more than 10 percent).

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

Yes

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

Improving women's participation and decision making Yes

Generating socio-economic benefits or services or women Yes

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

Yes

4. Private sector engagement

Elaborate on the private sector's engagement in the project, if any.

The private sector will have a key role to play in transforming the Niger Delta cocoa and oil palm landscapes. The project has decided to take a holistic approach to engaging the private sector in that yes participation of big international sourcing companies is important, but it is also very important to engage with the private sector across the various nodes of the value chain. As such, in addition to representatives of farmer commodity associations, the project will engage agri-SMEs (including processors) through the multi-stakeholder platforms. The project will benefit from the partnership cultivated with IDH, Solidaridad and PIND, who all have built strong networks, platforms (NISCOPS National Forum, Ondo State Oil Palm platform, etc.) and trust with the private sector.

5. Risks to Achieving Project Objectives

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

The following risks and mitigation actions were identified during project preparation: (1) limited high-level government support; (2) limited support from Local Government Councils (LGCs) and traditional leaders; (3) land conflict in Cross River due to the internally displaced persons (IDP) refugee situation; (4) food security risks resulting from lending schemes incentivizing cocoa and oil palm plantation establishment without incorporating food security measures; (5) risks associated with COVID-19; (6) deforestation risks from agricultural lending schemes focusing on cash crops; and (7) shortfalls in co-financing. A climate risk screening was conducted during project preparation and the results and recommendations are presented as well. It should be noted that the risks detailed below are only those that were identified during project preparation, and do not necessarily represent a comprehensive set of risks throughout the implementation phase. These risks will need to be monitored, addressed, and mitigated, by the National Project Management Unit (PMU) and State Project Implementation Units (SPIUs) on an ongoing basis, and critically, they need to be updated as new risks to and from the project unfold during project implementation.

An environmental and social risk and climate risk identification was undertaken during PPG. Safeguard 7 related to child labour has been triggered. A comprehensive environmental and social impact assessment will be conducted within the first 6 months of project implementation to fortify the project risk mitigation plan.

Table 6: Project risk identification and mitigation actions

	Description of risk	Impact	Probability of occurrence	Mitigation actions	Responsible party
Political Risks					
1	**Limited government support**.	**High:** Risk impact is considered high as all key approaches promoted by the project, particularly integrated land use management, rely on government commitment and support.	**Medium**	**1) Diversify project support at multiple levels:** This project has been designed to mobilize support at federal, state, and local levels. This approach diversifies stakeholder buy in at multiple levels, such that if support for project approaches at one level of project management erodes, it has been diversified and institutionalized within others to offset the change. **2) Communication of results:** Through the multi-stakeholder platforms and communication products.	National PMU State PIUs State Steering Committee;

2	**Limited support from Local Government Council (LGC) and traditional leaders**	**High:** This risk impact is considered high as local government councils and traditional authorities will play a central role in the land use planning process (and issuance of land titles) as well as in providing support to the State Steering Committee. Traditional authorities have a high degree of influence over customary land at the local level, and impact the land use systems to a high degree. This can constrain access to customary rights of occupancy, particularly for women and youth, who are important target groups for the project. This metric is included in the project?s core indicators, and thus that aspect of project delivery rests highly upon this risk being mitigated.	**Medium**	**1) Ensured buy in of priority LGC members.** As a part of the selection criteria for ?priority? LGAs, interest and enthusiasm local government council?s authorities was factored into the selection process, ensuring that project activities being carried out on the ground receive support from LGC members. **2) LGC Representation in State Steering Committee:** LGC member representatives have been included in the State Steering Committee so that their LGA?s priorities are addressed. This mitigates the risk of low enthusiasm to take part in project activities by aligning LGC interests with feedback for FRIN service provision to LGAs. It is imperative that the State PIU and State Steering Committee actively engage LGC representative members in coordination, advisory, and feedback. **3)** Ensured buy in of priority traditional leaders. As part of the project?s land use planning process, the project dedicates resources to working with traditional authorities, with a focus on the needs for women?s inclusion in customary rights allocation and in cocoa and palm oil value chain activities. The project also engages traditional authorities with the LGC?s land planning process, to ensure that their concerns are met alongside women and youth inclusion, and customary approvals are	State PIUs; State Steering Committee; Operational partners

Social Risks					
3	**Land conflict (Cross River):** In Cross River, due to the high influx of refugees fleeing violence from the Anglophone regions of Cameroon, Cross River has accepted over 60,000 new refugees recently. This addition of internally displaced people, is very challenging as they are currently held in refugee camps, and attempts are being made for their integration into local society in Nigeria, However, this puts pressure on land conflict, particularly during the land use planning process, where land allocation is already a contentious issue. This risk threatens to elevate existing land conflict and increase demand pressures on land. Note that this risk only applies to Cross River and is not considered a top risk for Ondo State.	**Medium:** While this risk is certainly pressing within Cross River, it is not a problem for Ondo.	**Medium**	**1) LGCs and traditional authorities will incorporate IDP concerns into land use planning, following advice provided by the State Steering Committees.** As this issue is specifically relevant to Cross River State, the land use planning process at the local level has been designed to mitigate this issue. The State Steering Committee shall monitor the issue and provide guidance to the project accordingly.	Cross River State Steering Committee;

4	**Food insecurity:** food security risks resulting from lending schemes incentivizing cocoa and palm oil plantation establishment without incorporating food security measures for smallholder farmers	**Medium:** This threat is considered medium.	**Medium**	**1) State palm oil and cocoa sector policies:** This risk has been factored into the project design through project support for cocoa and palm oil sector policies that address food security risks posed by cash crop expansion. As a risk mitigating measure, the project design has been structured to incorporate draft policy recommendations for cocoa and palm oil sectors that widen their scope to address issues like food insecurity due to cocoa or palm oil cash crop displacement. Through component 1, the project shall mainstream food security objectives into the land use plans and policies.	Operating partners; State Governor?s office;
COVID-19					

5	**COVID-19 Risks:** 1) Risk of co-financing. Government priorities to address the pandemic could have an effect on funding for key federal and state government programs that the proposed project builds upon. 2) Availability of technical staff and ability to interact with farmers and communities. The global pandemic poses risk to project effectiveness and, depending on the development of the COVID conditions at the national level and state levels, project activities, and the extent to which they can be effectively carried out may be impacted. 3) As Nigeria strives to recover from the economic downturn, there could be additional pressure on forests being converted to agricultural land.	**High:** The overall risk impact is considered high. Depending on the level of pandemic threat during project implementation, the project activities that support face to face collaboration and engagement may be significantly impacted, which could have a high level of impact on land planning activities and cross sector collaboration. Such impacts would be very problematic for the project and thus the impact of this threat is designated as ?high?. The risk of forest conversion to cropland is also considered high.	**Medium**	**1)** **Sources of co-financing are diversified,** with the bulk of co-financing coming from the Central Bank of Nigeria. Agriculture has been prioritized as part of the economic recovery plan. The PMU and the Project Steering Committee shall monitor the risk closely and identify additional sources of co-financing, as necessary**.** **2)** **Adherence to health precautions:** It should be duly noted by the National and State PIUs that this project component?s implementation measures will follow the precautionary measures set forth by the Federal Ministry of Health, the World Health Organization, as well as any additional measures at the state or local government area levels. It is the responsibility of the National PMU to provide updates on these conditions to the State PIUs, to play a central role at the state level in communicating policies for mitigating spread of the COVID virus. The State PIUs will assume responsibility of receiving advice from the State Steering Committee as to properly implement health precautions according to recent developments in local conditions. Likewise it is the responsibility of the State Steering committee to provide updates as necessary to the State PIUs for implementation health concerns in project execution. **3)** The project design addresses directly this risk of expansion of	National PMU; State PIUs; State Steering Committee;

Environmental Risks					
6	**Deforestation events**: deforestation events resulting from lending schemes poised to flush the two states with credit for cocoa and palm oil plantation establishment	**High:** This threat is considered high, since major lending programs, such as the Accelerated Agriculture Development Program (AADP) is very focused on ?fast tracking land clearing? as a part of its prioritized agenda. This poses major threats to delivery of the project?s results including multiple GEF-7 core indicators.	**High**	**1)** Discussions were conducted with CBN on this issue and to establish a partnership for CBN?s participation in the policy and land use planning processes, and to facilitate mainstreaming of environmental sustainability in their lending programs. **2) Palm oil and cocoa sector policies:** This risk has been factored into the project design through project support for cocoa and palm oil sector policies that address deforestation risks posed by cash crop expansion.	National PMU; State PIUs; Operating Partners;
Project Management & Delivery Risks					

7	**Co-financing does not materialize**: The baseline co-financing is particularly important for scale-up of impacts beyond the priority LGAs.	**Medium:** The impact of this risk is medium, as co-financing plays a major role in this project, however co-financing resources are well diversified throughout, including in both states, so the impact of a single non-compliance cofinancing event would relatively less impact overall.	**Medium**	**1) Selection of FRIN as Lead Executing Agency:** With FRIN selected as the primary co-financing source for this project, the risk of their non-compliance with co-financing agreements is significantly mitigated. 2) **Diversification of co-financing resources:** The project?s diversification of co-financing resources is a hedge against the risk of co-financing noncompliance impacting the project results. The State PIUs and National PMU shall aim to continuously identify new sources of co-financing for this project, so as to mitigate this risk even further during implementation. **3) Communication of co-finance requirements:** The project will keep co-financiers informed regarding their financial commitments to the project. Within the framework of the National and State PIUs, matters related to co-financing contributions will be coordinated to ensure these commitments are included in the annual budgetary allocations of the partner entities.	National PMU; State PIUs;

Section B: Environmental and Social risks <u>from the project</u>

The project has triggered safeguard 7, due to child labour being a serious issue in Nigeria and in cocoa production specifically.

<u>SAFEGUARD 7 DECENT WORK</u>

	Social & Environmental Risks and Impacts	Mitigation Measure	Implementation Responsibility	Timeline
7.12	The National Bureau of Statistics Multiple Indicator Cluster Survey (MICS, 2017) indicates that more than 40 percent of Nigerian children aged between 5 and 17 years are involved in economic activities[1]. Most children in rural areas work in crop cultivation including cocoa, cassava, cotton and tobacco, using tools meant for adults and in application of highly hazardous agrochemicals. Data gathered during PPG indicated child labour as an important risk in cocoa production in the two projects states and target LGAs.	ILO is currently implementing a Dutch Government funded program ? Accelerating Action for the Elimination of Child Labour in Supply Chains? ? ACCEL Africa, with Nigeria one of the program countries. In Nigeria, the focus is on Cocoa. ACCEL aims to improve policy, legal and institutional frameworks and enforcement to address child labour in global supply chains; implement innovative evidence-based solutions to address root causes of child labour; and strengthen partnerships and knowledge sharing among supply chain actors. Although the program is national, it also includes Ondo as a pilot state. A provision has been made in the FOLUR project, for two experts (national and international) on gender and safeguards. TORs of these experts shall include assessment and development of mitigation measures to address child labour ? including, identifying entry points to address this issue across all project components. Therefore, the project team shall collaborate closely with ACCEL, to ensure that actions and tools being developed are considered and integrated into the FOLUR project. Within the first 4 months of implementation, the project team shall develop a child labour mitigation plan to be communicated within the project and with partners and communities in project states and landscapes.	National Project Coordinator, gender and safeguards experts, working closely with knowledge management, communication, and M&E officers.	As a strict requirement, a child labour mitigation plan will be developed within the first 4 months of project implementation, and implemented throughout the duration of the project.

Climate risk screening and recommendations

The climate risk of the aforementioned project is substantial (on a scale of low, moderate, substantial and high). According to the K?ppen scale, the Niger Delta has a monsoon climate (Am), with warm mean annual temperatures (above 25?C) and a very humid year-round period (i.e. June-October tend to record more than 300 mm month-1), interrupted by a short and dry period from December to January (with less than 60 mm month-1) (K?ttek, 2006). Given its latitude (4?N) and location within the Gulf of Guinea, the Niger Delta is under the influence of the Intertropical Convergence Zone (ITCZ), migrating northwards during the summer months and vice-versa in winter. As any other delta, the Niger Delta sits at sea level and is often exposed to storm surges originating at the Gulf of Guinea. In addition, all-year round abundant precipitation in the lower basin of the Niger River and densified river network makes drainage at the delta difficult, leading to frequent and severe flooding. As a result of the combined effect of storm surges and sea level rise, Nigeria?s coastline is rapidly eroding, already submerging villages and displacing coastline population (Fashae & Onafeso, 2011; Anabaraonye et al., 2019).

Past climatic trends show a temperature increase of 0.5-1.5?C over the period 1951-2005 across the country (UNFCCC, 2014). Rates of temperatures rise are higher in northern parts of the country than in southern states (project?s location). In addition, maximum and minimum mean temperatures in the southern states have risen from 30.6 to 32.0?C and from 21.7 to 23.0?C, respectively, over the period 1951-2005 (UNFCCC, 2014). Precipitation has declined over the period 1951-2005 and remarkably decreased in the 70?s. However, in the Niger Delta (Port Harcourt), precipitation has slightly recovered, by 4 mm decade-1, between 1983 and 2008 (Olofintoy & Sule, 2010).

Future climate projections show a temperature increase of 1.1-2.5^{o}C by 2060 in Nigeria (USAID, 2019). The number of extreme heat days is also expected to increase, from 10 days in the 90?s to 260 days by the end of the century (USAID, 2019). Regarding future precipitation projections, there is uncertainty in terms of amount and frequency, but rainfall variability is likely to increase. In addition, the Niger Delta and coastal zones will experience a sea level rise of 0.4-1.0m by 2100, resulting in saline intrusion in coastal aquifers (USAID, 2019). In addition, sea level rise will cause the partial submersion of densely populated areas along the coastline, including parts of Lagos and other smaller towns (Ebele & Emodi, 2016). In the worst-case scenario, a sea level rise of 1m will result in the loss of three-quarters of the Niger Delta (FME, 2014).

Furthermore, Nigeria has a moderate vulnerability to climate related impacts (ranked 127 out of 181 countries), but vulnerability is particularly high in flood prone areas of the Niger Delta (ND-GAIN, 2017; Matemilola, 2019). Since 2015, the project areas have been affected by multiple flooding events. For instance, in 2018, the overflow of the Niger River affected 1.9 million people, having a death toll of 200 and displacing over 200 thousand people (Reliefweb, 2018; CRED, 2020). Overall, the impacts of climate change in agriculture are expected to reduce the GDP by 4.5% by 2050 (INDC, 2015). Due to changing climatic conditions, farmers are already embracing adaptation strategies in the Niger Delta, including planting with early rainfall, mixed-cropping systems, crop cover, proper conservation and storage of seeds (Nzeadibe et al., 2011).

Recommendation	*How it has been incorporated in design*
Component 1 Under components 1 and 4, it is important to integrate aspects regarding sustainable forest management (SFM), and in particular the FAO SFM tool box. The SFM toolbox gathers a package of best practices as well as examples for sustainably managing forests. The intended users of the SFM tool box are the public in general, private forest and land managers, as well as staff of extension services and NGO?s (FAO, 2020a). Another tool that could support the project is the Land Resources Information Management System (LRIMS) that provides an evaluation of land-use suitability based on a multicriteria analysis assessment, including a socio-agricultural vulnerability analysis (FAO, 2020b). On top of that, LRIMS acts as a repository of information required for assessing the vulnerability and risk at the project?s location. LRIMS develops an agroecological zoning analysis of land use and crop suitability according to the shifts in climatic conditions.	Forest Landscape Restoration approaches have been incorporated in the design of components 1 and 3 ? the Restoration Opportunities Assessment Methodology is going to be one of the key tools used in the project, taking into account the current climate trends and projected changes in Cross River and Ondo States.
Component 2 Under component 2, and in particular 2.1.1, the project could embrace some of the following climate smart agricultural practices for cocoa and palm oil: Climate information services could be delivered along the cocoa value change by multiple communication means (radio, SMS, TV?), particularly at the production and processing phases of the food value chain. For instance, real-time weather conditions (temperature, precipitation and wind forecast) are useful for farmers as they directly affect nutrient availability and moisture in the soil. Climate services can also include information about calendar application for the control and prevention of pest and diseases; just like input losses, from misuse of fertilizers, herbicides and pesticides, into the environment (volatilization and leaching). Air moisture and direct sunlight must be considered during the drying out process, because they negatively affect the yield (mould beans and loss of nutritional quality). In addition, under this component, the project could identify key partners (e.g. World Cocoa Foundation) that can support scale-up the provision of climate services along the entire cocoa value chain. Sustainable agricultural practices: intercropping can protect seedlings from direct sunlight and provide soil moisture. The improvement of nutrients in the soil can be achieved by combining these crops with leguminous species such as groundnuts, beans and cowpeas that have the capability of fixing N into the soil.	Agro-climatological information is being provided to farmers in both states. The project has included a module on climate information services under component 2 training. IITA is finalizing the design of integrated soil fertility management recommendations based on intensive field trials and demonstrations in cocoa producing countries in West Africa, including in Nigeria, where they also looked at performance under various climate scenarios. These will form part of the climate smart agriculture practices to be promoted by the project. The project will promote climate resilient agroforestry systems, some of the options that will be considered are presented in annex L.
Component 3 Natural resource management in the project area can include sustainable farm planning (monitoring the number of trees and mapping the farm, development of a cropping calendar, and the establishment of a fire belt around farms). The conservation and restoration of degraded habitats is necessary for increasing the climate resilience of cocoa and palm oil plantations. This can be achieved by identifying, protecting and restoring riparian zones.	Fully taken into consideration under component 3.

[1] Accelerating action for the elimination of child labour in supply chains in Africa (ACCEL, 2018-2022).

6. Institutional Arrangement and Coordination

Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.

The implementation structure has been designed taking into account the multi-sectoral, multi-agency, and multi-level nature of the project, and importantly taking into consideration alignment with institutional mandates. It is a structure that requires strong collaboration and commitment at all levels. Please see Figure 11: Project implementation arrangements in the Project Document.

At the funding level, the **Food and Agriculture Organization of the United Nations** (**FAO**) will be the GEF Implementing Agency, and as such, will provide project cycle management services as established in the GEF Policy. FAO will be responsible for providing oversight, technical backstopping and supervision of project implementation to ensure that the project is being carried out in accordance with agreed standards and requirements. Technical backstopping will be provided by FAO in coordination with the National Project Steering Committee. As GEF Implementing Agency, FAO will:

? Administer funds from GEF in accordance with the rules and procedures of FAO;

? Oversee project implementation in accordance with the project document, work plans, budgets, and the rules and procedures of FAO;

? Provide technical guidance to ensure that appropriate technical quality is applied to all activities;

? Conduct at least one supervision mission per year; and

? Report to the GEF Secretariat and the GEF Evaluation Office, through the annual Project Implementation Review, on project progress and provide financial reports to the GEF Trustee.

At national level, **the Federal Ministry of Environment (FMEnv) and the Federal Ministry of Agriculture and Rural Development (FMARD) will be key partners**, providing strategic leadership to the implementation of the project, working closely with the Federal Ministry of Finance, Budget and National Planning. FMEnv and FMARD will: facilitate multi-stakeholder dialogues at national level, ensure delivery of technical and co-financing inputs to the project, and coordination and coherence with relevant ongoing programs.

National Project Steering Committee (PSC)

A multi-stakeholder PSC, comprising all key partners representing public, private and NGOs will be constituted and co-chaired by FMEnv and FMARD. Membership will include: FMEnv, FMARD, FAO, GEF Focal Point, UNCCD Focal Point, CBD Focal Point, UNFCCC Focal Point, the Central Bank of Nigeria, the Bank of Agriculture, Federal Ministry of Women Affairs and Social Development, Minister of Industry, Trade and Investment, representatives of the two project states, and representatives from the Cocoa Association of Nigeria (CAN), All Farmers Association of Nigeria, Small-Scale Women Farmers Organization in Nigeria (SWOFON). Other organizations and development partners (UNDP, UNIDO, and GIZ etc.) will be invited to participate as members or observers, as appropriate. The PSC will: (i) provide oversight and strategic direction to the project; (ii) facilitate coordination and knowledge exchange between the project and relevant ongoing projects and programmes; and (iii) ensure timely provision of co-financing to the project.

State Project Management Committees (SPMC) and Technical Committee (TC)

Each of the two states will establish a State Project Management Committee to oversee project implementation, and facilitate coordination and mainstreaming of project objectives into state-level policies, plans, and investment programs. The SPMC shall include representation from the State Agricultural Development Program (ADP), the state Forestry Commission, Local Government Councils, NGOs, and smallholder farmers and women associations.

An interstate technical committee shall be set-up to provide multi-disciplinary technical guidance to ensure that the project interventions are technically sound and that there is coordination between the states and executing partners. Membership will be drawn from State Ministries, Departments and Agencies (MDAs, including the State Ministry of Women Affairs and Social Development), CRIN, NIFOR, IDH, Solidaridad, PIND, smallholder cocoa and palm and women associations, and other members. Given the planned innovation platforms under component 2, the need for this additional committee shall be reassessed at project inception.

Operational Partner

Based on consultations and an independent fiduciary capacity assessment conducted during project preparation, the Forestry Research Institute of Nigeria (FRIN) will serve as the Operational Partner (OP) for the project. Roles and responsibilities of FRIN and FAO shall be described in detail in the Operational Partner Agreement (OPA) to be concluded within 3 months of project approval by the GEF. In summary, FRIN will carry out the following tasks:

(i) *Project planning, coordination, management:* Overseeing the day-to-day management and implementation of the project, including the issuing and managing contracts with co-executing partners, overseeing and ensuring delivery of their respective outputs. Providing technical support to ensure quality implementation of the project.

(ii) *Project monitoring, evaluation, and reporting:* Timely, comprehensive, and evidence-based project reporting, in line with the project M&E framework and requirements.

(iii) *Risk management:* Monitoring risks, including environmental and social risks, identified during project preparation, identifying new risks and undertaking appropriate mitigation actions.

(iv) *Procurement:* Procurement of goods and services, including recruitment of experts, in line with the OPA and work plans and budgets approved by the NPSC and SSCs.

(v) *Financial Management*: Financial management, including overseeing financial expenditures against project budgets and submission of financial statements to FAO.

To fulfil this role, FRIN shall establish a National Project Management Unit, consisting of the following full-time staff: (1) National Project Coordinator (NPC), (2) Chief Technical Advisor; (3) Admin and finance officer; (4) Admin assistant; (5) Communications Officer; (6) Knowledge and M&E Officer. Technical support will be provided through contracts with partners or part-time individual experts in these areas: (1) Policy and institutional capacity; (2) Spatial analysis and tools (including ROAM); (3) Value chains, markets and innovative finance; (4) Integrated pest management; (5) Gender and safeguards specialists; and (6) private sector engagement. Additionally, FRIN, FMARD, and State-level MDAs, will assign technical teams to support the implementation of the project (co-financed secondment).

The safeguards specialist will lead the environmental and social risk assessment and development of a mitigation plan, including child labour mitigation, within the first 4 months of project implementation.

National Project Management Team

FRIN will designate a National Project Coordinator (NPC), as part of their co-financing to the project. The NPC will be responsible for oversight of the PMU?s delivery of the project, communicating tasks and guiding the Chief Technical Advisor on government policies and priorities. He/she will coordinate project activities with all the national and state institutions and project partners involved in the different project components. A project focal point will be appointed within FMARD, to work closely with the NPC. The NPC will ensure that the project maintains a strong link with the State Governments and programs. Other members of the National Project Management team will include:

? A **Chief Technical Advisor** (CTA ? GEF funded), will be recruited by FRIN to provide substantial technical inputs to the implementation of the project. To complement the forestry expertise within FRIN, the CTA?s main expertise will be in sustainable agriculture and food systems. Working directly with the state-level project implementation units (PIUs) and executing partners, the CTA will (i) lead technical planning, coordination and monitoring of project activities ? preparation of annual work plans and budgets (AWP/B); (ii) provide technical guidance to executing partners and experts, to ensure activities are implemented using relevant approaches, tools and methodologies and best practices; (iii) assess all technical outputs delivered by executing partners, consultants, and technical teams; (iv) ensure a high level of collaboration among participating institutions and organizations at the national and local levels, and with related initiatives, including the REDD+ programme; (v) track (with Knowledge and M&E officer support) the project?s progress and ensuring timely delivery of inputs and outputs, prepare M&E reports including six-monthly Project Progress Reports (PPRs) and annual Project Implementation Review (PIRs) (vi) organize annual project workshops and meetings to monitor progress and support the organization of the mid-term and final evaluations; vii) ensuring that gender issues are adequately addressed during project implementation.

? **Administrative and finance officers** (FRIN/GEF funded) will be responsible for carrying out administrative and financial management duties associated with project operations. This includes activities related to managing the budget and the project?s procurement plans and preparation of financial statements etc.

? **Monitoring and evaluation (M&E) officers** (GEF-funded) will be responsible for overseeing the implementation of the M&E plan, including setting up of M&E systems (project level and landscape monitoring systems) working with the state PIUs and REDD+ units. The M&E officer will train the project team and executing partners on M&E requirements and will also be responsible for the implementation of the knowledge management plan working with the communication officer. Working with the gender and safeguards specialist, the M&E officer will monitor and report on the implementation of the gender action plan and child labour mitigation plan.

? **Knowledge management and communication officer** (GEF-funded) will be responsible for the development and implementation of knowledge and communication strategies working closely with the project team, especially the M&E officer.

The project will set-up **state Project Implementation Units (PIUs)** that shall be responsible for coordination of activities in each state (Cross River and Ondo), directly supported by the PMU on a day-to-day basis. The PIUs will be led by a **State Coordinator** (GEF-funded) who will report directly to the CTA. This role will require close coordination with the project steering committee, chaired by the State Governor?s Office. The day-to-day responsibilities of the State Coordinator will be oversight of the operating partner?s delivery of their respective project outputs. This includes close coordination on output status, implementation progress, identifying and mitigating project risks. The State Project Coordinator will receive support from appointed staff of state MDAs through co-financed secondments. In addition, **LGA facilitators** will be recruited to support LGA-level development and monitoring of integrated land use and restoration plans.

Component executing teams: The project activities build upon a number of key programs, notably the REDD+ program and the National Initiatives for Sustainable & Climate Smart Oil Palm Smallholders (NISCOPS) coordinated by IDH and Solidaridad, State Agricultural Development Programs (ADPs), and . Therefore, REDD+ Units, IDH, Solidaridad and State ADPs, will be key delivery partners through contracts with the project, for components 1 and 2, working with community-based organizations (CBOs)

and other partners. Component 3 implementation will be led by FRIN in collaboration with State Forestry Departments and NISCOPS.

FOLUR Global Platform

The project falls under the GEF-7 Food Systems, Land Use and Restoration Impact Program (FOLUR-IP), with 27 country projects (CPs) distributed across globally important geographies for commercial agricultural commodities and food staples, multiple GEF Agencies, and strategic international and regional private sector, NGOs and research partners. Cote d?Ivoire and Ghana, as major cocoa producing countries, are also part of the program.

A FOLUR Global Platform, led by the World Bank, has been established to strengthen collaboration among the implementation agencies (with FAO as key technical partner), participating countries, Core Partners and the international investment community, and in so doing ensure that the whole of the program is greater than what could be delivered through individual country projects.

The proposed project in Nigeria will interact with the platform through:

- Annual check-ins. The Global Platform will arrange field visits or video conferences with the national project team (PMU) at least once per year for a one-on-one check in. These contacts will be scheduled in collaboration with FAO.
- Standardized Guidance. The Platform will provide demand- and needs-based guidance to the national project team, sharing best practices and ensuring that implementation is executed to a high standard.
- Annual / Regional Meetings. The Platform will organize an annual meeting of FOLUR partners and country projects as an opportunity for learning, networking, assessing results and assessing demand for technical support.

Coordination with other relevant GEF-financed projects and relevant initiatives

The project will be coordinated with a number of relevant ongoing initiatives through the various existing and new multi-stakeholder mechanisms to be set-up by the project (i.e. Project Steering Committee and Technical Committee). Linkages with the following GEF-financed project and related initiatives will be established:

Table 7: Relevant GEF-financed projects

UNEP GEF-6 ?GLOBE Legislators Advancing REDD+ and Natural Capital Governance Towards the Delivery of the 2030 Agenda?	The aim of this regional project (Democratic Republic of Congo, Senegal, and Nigeria) is to enable national legislators to advance policies and laws for integration of natural capital approaches with a focus on the Great Green Wall Initiative where appropriate and REDD+ into development policies. The most relevant aspect of this project is the review of major legal issues related to the implementation of the Great Green Wall Initiative and REDD+ including benefit sharing, safeguards, **land tenure**, and institutional arrangements. The legislative recommendations that come out of this review will be extremely important inputs to the state-level policy reviews planned under the proposed FOLUR project. Coordination with the GLOBE project will be through the REDD+ programme, a major FOLUR project partner, and through the Federal Ministry of Environment (GLOBE Lead Government Agency)

UNDP GEF-6 Food-IAP: Fostering Sustainability and Resilience for Food Security in the Savannah Zones of Northern Nigeria	The overall goal of the project is to enhance long-term sustainability and resilience of food production systems in Nigeria, building greater community resilience to climate risks and other shocks that drive food insecurity. This will be achieved through interventions that: (i) enhance the policy and institutional enabling environment for achieving improved food security in a sustainable, resilient and value-chain driven manner; (ii) scale up sustainable land and water management (SLWM) and climate-smart agricultural (CSA) practices in support of environmental and social development benefits at farm and landscape level; and (iii) reduce gender disparities in agricultural production, which substantially affect overall sector performance. Although the IAP project is operating in different agro-ecological zones and crops, there are some lessons that will be applicable to the FOLUR project. The linkage will be facilitated by FMARD, the key partner in both projects, the PSC and Technical Committee.
GEF-7 FOLUR projects in Ghana and Cote d?Ivoire	The link with all FOLUR projects will be facilitated by the Global FOLUR Platform. A provision for one annual visit (PMU level) to Ghana/Cote d?Ivoire has been included in the project budget (knowledge management component). It is important that the projects are linked at an operational PMU level.
Green Innovation Centre for the Agriculture and Food Sector ? Nigeria	The objective of the initiative is to increase income of smallholder farmers in rural districts in 8 states, including Cross River ? funded by GIZ in partnership with the Federal Ministry of Agriculture and Rural Development (FMARD). Focus is on rice, maize, cassava and Irish potato. The initiative has developed tools and manuals that will be useful for the training sub component ? under component 2. The linkage with the project will be through FMARD as lead partner in the FOLUR project.

7. Consistency with National Priorities

Describe the consistency of the project with national strategies and plans or reports and assesments under relevant conventions from below:

NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

The project is closely aligned with and contributes to targets set in several national strategies and plans, and most importantly those related to the implementation of multilateral environmental agreements, outlined in the table below.

Table 8: Consistency with national priorities

UNCCD National Land Degradation Neutrality Targets, 2017.	The overall target at national level is to achieve LDN by 2030 and specifically: ? Improve land productivity and soil organic carbon stocks in 463,300 hectares of cropland and grasslands; ? Rehabilitate 10 million hectares of cropland with declining land productivity; ? Halt the conversion of forests and increase forest cover by 20 percent. These are to be achieved through a set of measures including reforestation using local species and agroforestry practices. The project will make a direct contribution to the LDN targets ? as reflected in the core targets.

UNCBD National Biodiversity Strategy and Action Plan (2016-2020).	Although the NBSAP is due to be updated, the project contributes to the following targets in the current plan: **Target 3**: By 2020, adoption of a **national ecosystem-based spatial planning process** and plans, promoting the values of biodiversity and ecosystem services to sustain development. The contribution from the project is through the state and local level ILM planning; **Target 4**: By 2020, up to 15 percent of the areas of degraded ecosystems in Nigeria are **under programmes for restoration and sustainable management.**
Third National Communication to the UNFCCC (2020) Paris Agreement Nationally Determined Contribution (2015)	In March 2020 Nigeria issued its Third National Communication (TNC) to the UNFCCC, reporting on its GHG inventory. The communication reported that Nigeria?s Agriculture, Forestry, and other Land Uses (AFOLU) sector to be far the largest source of national emissions, at a net of 307,320.4 GgCO2e. Nigeria?s NDC prioritizes strategies, policies, and programs for key sectors, to achieve its set mitigation and adaptation targets. For mitigation, the NDC lists two targets: (1) an ?unconditional? target of 20 percent total national emission reduction by 2030; and (2) a ?conditional? target of 40 percent reduction in national GHG emissions by 2030. Prioritized interventions for agriculture include promotion of climate smart agriculture activities ? particularly those that sustainably intensify agricultural production to reduce encroachment into high carbon stock forests (HCS), agroforestry, and drought resilience. Such priorities, in combination with the country?s mitigation targets have been incorporated into the overall design and interventions of the proposed project.
National Strategy for Nigeria REDD+ Programme, 2021	The project is also in line with the National REDD+ Strategy. The REDD+ vision is ?to establish a climate resilient economy through sustainable management of forests to enhance carbon sink, and reduce GHG emissions by at least 20 % by year 2050?. The goal for the next 5 years (2021-2025) is the strategic improvement of institutions and governance systems, **spatial planning** and investment environment.
The Green Alternative Agricultural Promotion Policy (APP, 2016-2020)	The four goals of APP are: food security; import substitution; job creation; and economic diversification. The policy prioritizes investments in specific food and export crops including cocoa and oil palm, with emphasis as well on the sustainable use of natural resources and promotion of climate smart agriculture. FMARD is in the process of refining and finalizing its next overarching national agricultural policy, which includes some of the key priorities addressed by the project ? smallholder farmers? land ownership, access to extension services, finance and markets, strengthening policies and technical capacities to allow this to happen.

8. Knowledge Management

Elaborate the "Knowledge Management Approach" for the project, including a budget, key deliverables and a timeline, and explain how it will contribute to the project's overall impact.

Knowledge management is embedded within all project components and across all levels of operation, from local to state, national and global level. The approach includes short term (e.g. workshops), medium term (e.g. multi-stakeholder dialogues) and long term instruments (innovation platforms for sustainable cocoa and oil palm) ? inspired by the GEF Art of Knowledge Exchange Guide[1]. It consists of the following:

- An integrated landscape management Technical Working Group (ILM-TWG), linked to REDD+ Multi-stakeholder platform. The ILM-TWG, in addition to driving the planning process, will be one of the mechanisms for knowledge sharing among a diverse coalition of stakeholders.

- Inter-state innovation platforms for sustainable cocoa and oil palm linking research (the International Institute of Tropical Agriculture, Cocoa Research Institute of Nigeria, Nigerian Institute for Oil Palm Research, Forest Research Institute of Nigeria), public and private extension service providers, technical experts from relevant Ministries, Departments and Agencies (MDAs) including State Ministries of Women Affairs and Social Development, and representatives of smallholder farmers, IDH, Solidaridad, cocoa and oil palm industry and NGOs. The aim of the platforms is to facilitate inclusion, knowledge sharing, coordination, replication and impact at scale, again linked to existing platforms at national level i.e. CocoaSoils Partnership for Delivery (P4D), National Initiatives for Sustainable & Climate Smart Oil Palm Smallholders (NISCOPS) national forum (NNF)

- As mentioned in the description of component 4, the project will be connected to the FOLUR Global Knowledge Platform, to share knowledge coming out of Nigeria, while accessing innovations and best practices from FOLUR countries, including Cote d?Ivoire, Ghana and other major cocoa and oil palm producers.

A more refined and detailed knowledge management strategy will be designed within the first 6 months of project implementation. A summary of the approach, key deliverables, timeline and budget is presented below.

Summary knowledge management activities

Key deliverable	Timeline	Budget
Knowledge management and communications strategies developed and implemented (Output 4.1.1). At least two outcome stories per year shared with FOLUR Global Platform, and with state and federal level multi-stakeholder platforms, NGOs, private sector, civil society and communities. Impact stories on gender and women empowerment within the project. Participation in global and regional FOLUR events (including exchanges with Ghana and Cote d?Ivoire). Thematic technical papers/publications, guides. Innovation platforms events/meetings conducted.	Within first 6 months of project implementation Throughout project implementation	? Development of information dissemination and communication strategies and implementation ? production and dissemination of knowledge and communication products: USD 256,500 ? Participation in regional and Global FOLUR IP events and activities: USD 100,000 ? National and state-level knowledge exchange events (including innovation platform meetings): USD 65,000 ? Knowledge and awareness raising explicitly targeting women, youth and minority groups USD 60,390
Total Budget		**USD 481,890**

[1] https://www.thegef.org/publications/art-knowledge-exchange-results-focused-planning-guide-gef-partnership

9. Monitoring and Evaluation

Describe the budgeted M and E plan

Project oversight will be carried out by the National Project Steering Committee (PSC) and FAO. Oversight will ensure that: (i) project outputs are produced in accordance with the project results framework and leading to the achievement of project outcomes; (ii) project outcomes are leading to the achievement of the project objective; (iii) risks are continuously identified and monitored and appropriate mitigation strategies are applied; and (iv) agreed project global environmental and socio-economic benefits are being delivered.

FAO will provide oversight of GEF financed activities, outputs and outcomes largely through the annual Project Implementation Reports (PIRs), periodic backstopping and supervision missions.

Day-to-day project monitoring will be carried out by the National Project Management Unit (PMU), and State Project Implementation Units (PIUs). Project performance will be monitored using the project results matrix, including indicators (baseline and targets) and annual work plans and budgets. At inception the results matrix will be reviewed to finalize identification of: i) outputs ii) indicators; and iii) missing baseline information and targets. A detailed M&E system, which builds on the results matrix and defines specific requirements for each indicator (data collection methods, frequency, responsibilities for data collection and analysis, etc) will also be developed during project inception by the M&E Officer. Project indicators shall always include GEF core indicators and specific FOLUR-IP indicators that track contribution of the project to overall program impact.

Monitoring and Evaluation Plan

M&E Activity	**Responsible Parties**	**Timeframe**	**GEF Budget (USD)**
Inception Workshop at national and state levels	National Project Management Unit (PMU) and State Project Implementation Units (PIUs)	Within two months of project document signature	25,000
Project Inception Report	PMU, PIUs	Within two weeks of inception workshop	None
PSC & State Steering Committee (SSC) meetings	PMU, PIUs	Annually	33,000
Monitoring system implementation and reporting	PMU, PIUs	Continuous	110,500
Project Implementation Review report (PIR)	PMU	Annually in July	M&E Officer + CTA
Co-financing Reports	PMU	Annually	Co-financing
Mid-term Evaluation	Independent consultant(s), organized by FAO.	At the end of year 2	40,000
Final evaluation including Terminal Report	Independent consultant(s), organized by FAO.	At least three months before operational closure	50,000
Total Budget			**258,500**

10. Benefits

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

The project is designed to deliver multiple concrete socio-economic benefits to smallholder farmers, women and SMEs, including youth agri-entrepreneurs, by removing important barriers that stand in the way of making cocoa and oil palm value chains sustainable, resilient, productive and profitable. Concretely, the following key benefits will be delivered:

- At least 200 women have benefited from leadership training and are engaged in integrated landscape management planning, policy dialogues and budget planning in Ondo and Cross River States;

- At least 5,000 smallholder farmers, including women, supported to acquire registered land titles;

- 40,000 smallholder farmers (at least 30% women) have benefited from trainings on sustainable cocoa, oil palm and income diversification activities;

- At least 1,000 youth agri-entrepreneurs (including nursery operators) have received capacity building support from the project;

- 25% increase in the number of smallholder farmers and SMEs accessing local micro-finance and credit products;

- At least 20% increase in cocoa and oil palm yield per hectare;

- At least 1 landscape sourcing commitment with an international/local cocoa, oil palm company (buyer), improving smallholder farmers? access to markets.

Furthermore, the project contributes to two of the four pillars[1] of decent work:

Pillar 1: Employment creation and enterprise development, which contains specific elements on: supporting smallholder farmers in accessing modern markets and modern value chains; and supporting MSMEs in accessing markets, training, financial services and productive assets, including land.

Pillar 4: Governance and social change, with engagement of rural communities and smallholder farmer associations and groups including women and youth, in integrated landscape planning and policy processes, and in implementation.

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[1] http://www.fao.org/3/i1937e/i1937e.pdf

11. Environmental and Social Safeguard (ESS) Risks

Provide information on the identified environmental and social risks and potential impacts associated with the project/program based on your organization's ESS systems and procedures

Overall Project/Program Risk Classification*

PIF	CEO Endorsement/Approval	MTR	TE
	High or Substantial		

Measures to address identified risks and impacts

Elaborate on the types and risk classifications/ratings of any identified environmental and social risks and impacts (considering the GEF ESS Minimum Standards) and any measures undertaken as well as planned management measures to address these risks during implementation.

The project has triggered safeguard 7, due to child labour being an issue in Nigeria and in cocoa production specifically.

The risk of child labour was assessed as part of the baseline data gathering in the project preparation. The results suggest the risk moderate, with less than a quarter (22.1%) of the cocoa and oil palm farm households found to have engaged at least a child in economic activities during the 2019/2020 farming season.

A comprehensive environmental and social impact assessment will be conducted within the first 6 months of project implementation to fortify the project risk mitigation plan.

	Social & Environmental Risks and Impacts	Mitigation Measure	Implementation Responsibility	Timeline

7.12	The National Bureau of Statistics Multiple Indicator Cluster Survey (MICS, 2017) indicates that more than 40 percent of Nigerian children aged between 5 and 17 years are involved in economic activities[1]. Most children in rural areas work in crop cultivation including cocoa, cassava, cotton and tobacco, using tools meant for adults and in application of highly hazardous agrochemicals. Data gathered during PPG indicated child labour as an important risk in cocoa production in the two projects states and target LGAs.	ILO is currently implementing a Dutch Government funded program ? Accelerating Action for the Elimination of Child Labour in Supply Chains? ? ACCEL Africa, with Nigeria one of the program countries. In Nigeria, the focus is on Cocoa. ACCEL aims to improve policy, legal and institutional frameworks and enforcement to address child labour in global supply chains; implement innovative evidence-based solutions to address root causes of child labour; and strengthen partnerships and knowledge sharing among supply chain actors. Although the program is national, it also includes Ondo as a pilot state. A provision has been made in the FOLUR project, for two experts (national and international) on gender and safeguards. TORs of these experts shall include assessment and development of mitigation measures to address child labour ? including, identifying entry points to address this issue across all project components. Therefore, the project team shall collaborate closely with ACCEL, to ensure that actions and tools being developed are considered and integrated into the FOLUR project. Within the first 6 months of implementation, the project team shall develop a child labour mitigation plan to be communicated within the project and with partners and communities in project states and landscapes.	National Project Coordinator, gender and safeguards experts, working closely with knowledge management, communication, and M&E officers.	As a strict requirement, a child labour mitigation plan will be developed within the first 6 months of project implementation, and implemented throughout the duration of the project.

[1] Accelerating action for the elimination of child labour in supply chains in Africa (ACCEL, 2018-2022).

Supporting Documents

Upload available ESS supporting documents.

Title	Module	Submitted

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

The results matrix is on page 83 in the project document.

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

GEF Council Comments	Response
Germany: 1. Germany asks to clarify the following aspects in the final project proposal: a) How will local governments and civil society organizations in the respective countries be strengthened as change agents of an enabling environment? b) What are country specific risks and mitigation strategies with regards to current political priorities and institutional capacities (esp. with regard to environmental, civil society and indigenous issues)? c) How is the LDN response hierarchy addressed (priority on avoiding land degradation) in order not to incentivize degradation through restoration support? 2. In addition, Germany recommends taking into account ongoing initiatives of the German ONE WORLD ? No Hunger Initiative regarding the Green Innovation Centres for the Agriculture and Food Sector (i.e. in Nigeria, India) as well as regarding Soil Conservation and Soil Rehabilitation for Food Security (India).	a) Landscape units (local government areas ? LGAs) targeted by the project are under the administrative responsibility of local governments (Local Government Councils ? LGCs). Therefore strengthening the capacity of LGCs in land use planning and management and in addressing the land tenure issue, is a key aspect of the project under components 1 and 2. The project will facilitate the establishment of LGA stakeholder engagement forums and governance arrangements for the development and implementation of the integrated land use plans, with participation of CSOs. CSOs will also be strengthened through the capacity development program (output 2.1.2), and participation in implementation of component 3, as recipients for training, as well as implementing partners. b) Relevant frameworks that define the current political priorities and institutional capacities are the REDD+ programme, and national and state REDD+ strategies. REDD+ institutional arrangements include Safeguard Working Group (in each of the FOLUR project states, Cross River and Ondo) responsible for ensuring that REDD+ safeguards are implemented. These safeguards include stakeholder participation, the knowledge and rights of Indigenous Peoples and local communities, the protection and conservation of natural forests and their ecosystem services, biodiversity conservation, and risk of reversals and displacement of emissions. As stated in the recently approved National REDD+ Strategy (April 2021), in-country capacity for addressing social safeguards needs strengthening. The project management team therefore includes a safeguards and gender expert. c) The integrated landscape management approach that contains sustainable production practices applied to degrade and not yet degraded agricultural land, to reduce pressure on still intact forests, combined with restoration actions, essentially addresses the LDN response hierarchy ?Avoid, Reduce, Reverse?. 2. The Green Innovation Centre Initiative in Nigeria is indeed very relevant for the FOLUR project ? particularly extension tools developed. The initiative was discussed with the Federal Ministry of Agriculture and Rural Development who are partnering with GIZ on it.

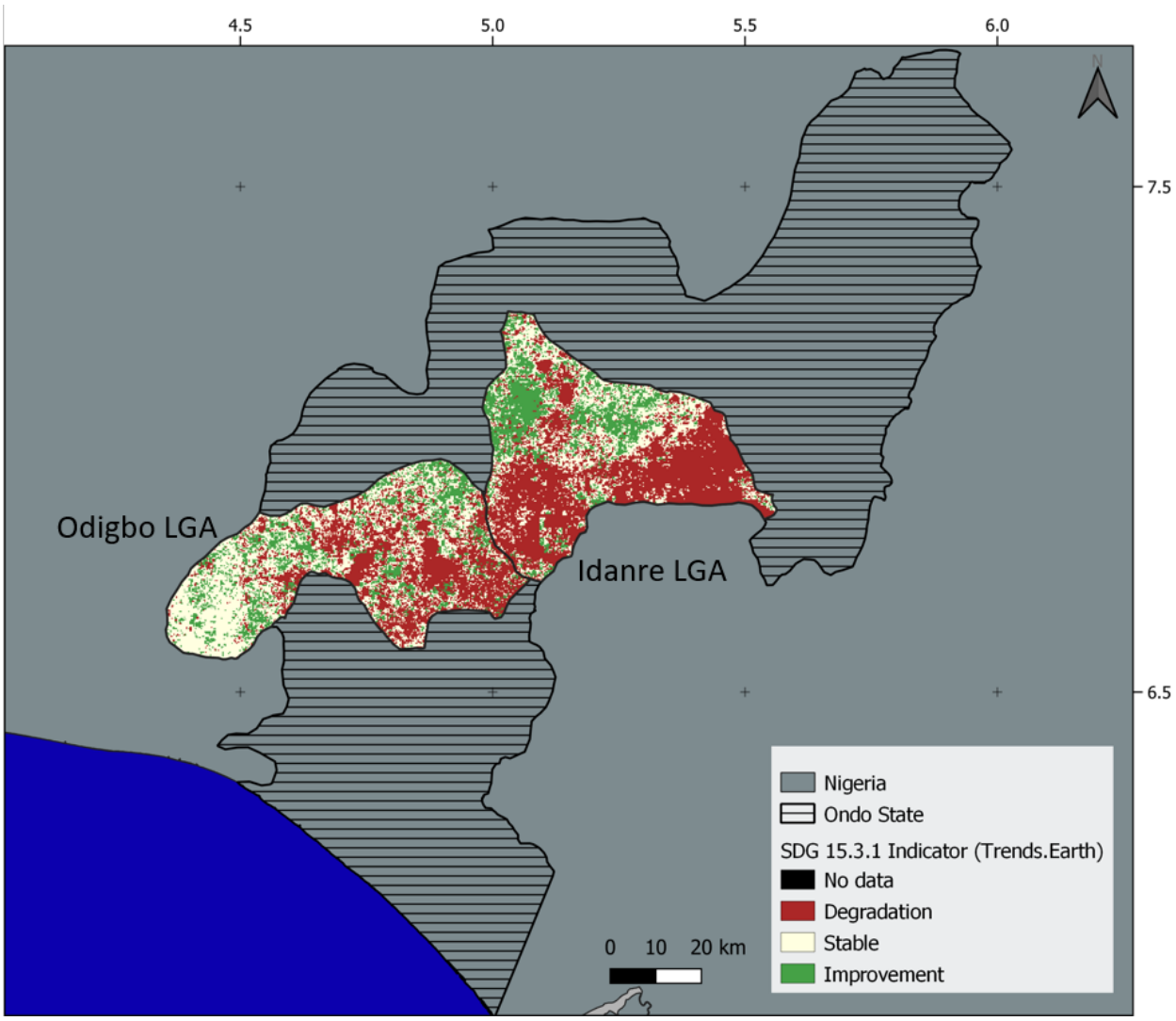
GEF Council Comments	Response
United States We support the FOLUR program and these addenda and have some additional comments for improvement. First, our understanding of the phrase and concept of ?food systems? and ?transforming food systems? refers to a holistic, systems approach to food and agriculture, including very prominently, nutrition and diet. The lack therefore, of mention of nutrition and diet in the projects is of concern, and we recommend that these important concepts not be isolated from broader transformative work on the biodiversity and ecosystem, and overall environment sustainability considerations of food system transformation discussions.	This comment has been taken into account with integration of crop diversification into integrated land use plans now part of the design ? to build resilience to climate change and to commodity price volatility, and to strengthen food and nutrition security.

ANNEX C: Status of Utilization of Project Preparation Grant (PPG). (Provide detailed funding amount of the PPG activities financing status in the table below:

PPG Grant Approved at PIF: **150,000 (NIR/002/GFF)**			
Project Preparation Activities Implemented	GETF/LDCF/SCCF Amount ($)		
	Budgeted Amount	***Amount Spent To date***	***Amount Committed***
(5013) Consultants	83,400	67,226	
(5014) Contracts	5,000	0	
(5021) Travel	23,500	32,922	
(5023) Training	30,000	22,658	
(5024) Expendable Procurement	0	678	
(5028) General Operating Expenses	8,100	17,483	
Total	150,000	140,967	9,033

ANNEX D: Project Map(s) and Coordinates

Please attach the geographical location of the project area, if possible.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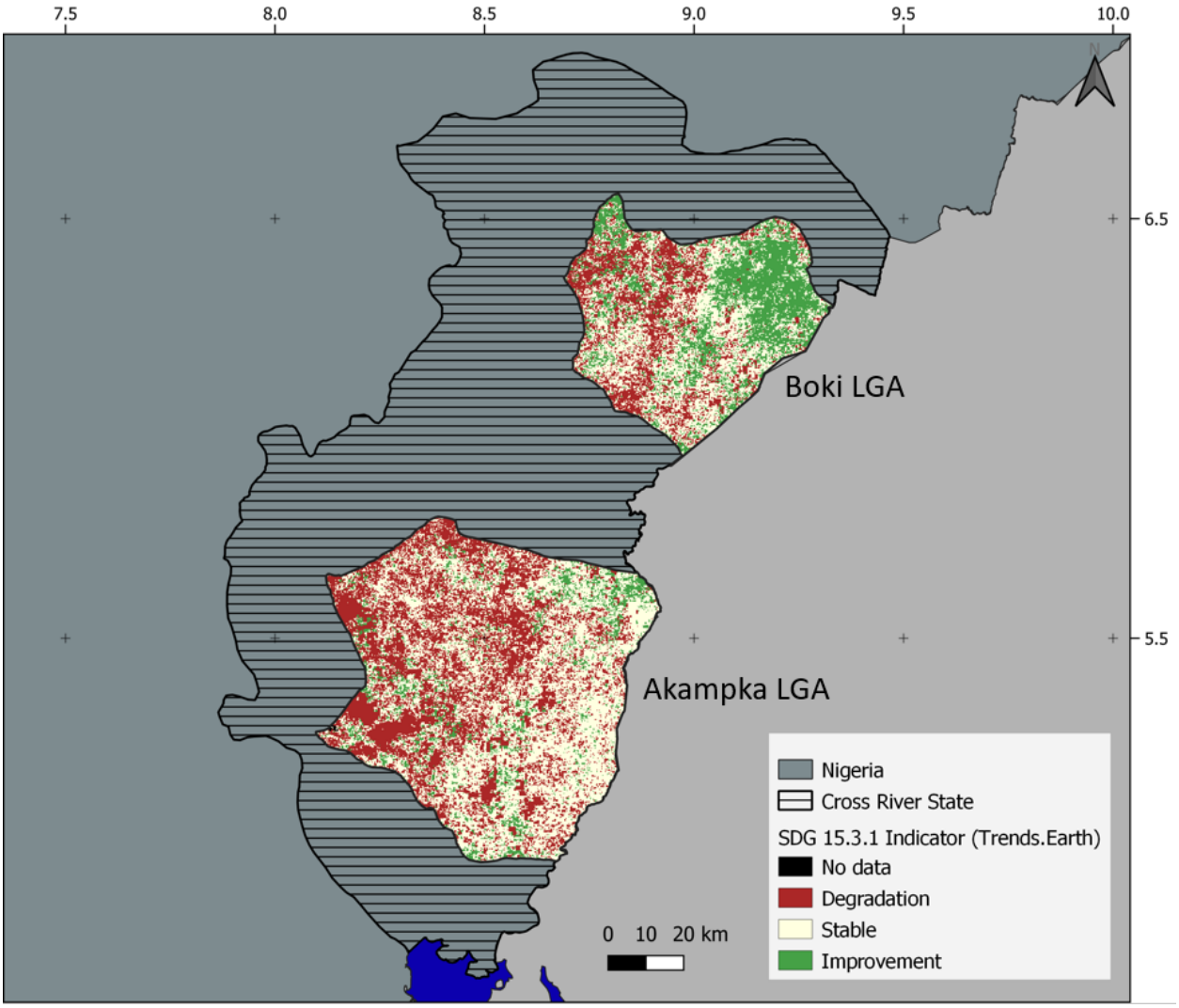

ANNEX E: Project Budget Table

Please attach a project budget table.

Attached as annex A3.

ANNEX F: (For NGI only) Termsheet

Instructions. Please submit an finalized termsheet in this section. The NGI Program Call for Proposals provided a template in Annex A of the Call for Proposals that can be used by the Agency. Agencies can use their own termsheets but must add sections on Currency Risk, Co-financing Ratio and Financial Additionality as defined in the template provided in Annex A of the Call for proposals. Termsheets submitted at CEO endorsement stage should include final terms and conditions of the financing.

ANNEX G: (For NGI only) Reflows

Instructions. Please submit a reflows table as provided in Annex B of the NGI Program Call for Proposals and the Trustee excel sheet for reflows (as provided by the Secretariat or the Trustee) in the Document Section of the CEO endorsement. The Agencys is required to quantify any expected financial return/gains/interests earned on non-grant instruments that will be transferred to the GEF Trust Fund as noted in the Guidelines on the Project and Program Cycle Policy. Partner Agencies will be required to comply with the reflows procedures established in their respective Financial Procedures Agreement with the GEF Trustee. Agencies are welcomed to provide assumptions that explain expected financial reflow schedules.

ANNEX H: (For NGI only) Agency Capacity to generate reflows

Instructions. The GEF Agency submitting the CEO endorsement request is required to respond to any questions raised as part of the PIF review process that required clarifications on the Agency Capacity to manage reflows. This Annex seeks to demonstrate Agencies? capacity and eligibility to administer NGI resources as established in the Guidelines on the Project and Program Cycle Policy, GEF/C.52/Inf.06/Rev.01, June 9, 2017 (Annex 5).