

Funding Options for Ecosystem Restoration in Central America and Africa



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List of abbreviations

AATIF	Africa Agriculture and Trade Investment Fund
AFCIA	Adaption Fund Climate Innovation Accelerator
AFD	Agence Française de Développement
AFR100	African Forest Landscape Restoration Initiative
ARAF	Acumen Resilient Agriculture Fund
BMA	Business Member Association
BMUV	German Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection
BMZ	German Federal Ministry for Economic Cooperation and Development
CBO	Community-based Organization
CBD	United Nations Convention on Biological Diversity
CfN	Campaign for Nature
CLUA	Climate and Land Use Alliance
CPS	GEF Country Programme Strategy
CSO	Civil Society Organization
CTCN	Climate Technology Centre & Network
EbA	Ecosystem-based Adaptation
ESMS	Environmental and Social Management System
EUR	Euros
FAO	Food and Agriculture Organization of the United Nations
FIAES	Fondo de Inversión Ambiental de El Salvador
FLR	Forest Landscape Restoration
FONAFIFO	Fondo Nacional de Financiamiento Forestal
FONERWA	National Fund for Environment Rwanda
FUNBAM	Fundación Banco Ambiental
FZS	Frankfurt Zoological Society
GCF	Green Climate Fund
GEF	Global Environment Facility
GHG	Greenhouse Gases
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit

ICP	International Coffee Partners
IKI	International Climate Initiative
ILO	International Labor Organization
INGO	International Non-Governmental Organization
IPLC	Indigenous people and local communities
IUCN	International Union for Conservation of Nature
KfW	Kreditanstalt für Wiederaufbau
NGO	Non-Governmental Organization
NSC	GEF National Steering Committee
NYDF	New York Declaration on Forests
ODA	Official Development Assistance
OECD	Organization for Economic Co-operation and Development
OFF	GEF Operational Focal Point
PACT	Protection Area Conservation Trust
PES	Payments for Ecosystem Services
PIF	GEF Project Identification Form
PMU	Project Management Unit
PPD	Project Profile Document
PPI	Small-Scale Initiatives Program IUCN
REDD+	Reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries
RISCO	Restoration Insurance Service Company
SDGs	Sustainable Development Goals
SGP	Small Grants Programme
SICA	Sistema de Integración Centroamericana
TNC	The Nature Conservancy
UN	United Nations
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFCCC	United Nations Framework Convention on Climate Change
UNOPS	United Nations Office for Project Services

USD	United States Dollars
WRI	World Resources Institute
WWF	World Wide Fund for Nature

1. Executive summary

This report was commissioned by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) as part of its efforts to support the UN Decade on Ecosystem Restoration through the implementation of the project "Support for the Design and Implementation of the UN Decade on Ecosystem Restoration". The report provides an overview and assesses funding sources that are relevant for **local non-profit organizations implementing ecosystem restoration activities in Central America and Africa** (Kenya, Cameroon, Malawi, Rwanda).

Ecosystem restoration is critical for addressing the climate and biodiversity crises. Meeting the objectives of the UN Decade on Ecosystem Restoration could contribute to generating USD 9 trillion in ecosystem services and remove between 13-26 gigatons of greenhouse gas (GHG) emissions from the atmosphere.¹

Local level non-profit organizations are crucial for the successful implementation of restoration projects and activities. Local communities and local level non-profit organizations including local community-based initiatives, civil society/ non-governmental organizations, or government-led initiatives and indigenous people and local communities (IPLC) hold critical knowledge about restoration needs and potential solutions. Participatory approaches and local restoration action can be fundamental for achieving the needed restoration successes.

Despite the recognized importance of scaling up ecosystem restoration, a substantial financing gap continues to hamper the implementation of restoration interventions. The financing gap for ecosystem restoration is estimated at around USD 300 billion per annum.²

Local non-profit organizations face a range of challenges when seeking to access ecosystem restoration funding. The availability of funding sources is limited; international funding mechanisms that are traditionally focused on environmental conservation or restoration tend to have high fiduciary, administrative, and technical requirements; and there remains a mismatch between local restoration project sizes and the expectations of funders. The exception are small grants programs that are specifically designed to overcome these challenges and, to a certain extent, philanthropic platforms that aim to connect restoration projects directly with philanthropic individuals and companies.

The current landscape of restoration funding can be broadly described as being comprised of three different types of actors 1) public funders, 2) private investors, and 3) civil society organizations.³ These actors have different motivations for engaging in restoration, ranging from the generation of ecosystem services and other economic returns to pure financial returns. These actors fund and finance restoration through a number of financial instruments such as grants, loans, equity, and results-based finance, amongst others.

While the overall landscape of finance for restoration is broad, the selection of funding options for local non-profit⁴ restoration implementers is more limited. The most common financial instruments for non-profit actors are grants and public sectors policies (e.g. subsidies or tax incentives).⁵ The report provides information on fourteen funding options relevant for non-profit organizations in the target regions. Information includes target group, geographic scope, thematic areas, type of funding, scope of funding, instrument, requirements and eligibility criteria. When available, criteria affecting the likelihood of receiving

¹ <https://www.unep.org/explore-topics/ecosystems-and-biodiversity/what-we-do/decade-ecosystem-restoration>

² Ding, H., Faruqi, S., Wu, A., Altamirano, J-C., Ortega, A.A., Zamora-Cristales, R., et al. 2018. Roots of Prosperity: The Economics and Finance of Restoring Land. Washington, DC: World Resources Institute.

³ Besacier, C., Garrett, L., Iweins, M. and Shames, S. 2021. Local financing mechanisms for forest and landscape restoration – A review of local level investment mechanisms.

⁴ The report does not target entrepreneurs or start-ups with sustainable, nature-positive business models that are for-profit.

⁵ Besacier, C., Garrett, L., Iweins, M. and Shames, S. 2021. Local financing mechanisms for forest and landscape restoration – A review of local level investment mechanisms.

funding such as the number of projects financed by fund per year/call, type of projects funded, frequency of publishing calls for proposals, or ongoing calls for proposals are additionally included.

Environmental funds or similar structures at the national level can play an important role as intermediaries in connecting local level implementers to funding sources. Funding intermediaries can help to channel funds from international funders to local level implementers, aggregate a number of smaller restoration projects, and could potentially develop larger locally informed restoration programs. However, the ultimate choice of funding instrument and source should be determined by the profile of the project and the organization that will implement it.

The report provides a series of recommendations for non-profit organizations, funders, and development partners,⁶ including:

- Local restoration implementers should familiarize themselves with their existing national restoration funding infrastructure.
- Local restoration implementers should become familiar with the “language of the donor” as well as with the eligibility criteria of donors, and the application process.
- Local restoration implementers and intermediary funds can enhance their possibilities of accessing restoration funds by partnering with international Non-Governmental Organizations (NGOs), UN Agencies, and other development partners.
- Results-based finance instruments, such as carbon finance from voluntary carbon market projects, can support and supplement local restoration implementation efforts, diversify income sources, and provide a longer-term funding stream than one-off grants, but their requirements should be carefully assessed.
- Matchmaking platforms offer good opportunities for local restoration implementers to develop an understanding of the funding landscape and position their work for funders.
- Development partners seeking to advance restoration in Central America and Africa should continue developing the capacities of national environmental funds.
- Development partners should continue fostering knowledge exchanges and the creation of networks amongst local restoration implementers on issues related to the accessibility of funding.
- Development partners can indirectly continue to support local restoration implementers by building an economic case for ecosystem restoration through ecosystem valuation assessments.
- International programs targeted specifically at local non-profit organizations (small-grants programs) should be continued and further expanded in the future.
- Securing long-term funding will require that organizations seek to diversify their funding streams.

⁶ We use development partners to refer to multilateral and bilateral development and aid organizations and agencies.

2. Introduction: The importance of ecosystem restoration funding

With the declaration of the [United Nations \(UN\) Decade on Ecosystem Restoration](#) (henceforth the UN Decade) from 2021 to 2030, the General Assembly of the UN has established a platform for action that aims to “prevent, halt and reverse the degradation of ecosystems worldwide”.⁷ The UN Decade has been created to maintain global awareness regarding the urgent need for effective ecosystem restoration at scale – as a means to simultaneously tackle global environmental and development goals. It is based on the wide recognition of the interconnectivity between successful restoration and long-term international goals such as ending poverty, ensuring food security, addressing climate change and preventing further biodiversity loss, as outlined for example by the Agenda 2030 and its Sustainable Development Goals (SDGs).

The UN Decade builds upon other international frameworks, in particular the [Bonn Challenge](#) and the [New York Declaration on Forests \(NYDF\)](#) of 2014. Both the Bonn Challenge and NYDF formulated the ambitious goal of restoring 350 million ha of degraded landscapes by 2030. Complementary to the global frameworks, regional initiatives have been created to confront the ongoing climate and biodiversity crises through restoration at the landscape level. In Latin America, the regional [Initiative 20x20](#) aims at bringing 50 million ha of degraded land into conservation and restoration processes by 2030 through engaging national governments, technical organizations as well as impact investors. Similarly in Africa, the [AFR100](#) aims at bringing 100 million ha of land in Africa into restoration by 2030.

“Between now and 2030, the restoration of 350 million ha of degraded terrestrial and aquatic ecosystems could generate USD 9 trillion in ecosystem services. Restoration could also remove 13 to 26 gigatons of greenhouse gases from the atmosphere.”

United Nations Environment Programme (UNEP) (n.d.): Decade on Ecosystem Restoration ⁸

Ecosystem restoration is broadly defined as “[...] assisting in the recovery of ecosystems that have been degraded or destroyed, as well as conserving the ecosystems that are still intact.”⁹

Despite the wide acceptance of the importance of needing to scale ecosystem restoration activities and the ongoing Bonn Challenge, an existing **financing gap** is hampering the implementation of urgently needed interventions. Estimates on the size of the gap vary. The World Resources Institute (WRI) estimates that there is a funding shortfall for landscape restoration of about USD 300 billion per year.¹⁰ The costs of meeting the targets of the Bonn Challenge are estimated USD 36 billion on an annual basis.¹¹ In terms of current flows, data on climate finance from the year 2019/2020 shows that out of a total of USD 632 billion, only USD 14 billion (2.2%) were allocated to the land use sector.¹² Data focused on Nature-based Solutions (NbS) estimates current flows at USD 133 billion per year with a large proportion being directed to forest restoration, peatland restoration, and regenerative agriculture but also highlighting the need to scale this to circa USD 536 billion per year by 2050.¹³

⁷ UN (n.d.). The United Nations Decade on Ecosystem Restoration. Available online: <https://wedocs.unep.org/bitstream/handle/20.500.11822/31813/ERDStrat.pdf?sequence=1&isAllowed=y>

⁸ UNEP (n.d.): Decade on Ecosystem Restoration <https://www.unep.org/explore-topics/ecosystems-and-biodiversity/what-we-do/decade-ecosystem-restoration>

⁹ UNEP (n.d.). Decade on Ecosystem Restoration. Available online: <https://www.unep.org/explore-topics/ecosystems-and-biodiversity/what-we-do/decade-ecosystem-restoration>

¹⁰ Ding, H., Faruqi, S., Wu, A., Altamirano, J-C., Ortega, A.A., Zamora-Cristales, R., et al. 2018. Roots of Prosperity: The Economics and Finance of Restoring Land. Washington, DC: World Resources Institute.

¹¹ Besacier, C., Garrett, L., Iweins, M. and Shames, S. 2021. Local financing mechanisms for forest and landscape restoration – A review of local level investment mechanisms.

¹² Climate Policy Initiative (CPI). 2021. Global Landscape of Climate Finance 2021. Available online: <https://www.climate-policyinitiative.org/wp-content/uploads/2021/10/Full-report-Global-Landscape-of-Climate-Finance-2021.pdf>

¹³ United Nations Environment Programme .2021. State of Finance for Nature 2021. Nairobi.

While not all ecosystem restoration activities are captured by climate finance or Nbs financing flows, the figures show that finance flowing to the sector remains insufficient. The magnitude of needed investments often overburdens the allocation of national budgets dedicated to advance environmental objectives, which is why the mobilization of capital from different levels and types of actors (private, philanthropic, civil society organizations) will be essential to make progress towards achieving the Bonn Challenge goals, and on a wider scope the Sustainable Development Goals.

The strategy of the UN Decade expresses that ecosystem restoration must occur on different spatial scales from local to global levels.¹⁴ It is especially critical to include local communities and indigenous peoples in restoration activities since they hold valuable knowledge on restoration needs and potential solutions.¹⁵ It further highlights that “[t]he secret to global success [...] lies in boosting the capacity of local leaders.”¹⁶

Against this background the German Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection (BMUV) commissioned the GIZ through the IKI to implement the project “**Support for the Design and Implementation of the UN Decade on Ecosystem Restoration**” (DEER). One of the DEER project’s objectives is to support local and regional initiatives that focus on forest landscape restoration (FLR) with capacity building activities. Since local actors are crucial for the successful implementation and scaling of ecosystem restoration projects, it is important to strengthen their capacities, for example, by facilitating their understanding about how to access funding sources that support the upscaling of their restoration projects and the dissemination of their long-term experiences.

However, despite more than a decade of interest in restoring ecosystems on global agendas, local organizations still tend to have limited access to finance and experience many challenges when seeking to access funding. This report provides an **overview and assessment of funding sources for local non-profit ecosystem restoration implementing organizations** with a focus on Central America and Africa (Kenya, Cameroon, Malawi, Rwanda).

After this introduction, the background section provides an overview of different funding instruments for ecosystem restoration and summarizes challenges that non-profit organizations are experiencing when accessing funding. The next section comprises the analysis of a selection of key funding options that are relevant for the target group of this report. The funding options are analyzed based on their suitability for non-profit organizations and complemented by further information on the functioning of funding flows. After the analysis, the report concludes with recommendations targeted at local organizations as well as development partners to tackle the challenge of funding provision for restoration activities. As part of the “Restoration Academy”¹⁷ two sessions were held in which the results of the report were presented. A summary of these sessions can be found in the Appendix of the report.

The objectives of the report are to:

- Collect information on available restoration funding sources.
- Identify key challenges that local non-profit organizations are experiencing when trying to access funding.
- Analyze a selection of funding sources based on their relevance and accessibility for local non-profit ecosystem restoration implementers in Central America and Africa.
- Provide recommendations for enhancing the accessibility of funding both for development partners and for non-profit organizations.

¹⁴ UN (n.d.). The United Nations Decade on Ecosystem Restoration. Available online: <https://wedocs.unep.org/bitstream/handle/20.500.11822/31813/ERDStrat.pdf?sequence=1&isAllowed=y>

¹⁵ IUCN. 2021. What is high quality ecosystem restoration.

¹⁶ Anderson. 2021. Pressing Questions About Ecosystem Restoration. WRI. Answered.

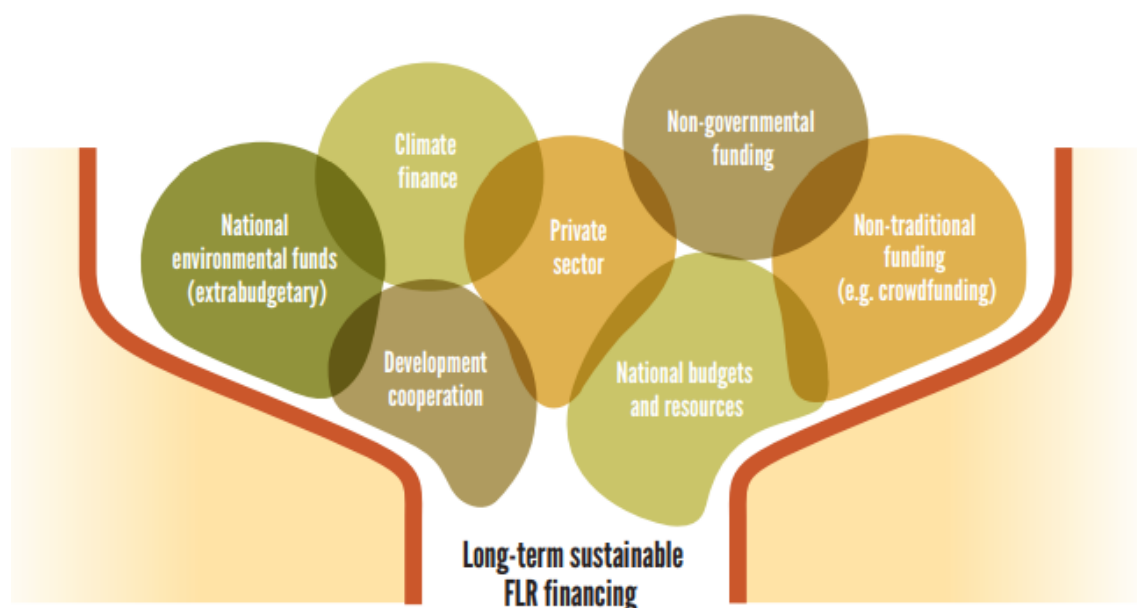
¹⁷ The “**Restoration Academy**” is a series of physical and online capacity development sessions enabling non-profit restoration implementers on the ground to contribute to the UN Decade on Ecosystem Restoration. It was developed by the GIZ DEER project and implemented in two editions by the GIZ projects **DEER** and **FDV/REDD+ Landscape** (Central America) and **AREECA** (Africa).

3. Background: Funding options for ecosystem restoration

Types of ecosystem restoration funders

To confront the existing ecosystem restoration financing gap, the mobilization of a range of different actors and funding instruments is critical. Generally, three types of funders can be identified within the restoration funding landscape: **1) public funders**, **2) private investors** and **3) civil society organizations**.¹⁸ Typical public funders are government agencies, development financial institutions, and other development partners. From the private sector common actors involved in restoration funding are foundations, corporations, banks, high-net-worth individuals, impact investors, and increasingly actors purchasing carbon credits as part of decarbonization efforts. Funding actors from civil society can be NGOs, international donors or philanthropic organizations. The incentives and interests for participating in ecosystem restoration activities also vary between the different types of funding organizations. Public funders and civil society organizations are generally interested in the economic returns associated to ecosystem restoration activities (environmental services, employment, etc.). Private sector actors seek a financial return from their investments linked to ecosystem restoration (for instance, an agricultural commodity produced in agroforestry system, eco-tourism, carbon sequestration, etc.). The rate of return sought by investors will vary according to whether they are financing the project on pure commercial terms or whether they are seeking to generate other environmental or social returns (as is the case with many impact investors).

Figure 1: Mix of funding sources



Source: FAO & Global Mechanism of the UNCCD, 2015

The right type of funding depends on the type of restoration project, the restoration activity, and its implementation stage. At an early-stage, public investments that create a favorable and enabling institutional and policy landscape are needed. This can include investments in legal frameworks, stakeholder involvement (e.g., multi-stakeholder platforms) or the capacity development of local implementers to manage future projects. Development partners can play a key role in this phase as they can help enhancing the access to funding of local restoration implementers as well as by supporting the development of an investment case for ecosystem restoration. Usually enabling investments are financed by public or philanthropic sources as no return can be expected.¹⁹

¹⁸ Besacier, C., Garrett, L., Iweins, M. and Shames, S. 2021. Local financing mechanisms for forest and landscape restoration – A review of local level investment mechanisms.

¹⁹ Ibid.

After enabling investments have established a foundation and favorable incentives, asset investments finance activities that directly improve ecosystem restoration (for example tree planting). This type of investment can also be interesting for private investors since the enabling investments have lowered the risk and transaction costs of further investments and some can generate a financial return.²⁰

Available financial instruments for ecosystem restoration²¹

The different types of investors and funders are using a range of financial instruments for ecosystem restoration funding. Table 1 below presents an overview of **common financial instruments** for the land use sector and examples for each instrument.

Table 1: Common financial instruments for the land use sector²²

INSTRUMENT	DESCRIPTION & TYPE OF INVESTOR	EXAMPLES
Grants	Funding is received without a need to repay. Mostly provided by public or civil society actors.	Green Climate Fund (GCF) ²³ , GEF ²⁴ , IKI ²⁵
Concessional loans	Below market interest rate loans and/or other concessional terms such as longer tenors and grace periods. Microcredit is often provided to households or small businesses without security.	The National Forestry Financing Fund (FO-NAFIFO, acronym in Spanish) in Costa Rica offers concessional credit for the adoption of silvopastoral systems – with a fixed interest rate and 10-year tenor period. ²⁶
Equity	Equity investments in state-owned or private enterprises. This involves higher risk but can also provide a higher return on investment.	The Forestry and Climate Change Fund invests in companies that sustainably manage secondary and degraded forests in Central America. ²⁷ Acumen Resilient Agriculture Fund (ARAF) is a private equity impact fund focused on enhancing the resilience of smallholder farmers through investments in early-growth stage agribusinesses. ²⁸

²⁰ Ibid.

²¹ In line with the definition used in the UN Decade “Ecosystem restoration means assisting in the recovery of ecosystems that have been degraded or destroyed, as well as conserving the ecosystems that are still intact” the report does not differentiate between traditional conservation and restoration funding. It is generally perceived that conservation activities are less costly than restoration given the nature of the activities (i.e. conserving an existing forest relative to planting trees for restoring a degraded forest).

²² The instruments are a collection for adaptation and mitigation measures in the land use sector in which CPI differentiates between forestry, agriculture and other land uses (e.g., infrastructure): [Three tools to unlock finance for land-use mitigation and adaptation - CPI \(climatepolicyinitiative.org\)](#)

²³ The GCF was established in 2010 under the Cancun Agreements to be the financing vehicle for developing countries within the global climate architecture and to serve as the Financial Mechanism of the UNFCCC and the Paris Agreement. For more information refer to: [GCF website](#)

²⁴ The GEF is the “largest funder of biodiversity, protection, nature restoration, pollution reduction, and climate change response in developing countries. It finances international environmental conventions and country-driven initiatives that generate global benefits.” For more information refer to: [GEF website](#).

²⁵ The IKI is part of the German government’s international climate finance commitments. IKI supports approaches in developing countries for implementing the Nationally Determined Contributions under the Paris Agreement. IKI also supports partner countries to achieve the objectives of the United Nations Convention on Biological Diversity (CBD).

²⁶ <https://www.corfoga.org/silvopastoral/>

²⁷ <https://fccf.lu/>

²⁸ <https://arafund.com/>

INSTRUMENT	DESCRIPTION & TYPE OF INVESTOR	EXAMPLES
		Althelia Biodiversity Fund is a blended finance fund of USD100 million managed by sustainable investment manager Mirova Natural Capital. It aims to create sustainable business models which conserve biodiversity in Brazil. The closed-end fund will invest equity, convertible debt, loans, structured- and profit-participating-debt. ²⁹
Market rate loans	Debt is provided at market rates by public institutions and may have additional support provided alongside e.g., technical assistance provided for riskier investments that commercial capital would not normally invest in.	The Africa Agriculture and Trade Investment Fund (AATIF) is a public-private partnership aiming to enhance the potential of Africa’s agriculture and to reduce poverty. The fund can invest through different instruments incl. debt at market rates for companies in the agricultural sector in Africa. ³⁰
Tax incentives	Governments can provide tax incentives in the form of exemptions, credits, or deferrals. They can be provided to different actors (e.g., producers or input providers).	Income tax reductions, exemptions, and deferrals for soy and soy-based biofuel producers in Brazil.
Guarantees / First-loss protection	Protects lender (of debt or bonds) against borrower default up to a defined limit in return for a fee. Public Actors can pay this fee or provide the guarantee instrument.	Public and other catalytic investors in the Land Degradation Neutrality Fund can invest in the junior or first loss shares of the fund to mobilize additional finance for the fund to be channeled as long-term finance for different sustainable land use projects. ³¹
Insurance	Protects producers, developers and/or buyers against losses resulting from political, technical, financial, natural hazard, production and market risks in return for a fee. Public actors can pay this fee or provide the insurance instrument.	<p>The US International Development Finance Corporation offers political risk insurance with a coverage of up to USD 1 billion against losses accrued from currency inconvertibility, government interference, and political violence.³²</p> <p>The Restoration Insurance Service Company (RISCO) (part of the InsuResilience Global Partnership) aims to pilot the approach to finance mangrove restoration as part of insurance-related payments in the Philippines.³³</p>

²⁹ Althelia Biodiversity Fund Brazil — Blended Finance Taskforce: USAID provides a guarantee covering up to 50% of principal for debt allocations. Two investment windows are available: a “Venture” window that invests in very early-stage companies, and a “growth” window, that invests in more established mature companies already generating positive cash flows. A case study of the fund can be accessed [here](#).

³⁰ <https://www.aatif.lu/home.html>

³¹ <https://www.idhsustainabletrade.com/uploaded/2021/03/LDN-Fund-and-LDN-TAF-Learning-Webinar-March-2021-Slides.pdf>

³² <https://www.dfc.gov/what-we-offer-our-products/political-risk-insurance>

³³ <https://www.climatefinancelab.org/project/coastal-risk-reduction/>

INSTRUMENT	DESCRIPTION & TYPE OF INVESTOR	EXAMPLES
Results-based finance (including Payment for Environmental Services) ³⁴	Finance that is provided after previously determined results have been achieved and their impact certified.	<p>The Government of Costa Rica through FONAFIFO (acronym in Spanish) offers payments for environmental services to landowners that protect and conserve their forested lands to generate environmental services.³⁵</p> <p>The Voluntary carbon market can contribute to expanding the revenue sources of restoration projects by monetizing the avoided or removed emissions from a sustainable land use project. The Mikoko Pamoja is a community-led mangrove conservation and restoration carbon project in Kenya that uses carbon finance to provide long term incentives for the communities to protect and restore mangroves. The Verified Emission Reduction certificates are issued by the standard Plan Vivo.³⁶</p>

Source: adapted from Falconer et al. p. 8 & 9 (2015) and adjusted by Unique land use

This report focuses on funding options that are most attuned to the needs and capacities of non-profit organizations. Since **non-profit organizations** are interested in the specific outcomes of their projects without aiming at generating financial rates of return, instruments such as loans usually do not provide suitable funding options (some organizations might also be legally restricted from accessing loans). The most common financial instruments for non-profit actors are grants and public sectors policies (e.g., subsidies or tax incentives).³⁷ Additionally, results-based finance schemes can on certain situations be suitable for local implementing organizations.³⁸

Common challenges for local non-profit organizations

Local non-profit organizations face a range of challenges when seeking to access ecosystem restoration funding.

Limited funding sources: The funding options available for non-profit organizations are limited. Grants and public funding options tend to be the only viable funding sources. Given that national budgets for ecosystem restoration interventions are usually limited, non-profit restoration implementers are highly dependent on international or national grant funds. The applications for funding of several international funding mechanisms (GEF, p.26, Adaptation Fund, p.32) are restricted to accredited organizations and private foundations often reach out directly to pre-identified non-profit organizations without open calls for proposals, further limiting the universe of funding options available to local restoration implementers.

High fiduciary, administrative, and technical requirements of financing mechanisms: several international grant funding mechanisms have high fiduciary, administrative, and technical requirements as part of their

³⁴ Instrument added by Unique land use GmbH

³⁵ <http://www.fonafifo.go.cr/>

³⁶ <https://www.planvivo.org/mikoko-pamoja>

³⁷ Besacier, C., Garrett, L., Iweins, M. and Shames, S. 2021. Local financing mechanisms for forest and landscape restoration – A review of local level investment mechanisms.

³⁸ Other instruments, like for example, public sector policies (e.g., tax incentives or payments for ecosystem services, PES) are not included in the analysis for this report. PES were not included in the assessment as they tend to be very country specific processes and strategies, and in the hands of governments to design and implement.

eligibility criteria (e.g., accounting standards, official legal status, monitoring, and performance reporting). These requirements often exceed the capacities possessed by local restoration implementers. Financial capacities of local non-profit organizations tend to be limited due to small turn-over rates that do not allow to handle large grants from international donors. In some cases, technical capacities might also not reach standards of funding organizations or cannot be communicated sufficiently through monitoring and reporting processes.

Mismatch between local restoration project size and funder expectations: aside from specific mechanisms focused on providing small grants, local restoration implementers often find that minimum ticket sizes (e.g., grant amount) of donors exceed their absorptive capacities.

4. Key funding options for local non-profit organizations

The most suitable type of funding depends on the characteristics of the specific organization (size, available administrative capabilities, previous experience etc.), its thematic focus and other concrete project characteristics. The report focuses on funding sources that are of relevance for local non-profit organizations. Non-profit organizations include, for example, local community-based initiatives, civil society/ non-governmental organizations, or government-led initiatives.³⁹

Funding categories

The selection of funding sources for this report was carried out in the context of the “Restoration Academy”. The chosen funding options are mostly relevant for smaller non-profit organizations in the Academy’s target countries.³⁹

Fourteen relevant funding sources are examined in detail. These sources were chosen from a comprehensive long-list of funding options (see 7.2 in the Annex) according to their relevance for local non-profit organizations. The analysis shows that relevant funding options can be grouped into **four main funding categories**:

1. Public funding from international organizations (e.g., GEF, p.23, IKI, p.20, GEF SGP, p.26, AFCIA, p.29, Legacy Landscapes Fund, p.32, Global EbA fund, p.35, Small Scale Initiatives Programme, p.53)
2. Intermediary funding organizations (e.g., FIAES in El Salvador, p.44, FONERWA, p.50, NGOs like *The Nature Conservancy (TNC)*, *The World Wide Fund for Nature (WWF)*)
3. Private philanthropic funders (e.g., Climate and Land Use Alliance (CLUA), p.46, ClimateWorks Foundation, p.48, TerraFund for AFR100, p.56)
4. Alternative funding schemes: e.g., results-based finance, decentralized donor-based tree planting organizations (e.g., Trees for All, p.39, Plant-for-the-Planet, p.42), and general Corporate Social Responsibility interventions.

Importance of the supply chain of funds

The types of funding options identified above show that most funding comes **from international funding mechanisms**. To fund local restoration projects, it is essential that an efficient funding infrastructure (or “funding supply chain”) connects the local level of implementers to funding sources available on national and international levels.

The connection between implementers and funding sources is often enabled by intermediary funders.

Figure 2 shows that local non-profit restoration implementers can access funding either directly from the sources of funding or indirectly through intermediary funders

³⁹ Appendix 7.4 presents experiences from actors in Central America and Africa (Ethiopia, Kenya, Malawi and Rwanda) that are implementing ecosystem restoration projects and trying to overcome funding challenges. The experiences were collected during two sessions of the “Restoration Academy” organized by the GIZ projects *DEER* and *FDV/REDD+ Landscape* (Central America) and *AREECA* (Africa) on 20.10.2022 and 31.01.2023. For details on the Restoration Academy, see footnote 17.

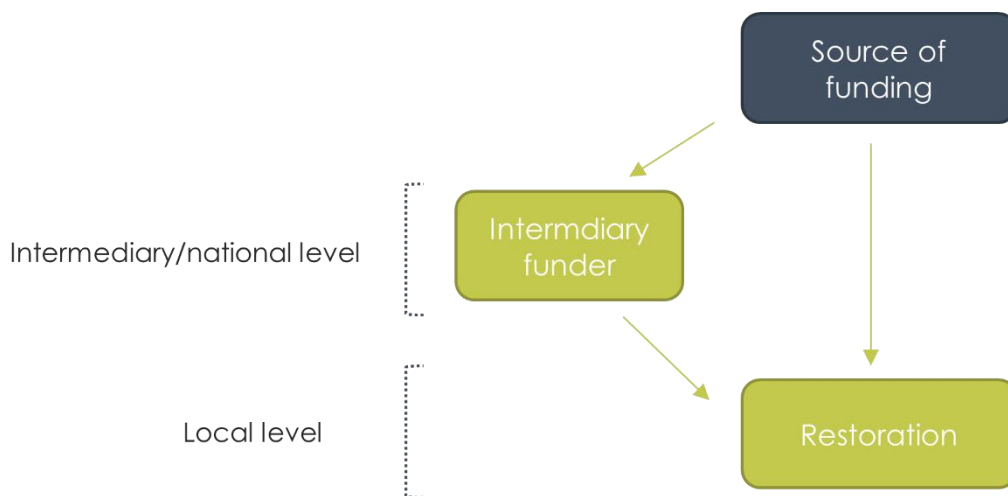


Figure 2: Funding flows for local level restoration implementers

As depicted in Figure 3, three different funding scenarios can connect local non-profit organizations to international funding sources. **Path one** is through **national environmental funds acting as intermediaries**. In most of the focus countries of this report national funds play important roles as intermediary funders. Intermediary funders can aggregate a number of discrete restoration projects and interventions that by themselves would not be able to access restoration funding from most of the international or regional funding sources. Intermediary funders could develop larger restoration programs to be presented to international funders, and local restoration implementers could potentially participate in the design of these programs. Further, the existing budgets of national funds can be also used as co-finance when designing restoration projects and programs, which tends to be a requirement of many international and bilateral funding mechanisms and can contribute to mobilizing or leveraging additional international restoration finance. National funds also tend to have a good understanding of the local context as it relates to broader environmental dynamics, including ecosystem restoration efforts, and are able to translate national restoration priorities into project proposals. In the following analysis the case of the national funds of FIAES in El Salvador (p.46) and FONERWA in Rwanda (p.52) are examples presented to showcase the importance of national funds and their role to connect local level implementers to international sources like GEF (p.26).⁴⁰

However, in some countries national environmental funds are not yet as established and well-functioning as it is in the cases of Rwanda and El Salvador. In some cases, it is necessary to further enhance the capacities of national funds, for example regarding their absorptive capacity or evaluate the option to establish a fund if a country does not yet have one.

Path two presents a funding flow where (international) NGOs or other organizations act as intermediaries between international and local actors. The example for this funding logic is from Belize where the **Protection Area Conservation Trust (PACT)** acts as a connection between local reforestation projects and the international funds. In **path three** local project implementers have the option to directly apply to internationally available funds through specifically designed small grants programs (SGP), like the GEF SGP (p.26) or IKI SGP (p.23). For similar examples in Africa, please refer to the figure in Appendix 7.5.

⁴⁰ Other examples for national environmental funds are FONAFIFO (Costa Rica), MARENA (Dominican Republic), and NETFUND (Kenya). Other relevant funds include FUNBAM (Costa Rica) and Fundación Natura (Panama).

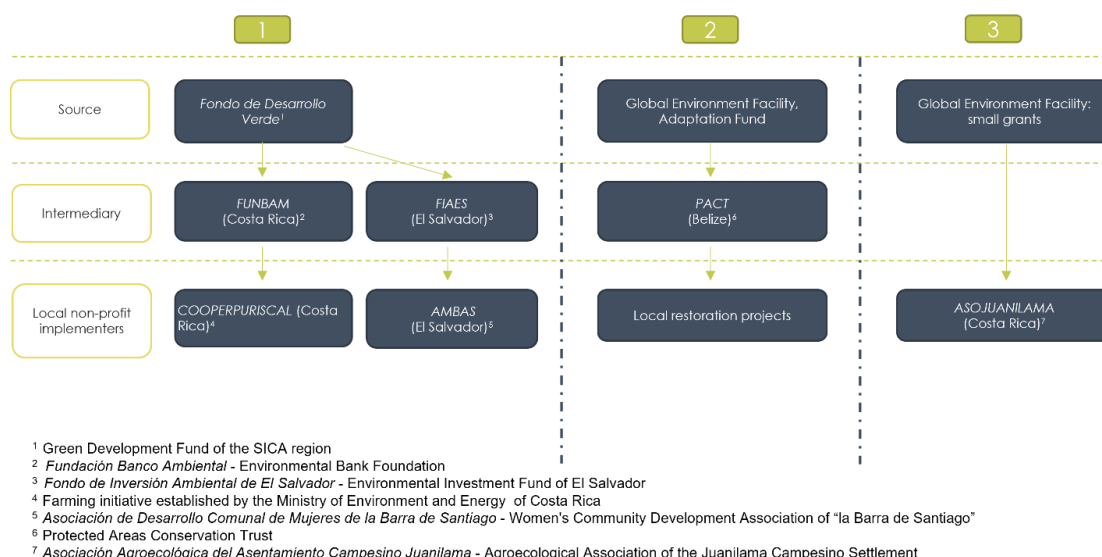


Figure 3 : Indicative examples of funding flows in Central America

Alternative funding options

Next to traditional public funding options, a number of alternative sources of funding for ecosystem restoration are emerging. Amongst these are the matchmaking platforms, voluntary carbon markets and other philanthropic and Corporate Social Responsibility programs focused on tree planting and ecosystem restoration.

Private (philanthropic) tree planting organizations (e.g., Trees for All, p.42, Plant-for-the-Planet, p.44) financed by individual or business donors that wish to plant trees and/or offset their carbon footprint.

Matchmaking organizations and platforms offer opportunities for local restoration implementers to position their work for funding and gain visibility vis-à-vis donors. As part of the UN Decade, the UN Decade Digital Hub will provide a matchmaking platform on which local restoration implementers can showcase their work, connect with other organizations in the [UN Decade partner network](#) and link to fundraising campaigns through external platforms, e.g., GoFundMe and Plant for the Planet.⁴¹ Existing matchmaking platforms such as [TerraMatch](#), [XILVA](#), and [Tree-Nation](#), are constantly looking for new projects (often specifically non-profit organizations are addressed) to incorporate into their portfolios. These pre-verify tree planting and forest regeneration projects then categorizes them based upon various criteria that enable potential funders (individual and corporate) to find projects that meet their particular interests or needs. Often, this includes identifying carbon certified projects where corporations can offset their carbon emissions, but additional criteria such as community engagement, investment opportunities, biodiversity, geographic location, project type and scale, may also be provided as filter options. Projects can receive payments ahead of project completion or implementation, however significant monitoring and reporting of the projects progress is often required throughout their implementation. Equally, the criteria for acceptance onto the matchmaker platforms are often stringent (for example, see [TerraMatch checklist](#)). Still, by demonstrating what potential funders are looking for, these matchmaking platforms offer projects an opportunity to better understand the private funding marketplace and position their project effectively within it. Other relevant programs include the [Restoration Factory](#) that matches restoration implementers with mentors that can support implementers to develop a commercially viable project out of their restoration intervention.

A few private companies are also developing specific **Corporate Social Responsibility programs** focused on tree planting for either climate mitigation or ecosystem restoration (for instance [BanCO2](#) providing payments

⁴¹ The UN Decade Digital Hub is still under development at the time of writing this report. Information presented here is based on exchanges with the UN Decade communications team at UNEP.

for environmental services in Colombia or the global [1 Trillion Trees campaign](#)). Similarly, many large corporations in key economic sectors in Central America and certain countries in Africa, such as coffee and cocoa, either participate in or run foundations that invest in restoration related projects. Examples include the [Hanns R. Neumann Stiftung](#), [Cocoa Life](#) (Mondelēz), and the [International Coffee Partners \(ICP\)](#) foundations. The ICP, for example, includes members such as Lavazza and Neuman, and has delivered numerous projects aimed at increasing the sustainability of coffee farming practices in their source countries. The foundation’s [Coffee and Climate initiative](#) also undertakes projects to increase the climate resilience of their producer communities, in part via [forest protection and investment in carbon offsetting](#). However, the actions of these foundations focus upon sustainable production practices or agroforestry initiatives related to their commodity of interest, and are often focused on their existing supplier communities, limiting their applicability to wider local restoration projects. Individual companies in these key sectors also invest in individual climate related projects as part of their corporate social responsibility, which can include reforestation projects (see examples from [Lavazza](#)). However these are arranged either via their membership in foundations or via private arrangements, with no open calls for proposals or means through which local organizations can apply for support.

The interest in **results-based finance** and especially carbon finance has been increasing significantly in the last couple of years due to the momentum behind corporate decarbonization and carbon neutrality commitments.⁴² Carbon finance could represent an interesting opportunity for non-profit organizations undertaking restoration projects and seeking to diversify funding streams beyond grants. There are already experiences of community based and non-profit organizations developing projects for the voluntary carbon markets.⁴³ However, there are many complexities associated to the development of carbon projects including the fact that funding is received only after results have been accrued and verified (e.g., tree planting or other ecosystem restoration efforts must be paid upfront, and carbon finance is contingent on the availability of results). Consequently, high upfront costs can hinder the suitability for local organizations or require a pooling of resources (e.g., through upfront concessional finance). The design, validation, and verification process demands high levels of technical expertise and requires a minimum size to cover the transaction costs and needed resources. Further, large land holdings tend to be required for developing a forest carbon project often exceeding those available to local organizations. For instance, depending on the project type the minimum area, to avoid prohibitively high transaction costs, is often around 1,000 ha and for agricultural projects even more (3,000 – 5,000 ha).

Analysis of funding options for non-profit organizations

In the following, a selection of **fourteen identified funding options for local non-profit organizations and their intermediary funders** are analyzed. The analysis starts with international public and private sources and then continues with regional options for Central America and four African countries (Kenya, Cameroon, Malawi, Rwanda). For every funding option, the main target group, thematic areas, and application criteria is presented. The eligibility criteria show their level of suitability for non-profit organizations and if it is rather a funding option for an intermediary funder or directly for local non-profit organizations.

In addition, a “traffic light” presents the relevance of the fund⁴⁴ for:

- Intermediary organizations and
- Local organizations.



⁴² Results-based finance is generally understood as a program that “provides rewards to individuals or institutions after agreed-upon results are achieved and verified” <https://www.worldbank.org/en/programs/reach>

⁴³ For example, the Mikoko mangrove reforestation project in Kenya <https://www.planvivo.org/mikoko-pamoja>


⁴⁴ Assessment based on Unique’s experience, publicly available information and selected interviews or exchanges with funders.

The further the indicator is in the green part of the bar, the more likely the funding option is relevant for the respective organization. The red area indicates that the funding option can be considered less relevant for the organization. Criteria to determine the relevance of funds are, for example: number of projects financed by fund per year/call, type of projects funded, frequency of publishing calls for proposals, ongoing calls for proposals, official requirements or type of actors funded, and – if available - other information.

4.1. Public funding sources with international scope

- International Climate Initiative (IKI) Small grants
- Global Environment Facility (GEF)
- Global Environment Facility (GEF) Small grants
- Adaption Fund Climate Innovation Accelerator (AFCIA) Small Grants
- Legacy Landscapes Fund
- Global Ecosystem-based Adaptation (EbA) Fund

Table 2: International Climate Initiative (IKI) Small Grants

International Climate Initiative (IKI) Small Grants Programme 	
Target groups	Small non-profit organizations and funding institutions
Geographic scope	<ul style="list-style-type: none"> • Global • ODA-eligible countries • Regional focus possible
Thematic areas	<ul style="list-style-type: none"> • Mitigation of greenhouse gas emissions • Adaptation to the impacts of climate change • Conservation of natural carbon sinks/REDD+ • Conservation of biodiversity
General Information	<p>Part of the IKI with a focus on small regional, national, and local organizations.</p> <p>Two components:</p> <ol style="list-style-type: none"> 1. International calls: small non-profit organizations 2. Funding institutions: funding & technical support for their own call for proposals <p>Over a period of 5 years (2020 – 2025) EUR 11 million will be funding 100 projects.</p>
Type of funding	Public
Funded by	BMUV

	Selection of projects handled by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Scope of funding	EUR 20,000 – 200,000 per project (depending on the call)
Instrument	Grants
Requirements & eligibility criteria	<p><u>For applicants</u></p> <ul style="list-style-type: none"> • Non-profit organization (or an NGO following non-profit objectives with the project) • Organizations: <ul style="list-style-type: none"> ○ Based and registered in an ODA-eligible country ○ Operative minimum of 3 years ○ With an average annual revenue between EUR 60,000 – 500,000 (must be higher or equal to the requested funding volume) over the last 3 years ○ With dedicated accounting staff assuring control mechanisms ○ With software-based accounting system meeting national standards <p><u>For the content of the application</u></p> <ul style="list-style-type: none"> • Application must be in English, all communication will be in English • Project must address IKI thematic areas (see above) • Project duration: 12-48 months (exceptions possible) • No global, but regional focus accepted • All applications need to include reflections on gender equality, risk assessments and on seven “dimensions” of a safeguards system • Results oriented project planning (project logic divided in activities, outputs, outcome and corresponding indicators, see: Organization for Economic Co-operation and Development (OECD) results chain) • Self-organized capacity development measures can be budgeted up to EUR 10,000 • More information is provided in the application guidelines <p><u>Application process</u></p> <ul style="list-style-type: none"> • “Calls for Proposal” are published regularly on the website; signing up for a newsletter that provides information about the calls is possible • One-stage selection process after filling out the online application platform • Webinars on the process after an application has been accepted and guidance on results-based project management are available online: IKI Small Grants webinar on results-based project management <p><u>For the project implementation</u></p>




	<ul style="list-style-type: none"> • The grant agreement from the GIZ contract department includes information on reporting and regulations • Reporting: narrative reports every six months, financial statements every three months, final report at the end of the project; templates will be provided 	
Additional criteria affecting the likelihood of receiving funding	<ul style="list-style-type: none"> • Programme aims at local non-profit organizations (component one) and intermediary funding organizations (component two) • Component two “Funding of Institutions” has been completed. Intermediary funding institutions cannot apply any longer • 100 projects will be funded until 2025. 32 projects are currently implemented: 1 in Central America, 9 in Africa • Criteria for selection: relevance, quality, ambition, sustainability, and replicability as well qualification of the implementing organization; innovative and women empowering projects are especially encouraged 	
Relevance of fund	 <p>Intermediary organization</p>	 <p>Local organization</p>
Link and source	https://iki-small-grants.de/	

Table 3: Global Environment Facility (GEF)

Global Environment Facility (GEF)	
	
Target group	Civil society organizations (governmental organizations, non-governmental organizations, community-based organizations) and the private sector
Geographic scope	<ul style="list-style-type: none"> • Global • Selection of developing countries and economies in transition that are eligible to receive grants from the World Bank (financial trustee of GEF) and ratified the international conventions GEF endorses (see overview for more details)
Thematic areas	<ul style="list-style-type: none"> • Biodiversity • Climate Change Mitigation • Land Degradation • International Waters and Chemicals and Waste
General Information	GEF serves as part of the financial mechanism of the UNFCCC (and other conventions) and aims at financing incremental costs that address environmental issues. Funding is transferred to 18 GEF Agencies (for example African Development Bank, Inter-American Development Bank, United Nations Development Programme (UNDP), UNEP) that then directly finance projects in the respective countries.
Type of funding	Public
Funded by	Donor countries through replenishment processes every 4 years. Funds are then transferred to GEF Agencies
Scope of funding	<p>Depending on type of project below or above USD 2 million</p> <p>During this cycle (GEF-7, 2018-2022) USD 350 million have been dedicated to restoration projects.</p> <p>Next replenishment cycle (GEF-8, 2022-2026): USD 5.33 billion for all projects</p>
Instrument	Grants, concessional loans, equity, guarantees
Requirements & eligibility criteria	<p><u>For applicants</u></p> <ul style="list-style-type: none"> • Application is limited to 18 GEF partner agencies consisting mainly of international organizations, multilateral development banks, international NGOs (INGOs) and a selected number of national funds.⁴⁵ GEF partner agencies enter into collaboration agreements with “executing entities” for implementation of projects or parts of projects. Executing entities can be governments, non-governmental organizations, and private sector actors (for the non-grant instruments). • It is important that the project can generate global environmental benefits

⁴⁵ A full list can be accessed here: <https://www.thegef.org/partners/gef-agencies>

- Co-financing is required for all full-sized and medium-sized projects, see: [co-financing policy](#). Under GEF-7 the GEF had a portfolio target of mobilizing USD 7 of co-finance for each USD of investment. Thus, significant co-financing expectations exist on the part of the funder although these vary depending on the scale of the project and whether the project is considered as an enabling activity
- GEF financing follows an incremental cost reasoning principle. The GEF financing will cover the marginal costs of transforming a project with local benefits into a project with global environmental benefits

For the content of the application

- Project must be country driven and in line with national priorities = country ownership
- **Gender Analysis** is required for all medium- & full-sized projects; when gender-responsive measures have been identified a gender action plan and a gender-responsive results framework including gender-sensitive indicators must be provided. Full details of requirements are available in the [Guidelines to Address Gender Equality](#)
- Application must include the following monitoring criteria: expected results of project, project results framework, and monitoring and evaluation plans

Application process

- Organizations choose one of 18 GEF partner agencies that will be involved in all stages of the process
- Every country has a GEF Operational Focal Point (OFP) that coordinates all activities within the country
- There are four project types with different templates:
 1. Full-sized project > USD 2 million
 2. Medium-sized project < USD 2 million
 3. Enabling activity: project for the preparation of a plan, strategy, or report to fulfill commitments under a convention
 4. Program: longer-term and strategic arrangement of individual yet inter-linked projects that aim at achieving large-scale impacts on the global environment
- Pre-selection process before formal project cycle (project identification form, Agency determines if necessary)
- Project preparation grant can be requested
- Further information is available in the GEF [project and program cycle policy](#) documentation

For the project implementation

- **Environmental and Social Safeguards** must be followed to prevent negative impacts on humans or the environment. The guideline defines nine minimum requirements that GEF Agencies have to identify and manage. Guideline for




	<p>further information and reporting requirements: Guidelines on GEF Policy on Environmental and Social Safeguards</p> <ul style="list-style-type: none"> • Gender Equality Policy: mandatory requirements and principles focusing on gender-responsive design, implementation, and monitoring of projects. The application documents need to consider gender dimensions: Guidelines to Address Gender Equality • Indigenous Peoples Principles: Guideline requires a plan that is mandatory for projects that anticipate to negatively affect indigenous peoples: Guidelines on GEF Indigenous Peoples Principle • Monitoring Principles: Annual reporting on monitoring and evaluation from the Agencies to the GEF Secretariat; for full- and medium-sized projects: midterm and final reviews and evaluations need to be provided; Guiding principles: data quality and standards, relevance, stakeholder engagement, ethics: GEF Policy on Monitoring 	
<p>Additional criteria affecting the likelihood of receiving funding</p>	<ul style="list-style-type: none"> • It is critical that intermediary funders and restoration implementers engage early with GEF partner agencies and GEF operational focal points to assess viability of idea and/or project and alignment with country GEF thematic allocations; country priorities; and GEF partner agency capacities • GEF provides project preparation funds to develop the funding package. However, it is relevant to know that the project development cycle can take over 2 years • The new funding cycle (2022-2026) is confirmed, and restoration projects will be further supported (especially connected to the Bonn Challenge) • Project must be country driven (endorsed by the country) and addressing GEF priority areas • The general public shall be involved in the project planning and implementation 	
<p>Relevance of fund</p>	 <p>Intermediary organization</p>	 <p>Local organization</p>
<p>Link and source</p>	<p>https://www.thegef.org/</p> <p>https://unece.org/DAM/timber/meetings/2020/20200716/U.Apel_GEF_Sources_of_financing_GEF.pdf</p>	

Table 4: Global Environment Facility (GEF) Small Grants Programme (SGP)

Global Environment Facility (GEF) Small Grants Programme (SGP)	
	
Target group	Community-based organizations (CBO) and other NGOs
Geographic scope	<ul style="list-style-type: none"> • Global • Selection of developing countries
Thematic areas	<ul style="list-style-type: none"> • Biodiversity • Climate Change • Land Degradation • Sustainable Forest Management • International Waters • Chemicals
General Information	<p>“Providing financial and technical support to projects that conserve and restore the environment while enhancing people's well-being and livelihoods”.</p> <p>SGP has disbursed over USD 724.91 million for over 26,000 projects.</p> <p>Expected budgetary allocation for SGP of USD 153 million under GEF 8 replenishment.</p>
Type of funding	Public
Funded by	Global Environment Facility (GEF), implemented by UNDP and executed by the United Nations Office for Project Services (UNOPS).
Scope of funding	<p>Up to USD 50,000 (average disbursement USD 25,000) for regular grants</p> <p>(Additionally: planning grants: USD 5,000, strategic grants: USD 150,000, regional/global grants: USD 150,000)</p>
Instrument	Grants
Requirements & eligibility criteria	<p><u>For applicants</u></p> <ul style="list-style-type: none"> • Eligible applicants are civil society organizations (CSOs): NGOs, CBOs, grassroots organizations, indigenous people’s organization (etc.) <p><u>For the content of the application</u></p> <ul style="list-style-type: none"> • Alignment with SGP’s areas of work and the Country Programme Strategy (CPS) of the respective country⁴⁶



⁴⁶ GEF Small Grants CPS:

- Belize: CPS, country portfolio
- Costa Rica: country portfolio
- EL Salvador: CPS, country portfolio
- Guatemala: CPS, country portfolio

	<ul style="list-style-type: none"> • Project shall be proposed by NGO/CBO • Co-financing of the equivalent amount of the grants is expected on a country level (mobilized by the countries) <p><u>Application process</u></p> <ul style="list-style-type: none"> • No fees are charged at any point • Contact SGP National Coordinator to receive application guidelines and forms • Develop project concept paper to be screened for eligibility and alignment with Country Programme Strategy • Develop project proposal (may be financed through a planning grant) • National Coordinator submits proposal to National Steering Committee (NSC) which accepts, rejects, or suggests changes on the proposal • Usually, the grant is split in an up-front payment, mid-term payment, and final payment • All projects are expected to comply with the Operational Guidelines <p><u>For the project implementation</u></p> <ul style="list-style-type: none"> • Monitoring and Evaluation: on a project level: SGP country team organizes a workshop to introduce to the monitoring and evaluation processes <ul style="list-style-type: none"> ○ Between 4-5% of the budget is suggested to be spent on M&E and knowledge management ○ The monitoring and evaluation strategy outlines the SGP “model of change” and how projects results shall be measured • UNDP’s Social and Environmental Standards and the UNDP Guidance Note on Stakeholder Engagement, as well as GEF’s Guidelines on Stakeholder Engagement apply • Gender: Project design and implementation shall be gender-responsive as outlined in the GEF Gender Policy
<p>Additional criteria affecting the likelihood of receiving funding</p>	<ul style="list-style-type: none"> • Probability of funding will depend on alignment with areas of SGP work and the specific focus area of the particular country (Country Programme Strategy); every country has their own SGP website with information on the country’s focus topics (see footnote 46) • Key areas of GEF-8: i) community-based management of threatened ecosystems and species, ii) sustainable agriculture and fisheries, and food security, iii) low-carbon energy access and co-benefits, iv) local to global coalitions for chemicals and waste management, and v) catalyzing sustainable urban solutions⁴⁷


- Honduras: [CPS, country portfolio](#)
- Nicaragua: [CPS, country portfolio](#)
- Panama: [CPS, country portfolio](#)

⁴⁷ https://www.thegef.org/sites/default/files/documents/2022-06/EN_GEF_C.62_Inf.16_GEF%20Small%20Grants%20Programme%202020-2020-20Position%20Paper%20on%20Implementation%20Arrangements%20for%20GEF-8.pdf

	<ul style="list-style-type: none"> • SGP long-term vision is currently under development and will inform the SGP 2.0 implementation • 72 % of SGP funding is proposed to go to Civil Society Organization (CSOs)/CBOs⁴⁸ • New program under GEF-8: “CSO Challenge Program (USD 10 million)”: focus on innovative environmental solutions from youth, women-led and Indigenous People organizations 	
Relevance of fund	 <p data-bbox="544 674 818 703">Intermediary organization</p>	 <p data-bbox="1074 674 1268 703">Local organization</p>
Link and source	<a data-bbox="443 775 679 804" href="https://sgp.undp.org/">https://sgp.undp.org/	

⁴⁸ EN_GEF_C.62_Inf.16_GEF Small Grants Programme 2.0 - Position Paper on Implementation Arrangements for GEF-8.pdf (thegef.org)

Table 5: Adaption Fund Climate Innovation Accelerator (AFCIA) Small Grants

Adaption Fund Climate Innovation Accelerator (AFCIA) Small Grants	
	
Target group	Not-for-profit, CSOs including NGOs, Business Member Associations (BMAs), and other Community Based Organizations registered in a developing country
Geographic scope	<ul style="list-style-type: none"> • Global • Developing countries
Thematic areas	<ul style="list-style-type: none"> • Innovative adaptation practices, tools, and technologies for improved climate resilience
General Information	<p>The Adaptation Fund-UNDP Innovation Small Grant Aggregator Platform (ISGAP), operating under the AFCIA, aims to provide funding that supports the development and dissemination of innovative adaptation practices, tools, and technologies for improving climate resilience.</p> <p>The fund also provides technical assistance from the network of UNDP and partners to enhance the results. Successful grantees are also provided with a pathway to scale up their work, either through public funding projects or through potential private funding channels brokered by UNDP and partners.</p> <p>For 2022, the second call for proposals takes place between 19th September to 31st October 2022.</p>
Type of funding	Public
Funded by	The Adaption Fund, implemented by the UNDP ⁴⁹
Scope of funding	<p>The UNDP plans to implement two types of grants for use over a two-year cycle:</p> <ul style="list-style-type: none"> • 15-20 micro grants of USD 60,000 for new/pilot innovative adaptation practices, business models and technologies • 10-15 small grants of USD 125,000 to accelerate innovative adaptation practices, business models and technologies with scaling up potential <p>Additionally, grantees that meet their proposed milestones could receive another round of funding for a second two-year cycle which would amount to a total of USD 120,000 for micro grants and USD 250,000 for small grants over a four-year period.</p>
Instrument	Grants
Requirements & eligibility criteria	<u>For applicants</u>

⁴⁹ A second component of AFCIA is implemented by the UNEP-Climate Technology Centre & Network (CTCN) that has a separated application process and focuses on the provision of technical assistance for adaptation technologies for developing countries. Supported by the technical assistance, customized technological solutions tailored to the needs of developing countries are developed. The solutions are then implemented in the countries by a technology provider selected by the CTCN. More information can be found here: <https://www.ctc-n.org/adaptation-fund-climate-innovation-accelerator-afcia-unep-ctcn>.

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- Only NGO/CSO status organizations, including non-governmental academic or educational institutions, can apply

For the content of the application

- A brochure for ongoing calls of proposals describes relevant information for participants: [brochure for second \(ongoing\) 2022 call](#)

Application process

- The program is orchestrated via two cycles of funding, each running over 2 years. Each funding cycle has four stages:
 - Call for proposals
 - Applicants register and submit basic information about the organization and project in the [ISGAP IT portal](#)
 - Screening, and selection
 - Shortlisted grantees are required to download a grant proposal template from the IT portal which they must complete and upload within one week
 - Implementation
 - Knowledge coordination and result aggregation

For the project implementation

- Successful applicants will be required to attend a series of inception webinars intended to build connections and conduct training on innovation, business strategy, climate risks, impact measurement and management, and safeguards
 - Grantees are required to submit an acceleration workplan to UNDP that builds on the grant proposal and incorporates a self-assessment of key barriers to the project's operation or scale-up potential. This will be reviewed by the UNDP project board's experts who will provide advice on barriers and how to overcome them
 - Grantees are then expected to implement their project as per agreed acceleration workplan, including the following stages:
 - Attend check-ins with the Project Management Unit (PMU), or UNDP Country Office
 - Submit an annual report featuring quarterly impact/results to the PMU (including details of financial expenditures, management of risks and safeguards, and gender equality commitments compliance)
 - Attend national/international events on relevant topics
 - Participate in networking, matchmaking and deal sharing opportunities and events and share learnings, challenges, and stories with UNDP
 - Undertake an annual grantee survey and feedback meeting to evaluate performance of PMU, service providers and partners
-
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Additional criteria affecting the likelihood of receiving funding	<p>UNDP will conduct a first round of screening based on three key criteria:</p> <ol style="list-style-type: none"> 1) Climate Change Adaptation 2) Innovation 3) Social and Environmental considerations <p>Other criteria:</p> <ul style="list-style-type: none"> • Focus on locally led climate action • Targets related to the Paris Agreement and SDGs 	
Relevance of fund	 <p>Intermediary organization</p>	 <p>Local organization</p>
Link and source	<p>https://www.adaptation-undp.org/smallgrantaggregator/</p>	

Table 6: Legacy Landscapes Fund

Legacy Landscapes Fund	
	
Target group	NGOs or local actors
Geographic scope	<ul style="list-style-type: none"> • Global • Areas considered as “legacy landscapes”: “new and existing terrestrial protected areas and landscapes that are biologically outstanding”, see definition below)
Thematic areas	<ul style="list-style-type: none"> • Protection of biodiversity hotspots (“Legacy landscapes”)
General Information	<p>Initiative by the German Federal Ministry for Economic Cooperation and Development (BMZ), KfW Development Bank (KfW), Agence Française de Développement (AFD), Campaign for Nature (CfN), Frankfurt Zoological Society (FZS), the International Union for Conservation of Nature (IUCN), the UNESCO World Heritage Centre, and the WWF.</p> <p>Aims to support 30 Legacy Landscapes until 2030.</p>
Type of funding	Public and private
Funded by	Governments (for example Germany and France) and private (philanthropic and corporate donors)
Scope of funding	USD 1 million per year for each Legacy Landscape; total fund capital (2022) ~ EURO 220 million ⁵⁰
Instrument	<ol style="list-style-type: none"> 1) Perpetual grants (“permanent” grants of USD 1 million per year aiming at 50+ years, the fund has an earmarked reserve of USD 30 million per project for this type of grants) 2) Sustaining grants (long-term grant of USD 1 million per year for a period of 15 years that is expected to be complemented by other long-term funding for the post-grant period)
Requirements & eligibility criteria	<p><u>For applicants</u></p> <ul style="list-style-type: none"> • Funding only for “Legacy Landscapes” that are defined as: “terrestrial landscape covering a contiguous area of at least 200,000 ha (2000 km²) that is ecologically largely intact and of global significance and meets the following two additional conditions: <ul style="list-style-type: none"> ○ at least 50% of the landscape’s territory must be classified as IUCN Category I / II (or equivalent) protected area(s) and be managed by or under authority delegated by a national or regional government, and

⁵⁰ BMZ commits EUR 100 million to Legacy Landscapes Fund - Legacy Landscapes Fund

- the remaining area of the landscape (if any) must have some other recognized and legally secured **protection status** (e.g., another IUCN category, a community-managed conservation area, etc.).”

- **Co-financing to be secured by the applicant:**

- Perpetual grants: co-financing between USD 10-15 million required
- Sustaining grants: co-financing between USD 5-7.5 million required

- Target ratio: 1:2 private/public funding

For the content of the application

- Important: business plan for post-15-year funding period is required
- [Concept note template](#)

Application process

- Process:
 - Step 1: Publication of call for proposals, deadline for concept note 10-12 weeks later (concept note must include a letter of intent form private donor(s)). Decisions will be published 75 days after proposal deadline
 - Step 2: After acceptance: preparation of Environment and Social Due Diligence process (3-4 months of time, carried out by consultancy paid by the fund): Environmental and Social Action Plan. Provision of government support letter
 - Step 3: Development of full proposal (in coordination with the fund). Usually in around 5 months. Small grant (USD 25,000) is available for the proposal phase
 - Step 4: Grant contract (potentially with a matching agreement with co-funders)
- After 2022 (piloting phase): no applications outside of the calls for proposals are accepted
- Further details available in the [Grant Program Guide](#)

For the project implementation

- Reporting and monitoring:
 - Annual and interim reporting on progress; review every five years by external consultants; milestones and indicators are designed for 5-year periods
 - Templates for reporting and monitoring are still under development

Additional criteria affecting the likelihood of receiving funding

- Selection criteria:
 - Importance of biodiversity quality
 - Quality and impact of proposed measures




	<ul style="list-style-type: none"> ○ Financial sustainability and plausibility ○ Experience and local knowledge of grantee ○ Political framework ○ Risks (including social and human rights) <ul style="list-style-type: none"> ● In 2022, seven pilot landscapes have been chosen; until 2030 it is planned to fund a minimum of 30 landscapes ● Applicants that provide higher co-financing will be considered preferably ● Co-funders willingness to transfer the co-financing sum through the Legacy Landscape Fund has a competitive advantage in comparison to projects where co-funders provide the funding directly to the grantee without involving the Legacy Landscape Fund 	
Relevance of fund	 <p style="text-align: center;">Intermediary organization</p>	 <p style="text-align: center;">Local organization</p>
Link	https://legacylandscapes.org/about/about-us/	

Table 7: Global Ecosystem-based Adaptation (EbA) Fund

Global Ecosystem-based Adaptation (EbA) Fund	
	
Target group	NGOs, INGOs, CBOs (see complete list below)
Geographic scope	<ul style="list-style-type: none"> • Global • Countries have to be ODA eligible
Thematic areas	<ul style="list-style-type: none"> • Innovative EbA solutions • Catalytic climate change adaptation initiatives • Strategic EbA policy mainstreaming • Incentivize innovative finance mechanisms and private sector EbA investment
General Information	<p>The Global EbA Fund supports innovative EbA approaches to tackle challenges from climate change. It focuses on catalytic initiatives “to help overcome identified barriers to up-scaling EbA. The Fund prioritizes filling in planning, knowledge, and resourcing gaps with a broad thematic focus on innovation and urgency and encourages creative solutions and partnerships.”⁵¹</p> <p>Funding period: 2019 - 2026</p>
Type of funding	Public
Funded by	Implemented by IUCN and UNEP with funding from IKI of the BMUV
Scope of funding	<p>USD 50,000 - USD 250,000</p> <p>Around USD 30 Million EUR have been pledged by the BMUV⁵²</p>
Instrument	Grants
Requirements & eligibility criteria	<p><u>For applicants:</u></p> <ul style="list-style-type: none"> • Eligible participants: <ul style="list-style-type: none"> ○ NGOs ○ INGOs ○ Intergovernmental organizations (IGOs) ○ CBOs ○ Indigenous People’s Organizations ○ Universities and other academic institutions ○ Research institutes and think tanks ○ Private sector companies

⁵¹ <https://globalebafund.org/about/>

⁵² <https://www.unep.org/gan/what-we-do/global-eba-fund>

- Consortia of organizations
- The fund aims to enhance “unlikely matches between new and non-traditional partners”⁵³
- Government partners, UNEP and IUCN offices are not eligible
- **Administrative and legal requirements:** a list of criteria is published in the [Grant Procedures Manual](#) including: legal, accounting standards, internal and external controls

For the content of the application:

- Global, thematic, regional and/or country-specific focus is possible
- Projects should:
 - Contribute to implementation of EbA
 - Result in catalytic impact
 - Add value to or upscale existing work
- Alignment with one of the three strategic objectives of the fund:
 - **Objective 1:** “To build awareness and understanding of the critical role of natural assets in underpinning resilience, expand the knowledge and evidence base to help make the case for working with nature, and enhance institutional capacities for mainstreaming EbA into national plans and policy frameworks and vertical integration and alignment of EbA across sectors.”
 - **Objective 2:** “To address planning and other governance gaps in policy and regulatory environments to increase the attractiveness and feasibility of using and upscaling ecosystem-based approaches for climate change adaptation.”
 - **Objective 3:** “To expand access to sustainable short- and long-term finance mechanisms for applying and scaling up ecosystem-based approaches for climate change adaptation, including the incentivisation of private sector investment in EbA and reducing EbA’s dependence on high management capacity and continuous financial input.”⁵⁴
- Applications and official documents must be submitted in English
- Completion of [IUCN’s Due Diligence Questionnaire](#) covering for example:
 - Basis for legal establishment or recognition and legal right to work in targeted country/countries, if any
 - Governance structure, including names of governing body members, officers and key personnel
 - Description of at least three recent relevant programs/projects/activities



⁵³ <https://www.iucn.org/sites/default/files/2022-07/global-eba-fund-grant-procedures-manual.pdf>

⁵⁴ <https://www.iucn.org/sites/default/files/2022-07/global-eba-fund-grant-procedures-manual.pdf>

- Publications
- Annual budget (last completed year, current year)
- Sources of revenues
- Audited financial statements for most recently completed fiscal year
- Administration, accounting and control procedures
- Current auditing arrangements or equivalent (tax documents)
- Procurement practices for purchasing goods, works and services
- Environmental and social safeguard policies
- Years of experience with the proposed EbA intervention
- Presence or local partnerships in targeted geographic region
- **Environmental and Social Management System** based on IUCN’s standards; screening is performed by the EbA Fund Secretariat; full document: [Link](#)

Application process

- Applications are accepted and reviewed **all year around** (until cut-off date), funding decisions are made biannually; additionally specific calls for proposals can be published
- Full requirements and procedures are outlined in the [Grant Procedures Manual](#), including a list with 12 “Initial Screening Criteria” (Section 3.1.) that projects can go through before handing in the application
- **Process:**
 1. **Concept stage:** Submission of the following documents:
 - Completed Initial Screening Criteria
 - Completed Concept Note Template, max 10 pages
 - Certificate of registration of the applicant organization
 - Audited financial statements from the last fiscal year (and for the last 2 fiscal years, if available)
 - Completed [Initial Environmental and Social Management System \(ESMS\) Screening: Concept Note Stage](#)
 - Signed Applicant Declaration Form
 - Completed [Online Submissions Form](#)
 2. After six weeks a **full proposal** shall be submitted:
 - Completed Full Proposal Template
 - Completed [Budget Template](#)
 - Completed [Activities & Timelines Template](#)
 - Completed Full [Proposal Monitoring, Evaluation and Learning Template](#)

	<ul style="list-style-type: none"> ○ Applicant organization bylaws or equivalent ○ Applicant organization institutional structure (organogram) ○ CVs of key staff (optional) ○ Completed Due Diligence Questionnaire ○ Completed Final ESMS Screening Questionnaire ○ Signed Applicant Declaration Form ○ Signed Co-applicant Mandate, if applicable ○ Certificate of registration for each partner organization that will receive funding, if applicable <p><u>For the project implementation</u></p> <ul style="list-style-type: none"> ● Encouraged duration of projects: up to 24 months; with additional explanations up to 36 months possible ● Co-finance is not required but appreciated ● Reporting and Monitoring: a plan must be presented during the application period including the suggested reporting intervals per Output ● Gender: gender analysis needs to be conducted and the project design needs to be gender-responsive
<p>Additional criteria affecting the likelihood of receiving funding</p>	<ul style="list-style-type: none"> ● Focus on “catalytic interventions” (e.g., that increase scalability of interventions or shift behavioral norms)⁵⁵ ● Applications will be prioritized that <ul style="list-style-type: none"> ○ Are “well-grounded” in the project area ○ Have experience with the project size and type ○ Are inclusive of local communities, indigenous knowledge and gender ○ Are leveraging other resources (financial or technical) ○ Have a contribution to NDCs ○ Have clear mitigation co-benefits
<p>Relevance of fund</p>	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>Intermediary organization</p> </div> <div style="text-align: center;">  <p>Local organization</p> </div> </div>
<p>Link and source</p>	<p>https://globalebafund.org/</p>

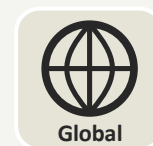
⁵⁵ <https://globalebafund.org/what-we-fund/>

4.2. Private funding sources with international scope

- Trees for All
- Plant-for-the-Planet

Table 8: Trees for All

Trees for All	
Target group	Reforestation projects
Geographic scope	<ul style="list-style-type: none"> • Global
Thematic areas	<ul style="list-style-type: none"> • Reforestation/ tree planting • Climate change • Loss of biodiversity
General Information	Trees for All is a charity organization registered as a public benefit organization focusing on worldwide tree planting, restoration of degraded forests and awareness raising. Funding from donors is transferred to local organizations for tree planting projects. Individuals or businesses can buy trees or offset their carbon footprints via the website.
Type of funding	Private
Funded by	Individual and business donations
Scope of funding	<p>No fixed amounts, the requested funding can be defined by the applicant in the application form.</p> <p>Two types of funding mechanisms:</p> <ol style="list-style-type: none"> 1) Tree planting 2) Carbon credits
Instrument	Grants
Requirements & eligibility criteria	<p><u>For applicants:</u></p> <ul style="list-style-type: none"> • Application is not restricted to specific sub-sets of actors with current project partners including non-profit and for-profit organizations. The following information is requested from the project proponents: <ul style="list-style-type: none"> ○ Vision and mission of the organization ○ Date of establishment ○ Track record ○ Financial structure ○ Annual budget



	<ul style="list-style-type: none"> • Projects must meet the following eligibility criteria: <ul style="list-style-type: none"> ○ Reforestation focus ○ Project performance ○ Biodiversity impacts ○ Additionality (necessity of funding from Trees for All for the project implementation) ○ Community-based (positive socio-economic impact) ○ Political climate (of the project countries) ○ Land rights ○ Track record of project partner ○ Monitoring & Reporting ○ Certification (either carbon certification or sustainable forest management certification; if no certification is possible, it is expected that the project can meet stronger requirements with regard to ILO Core Conventions, compliance with national and international laws and regulations; anti-corruption and anti-bribery measures) • Further details available in the project criteria overview <p><u>For the content of the application:</u></p> <ul style="list-style-type: none"> • Information requested on the profile of the implementing organization: project location, anticipated project impacts, short project description, and stakeholders involved. • Project application form available online <p><u>Application process</u></p> <ul style="list-style-type: none"> • Projects are assessed on a rolling basis without organized calls for proposals • Project application form can be send to: info@treesforall.nl <p><u>For the project implementation</u></p> <ul style="list-style-type: none"> • Monitoring framework required from all projects • Reporting standards depend on the type of project, but are at least twice a year
<p>Additional criteria affecting the likelihood of receiving funding</p>	<ul style="list-style-type: none"> • The application should be especially targeted at Trees for All and not be prepared for a wide range of donors • The project size should be at least 100,000 seedlings a year and agreements are usually aiming at a period of min. 10 years • There are currently 10 international projects being funded through grants






Relevance of fund	 <p data-bbox="544 331 820 360">Intermediary organization</p>	 <p data-bbox="1070 331 1273 360">Local organization</p>
Link and source	<a data-bbox="443 434 820 463" href="https://treesforall.nl/en/about-us/">https://treesforall.nl/en/about-us/	

Table 9: Plant-for-the-Planet

Plant-for-the-Planet	
	
Target group	Non-profit restoration projects
Geographic scope	<ul style="list-style-type: none"> • Global
Thematic areas	<ul style="list-style-type: none"> • Planting/restoration of trees • Climate change • Biodiversity loss
General Information	Plant-for-the-Planet is a charitable foundation focusing on planting trees globally with non-profit restoration projects. Individuals or businesses can purchase trees through an online platform (launched in 2019) or an App. ⁵⁶
Type of funding	Private
Funded by	Individual and business donations
Scope of funding	Project-dependent, there is no minimum, and the project sets its own maximum amount. At the current rate, between 50 and 100 new projects are successful in being added to the platform a year, although this may decline.
Instrument	Grants in the form of donations made by private individuals or organizations
Requirements & eligibility criteria	<p><u>For applicants:</u></p> <ul style="list-style-type: none"> • Only non-profit organizations are eligible <p><u>For the content of the application:</u></p> <ul style="list-style-type: none"> • Projects set up their own tree price (that needs to cover the planting, maintenance, and monitoring) • Applications are reviewed by the “Restoration Project Review board” based on a list of biological, social, and economic standards; the list of standards describes the minimum requirements of all aspects and how Plant-for-the-Planet reviews the individual standards (e.g., fields visits or satellite data) • Exemplary standards: <ul style="list-style-type: none"> ○ No invasive species planted ○ Tropical project area: minimum of 8 species ○ Minimum um 80% of seeds from native species ○ Funding plan or statement securing maintenance and monitoring provided for at least 3 years


⁵⁶ <https://a.plant-for-the-planet.org/partners/>

	<p><u>Application process</u></p> <ul style="list-style-type: none"> • Registration: creation of profile on Plant-for-the-Planet Platform • Creation of restoration project within the profile • Submission of restoration questionnaire for additional project information • Approval: Revision and validation by Plant-for-the-Planet; necessary documents: <ul style="list-style-type: none"> ○ Legal accreditation (Registration certificate/registration number) ○ Latest annual report ○ Latest financial report ○ Planting report <p><u>For the project implementation</u></p> <ul style="list-style-type: none"> • Reporting: annual progress reports must be submitted • Monitoring: <ul style="list-style-type: none"> ○ The TreeMapper app is used to insert planting information directly on the field and then made publicly available to donors; sample trees must be marked with tags and be specifically monitored ○ The app works with satellite data showing the planting performance ○ Alternatively planting data can be uploaded to the profile 	
<p>Additional criteria affecting the likelihood of receiving funding</p>	<ul style="list-style-type: none"> • Projects with engaging and up-to-date descriptions, pictures and videos in their profile attract more attention and donations than projects who provide the minimum information required • Providing Plant-for-the-Planet with material to share via their media channels, in addition to utilizing the applicant’s own networks and channels, increases the donation volume 	
<p>Relevance of fund</p>	 <p>Intermediary organization</p>	 <p>Local organization</p>
<p>Link and source</p>	<p>https://a.plant-for-the-planet.org/de/</p>	

4.3. Specific funding sources in Central America

- Fondo de Inversión Ambiental de El Salvador (FIAES)
- Climate and Land Use Alliance (CLUA)
- ClimateWorks Foundation (under CLUA)

Table 10: Fondo de Inversión Ambiental de El Salvador (FIAES)

Fondo de Inversión Ambiental de El Salvador (FIAES)	
	
Target group	NGOs, community development associations, associations of municipalities, micro-regions and producers' associations.
Geographic scope	<ul style="list-style-type: none"> • National • El Salvador
Thematic areas	<ul style="list-style-type: none"> • Conservation and restoration of forests and protected natural areas • Restoration of mangrove forests • Conservation and restoration of coral rocky reefs • Promotion of sustainable agriculture and livestock farming • Watershed restoration • Conservation and protection of sea turtles • Promotion of sustainable fisheries • Rescue of natural and cultural heritage • Promotion of sustainable tourism
General Information	FIAES is a non-profit organization in El Salvador that catalyzes resources to enhance restoration working closely with the Ministry of Environment and Natural Resources. Next to the financial support, projects receive technical and administrative support. Additionally, FIAES offers ecosystem compensations in El Salvador.
Type of funding	Private and public
Funded by	Debt Swap Agreements with the United States and funds from multiple international donors including the GCF and other sources including environmental compensations as guided by the legislation in the country.
Scope of funding	<p>The scope of funding is outlined in the different calls for proposals issued by FIAES</p> <p>Total investments of FIAES in the last 25 years is over USD 76 million⁵⁷</p>
Instrument	Grants
Requirements & eligibility criteria	<u>For applicants</u>

⁵⁷ <https://www.fiaes.org.sv/compensaciones-ambientales>



	<ul style="list-style-type: none"> • Only non-profit organizations • 8 pre-defined project territories within the country <p><u>For the content of the application</u></p> <ul style="list-style-type: none"> • For each call for proposals the requirements are defined in an information document. For example: Spanish language, word and excel formats, original and digital versions • Budgets in USD • Call for proposals can also include specific terms of references for concrete projects <p><u>Application process</u></p> <ul style="list-style-type: none"> • Yearly calls for proposals (information available on the website) • Registration on the website • Submission of legal documents (phase 1) and technical proposal (phase 2) <p><u>For the project implementation</u></p> <ul style="list-style-type: none"> • This will depend on the Call for Proposals 	
<p>Additional criteria affecting the likelihood of receiving funding</p>	<ul style="list-style-type: none"> • Projects have to be in line with the National Environmental Policy and with other international commitments signed by El Salvador (for example: Ramsar Convention, Framework Convention on Climate Change or the Convention on Biodiversity) 	
<p>Relevance of fund</p>	 <p>Intermediary organization</p>	 <p>Local organization</p>
<p>Link and source</p>	<p>https://www.fiaes.org.sv/</p>	



Table 11: Climate and Land Use Alliance (CLUA)

Climate and Land Use Alliance (CLUA)	
Target group	Not defined
Geographic scope	<ul style="list-style-type: none"> • Brazil, Indonesia, Colombia, Peru, Mexico, Central America, and global level
Thematic areas	<ul style="list-style-type: none"> • Forest and sustainable land use • Tropical forest with great importance to mitigating climate change
General Information	<p>The Climate and Land Use Alliance has been launched in 2010 as a collaborative of foundations focusing on the essential role of forests and sustainable land use as global response to climate change.</p> <p>The Alliance supports “policies, practices, and partnerships that halt and reverse forest loss, advance sustainable land use and development, and secure the rights and livelihoods of indigenous and forest communities.”⁵⁸</p>
Type of funding	Private
Funded by	<p>Member foundations:</p> <ul style="list-style-type: none"> - ClimateWorks Foundation - The David & Lucile Packard Foundation - Ford Foundation - Gordon and Betty Moore Foundation <p>Aligned foundations:</p> <ul style="list-style-type: none"> - Good Energies – Power for a better World - Margaret A. Cargill Philantropies
Scope of funding	<p>Scope of funding depends on the foundation. The most recent portfolio review covering the period 2012-15 reported a total 586 grants amounting to USD 169 million.⁵⁹</p> <p>Between 2010 – 2021: 2,461 grants with a total value of USD 738 million were distributed.</p>
Instrument	Grants
Requirements & eligibility criteria	<p>Grants from the Ford, Moore and Packard foundations are handled by the foundations individually and according to their requirements and eligibility criteria. Grants from ClimateWorks are directly managed by CLUA.⁶⁰</p> <p>No unsolicited applications are accepted, and the foundations apply their own application rules, or reach out to the projects directly.</p>

⁵⁸ <https://www.climateandlandusealliance.org/about-us/>


⁵⁹ <https://www.climateandlandusealliance.org/wp-content/uploads/2017/05/CLUA-Evaluation-Report-Summary.pdf>



⁶⁰ <https://www.climateandlandusealliance.org/wp-content/uploads/2017/05/CLUA-Evaluation-Report-Summary.pdf>

<p>Additional criteria affecting the likelihood of receiving funding</p>	<ul style="list-style-type: none"> • Priority areas: <ul style="list-style-type: none"> ○ Effective land use policy & finance ○ Secure community rights & management ○ Deforestation- & conflict-free agricultural commodities ○ Strong standards & transparency for infrastructure and extractive industries ○ Awareness of forests and lands as climate solutions ○ Natural carbon capture ○ Healthy diets/healthy planet 	
<p>Relevance of fund</p>	 <p style="text-align: center;">n/a</p> <p style="text-align: center;">Intermediary organization⁶¹</p>	 <p style="text-align: center;">n/a</p> <p style="text-align: center;">Local organization⁶²</p>
<p>Link and source</p>	<p>https://www.climateandlandusealliance.org/grants/</p>	

⁶¹ & ⁶² Since CLUA is not a fund but an alliance of a number of funds, the relevance of the overall alliance cannot be estimated on a general base.

Table 12. ClimateWorks Foundation

ClimateWorks Foundation	
	
Target group	Not defined (“from grassroots action to global policy”)
Geographic scope	Has supported projects in over 40+ countries across the globe
Thematic areas	<ul style="list-style-type: none"> • Halting and reversing forest loss • Advancing sustainable land use and development • Securing the rights and livelihoods of indigenous and forest communities
General Information	<p>The foundation offers grants to support organizations and initiatives that are working to end the climate crisis. They support both small- and large-scale projects looking to change environmental policy, implement practical solutions, or conduct key research.</p> <p>The investments are led and guided by CLUA (see p.46).</p>
Type of funding	Private
Funded by	Donations from private individuals and foundations, a list of the non-anonymized funders is available on the funding page of their website .
Scope of funding	Since 2008, ClimateWorks has granted over USD 1.3 billion to more than 600 grantees in over 40 countries. Of that USD 1.3 billion, USD 21.9 million has been on projects that halt and reverse forest loss and promote sustainable land use. Grants specifically for Forest projects of between USD 4500 - 1.8 million have been awarded.
Instrument	Grants
Requirements & eligibility criteria	<p><u>For applicants</u></p> <ul style="list-style-type: none"> • No defined characteristics (e.g., non-profit/for profit) <p><u>For the content of the application</u></p> <ul style="list-style-type: none"> • Areas of focus for the application: <ul style="list-style-type: none"> ○ Effective Land Use Policy & Finance ○ Secure Community Rights & Management ○ Deforestation- & Conflict-Free Agricultural Commodities ○ Strong Standards & Transparency for Infrastructure and Extractive Industries ○ Awareness of Forests and Lands as Climate Solutions ○ Natural Carbon Capture ○ Healthy Diets/Healthy Planet <p><u>Application process</u></p> <ul style="list-style-type: none"> • Submit a Grant Narrative Proposal and budget • Submit supporting paperwork including: the current year budget, year-to-date financial statements, prior year audited financial statements, government issued tax status

	<p>determination documentation, a list of the board of directors, officers and affiliations, and biographies of key staff involved in the project</p> <ul style="list-style-type: none"> • Due diligence process will be carried out by ClimateWorks • Proposals are evaluated on their outcomes and alignment with ClimateWorks Mission and Strategies⁶³ <p><u>For the project implementation</u></p> <ul style="list-style-type: none"> • Expenditure responsibility reports must be handed in 	
Additional criteria affecting the likelihood of receiving funding	<ul style="list-style-type: none"> • Past successes and financial health of the organizations will be evaluated 	
Relevance of fund	 <p style="text-align: center;">Intermediary organization⁶⁴</p>	 <p style="text-align: center;">Local organization⁶⁵</p>
Link and source	<p>https://www.climateworks.org/programs/forests-and-land-use/</p>	

⁶³ <https://www.climateworks.org/wp-content/uploads/2021/10/ClimateWorks-2020-Public-Disclosure-Copy.pdf>

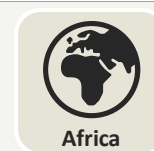
⁶⁴ & ⁶⁵ Relevance of fund cannot be determined for the report since ClimateWorks does not further specify the target group for their funding.

4.4. Specific funding sources in Africa (focus on Kenya, Cameroon, Malawi, Rwanda)

- National Fund for Environment (FONERWA) – Rwanda
- Small-Scale Initiatives Program (PPI)
- TerraFund for AFR100

Table 13: National Fund for Environment (FONERWA)

National Fund for Environment (FONERWA) – “Rwanda Green Fund”	
Target group	Public institutions, civil society organizations, private sector actors
Geographic scope	<ul style="list-style-type: none"> • National • Rwanda
Thematic areas	<ul style="list-style-type: none"> • Environment, climate change, and green growth to accelerate goals of national sustainable economic development • Water, climate-smart agriculture, biomass replacement, sustainable transport, alternative waste, green cities, renewable energy
General Information	Environment and climate change fund of Rwanda established by the government with the objective to mobilize, manage, monitor, and facilitate access to green and climate finance (from international financing sources). The fund can provide financial and technical support.
Type of funding	Public
Funded by	International financing sources, e.g., GCF
Scope of funding	n/a
Instrument	Grants, innovation grants (only for private sector), credit lines (only for private sector)
Requirements & eligibility criteria	<p><u>For applicants:</u></p> <ul style="list-style-type: none"> • Civil society organizations, public institutions, and private sector actors can apply to specific calls for proposal for each applicant group <p><u>For the content of the application:</u></p> <ul style="list-style-type: none"> • The project must be: <ul style="list-style-type: none"> ○ Results based ○ Aligned with thematic windows/entry points and the FONERWA M&E framework ○ Sustaining benefits beyond project activities



- Demonstrating value for money
- Involving ongoing stakeholder consultation
- Promoting strategic national/international environment/climate objectives
- Conforming with existing legislation and anti-corruption provisions

Application process

- First-time applicants can access an [online course](#) that provides information about the first phase of the application process (submission of a concept note)
- Public calls for proposals are published with a one-month period to submit the project concepts on the website
- Process:
 - Registration in [application portal](#); additional [explanation video](#) available on the website
 - Multiple application steps are involved:
 - 1) Submission of a Project Profile Document (PPD) (concept note)
 - 2) Review of the PPD by the Fund Management Team against eligibility criteria (see content of application above)
 - 3) If successful, submission of a full project document, technical assistance and support from the Fund Management Team is provided as needed
 - 4) Technical appraisal of the project by the Fund Management Team along four criteria: desirability, viability, feasibility, capacity to leverage additional resources
 - 5) Review of successful appraised proposals by the FONERWA Fund Technical Committee regarding quality and alignment with national priorities
 - 6) Final decision by the FONERWA Fund Managing Committee

For the project implementation

- **Monitoring and Evaluation** must follow the M&E Matrix that is provided as part of the [Project Profile Document development materials](#)

Additional criteria affecting the likelihood of receiving funding

- FONERWA has four financing priority areas:
 - 1) Conservation and Sustainable Management of Natural Resources
 - 2) Environment and Climate Change Mainstreaming
 - 3) Research & Development and Technology Transfer and Implementation
 - 4) Environmental Impact Assessment Monitoring & Enforcement⁶⁶
- FONERWA provides a [manual](#) with “tips for applicants” that lists common mistakes and recommendations for the application process

⁶⁶ <http://fonerwa.org/index.php/how-apply>




Relevance of fund	 <p>Intermediary organization</p>	 <p>Local organization</p>
Link and source	<p>http://fonerwa.org/</p> <p>https://unfccc.int/climate-action/momentum-for-change/financing-for-climate-friendly-investment/rwanda-green-fund-fonerwa</p>	

Table 14: Small-Scale Initiatives Program (PPI)

Small-Scale Initiatives Program (PPI)	
	
Target group	African CSOs
Geographic scope	West and Central Africa
Thematic areas	<ul style="list-style-type: none"> • Conservation of biodiversity • Fighting climate change with NbS
General Information	<p>The program is implemented by the French Committee of the International Union for Conservation of Nature (IUCN) and was launched in 2006 by the French Facility for Global Environment. Currently the sixth phase of the program is ongoing (2021 – 2025). During the current phase around 50 projects will be funded.</p> <p>A new call for proposals is typically issued every 2 years.</p>
Type of funding	Public/Private
Funded by	The French Facility for Global Environment and the MAVA Foundation for Nature
Scope of funding	<p>Maximum grant: EUR 35,000⁶⁷</p> <p>Average grant: EUR 32,000 for an average 20 months-project</p> <p>Targeted organizations: Young environmental organizations that do not have a lot of experience and for whom the PPI represents an interesting boost to grow (Small grants up to EUR 35,000).</p>
Instrument	Grants
Requirements & eligibility criteria	<p><u>For applicants:</u>⁶⁸</p> <ul style="list-style-type: none"> • Eligibility: emerging African CSOs that have not previously received a PPI grant (only applicable for ongoing call PPI 6) • Criteria: <ul style="list-style-type: none"> ○ Located in one of the following 26 eligible countries: Benin, Burkina Faso, Burundi, Cameroon, Cape Verde Islands, Central African Republic, Chad, Congo, Cote d'Ivoire, DR Congo, Equatorial Guinea, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone Togo

⁶⁷ PPI also has a second category of targeted organizations of PPI partners who have already benefited from support in the past and who want to develop their activity through larger projects. In these instances, a medium grant of up to EUR 70,000 could be awarded. Whether this grant is available depends on the call for projects, only projects who have already received support from PPI would qualify.

⁶⁸ The information in the table partially refers to the currently ongoing call for proposals PPI 6. Usually, every two years a new call for proposals is issued.

-
- Recognized legal status allowing to receive a grant
 - Confirmed on-the-ground experience
 - Experience in project management
 - A solid knowledge in the field of the project

For the content of the application:



- Specific topics of the call for proposals for the ongoing PPI 6 as listed in the document “**Rules and Criteria**”: creation or management of protected and “conserved” areas, the conservation of threatened species (IUCN red list), ecosystem restoration, sustainable use of natural resources and others
- Further selection criteria as listed in the document “**Rules and Criteria**”:
 - Knowledge on topics and geographical area
 - Contribution to biodiversity conservation or climate change impacts mitigation through NbS
 - Technical and socio-economic feasibility and realistic nature of expected outcomes
 - Contribution to local economic and social development in addition to environmental outcomes
 - Cultural and social acceptance of the project
 - Coherence with adopted national and local environmental policies
 - Capacities of the organization
 - Sustainability of actions implemented
 - Ability to implement a monitoring and evaluation framework
- Submission of applications in French or English
- The document “**Rules and Criteria**” also contains additional information on the ongoing call for proposal (e.g., specific topics that are not covered)

Application process

- Deadlines for current call for proposals:
 - **Pre-proposal forms**: 28.08.2022 (6PM GMT+1); to be uploaded to [this platform](#), 5 pages maximum, Word format
 - Complete proposals deadline: 15.01.2023 (6PM GMT+1)
 - Final decision: 31.03.2023


For the project implementation



- Co-finance: minimum of 50% of the total cost of the project must be co-financed (25% if other donors are local organization/NGOs/private)
 - Project duration: 20 months maximum
-

<p>Additional criteria affecting the likelihood of receiving funding</p>	<ul style="list-style-type: none"> • Additional criteria shared by the organization⁶⁹: <ul style="list-style-type: none"> ○ Sub-themes of particular interest (increasing likelihood of success) include: <ul style="list-style-type: none"> ▪ Creation or management of protected and "conserved" areas (OECM) ▪ Conservation of threatened species (according to the IUCN red list) ▪ Restoration of ecosystems ▪ Sustainable use of natural resources and the sharing of the benefits of conservation ▪ The fight against poaching ▪ Resolution of human-wildlife conflicts 	
<p>Relevance of fund</p>	 <p style="text-align: center;">Intermediary organization</p>	 <p style="text-align: center;">Local organization</p>
<p>Link and source</p>	<p>https://www.programmeppi.org/en/ All currently funded projects can be found on the PPI's interactive online map: https://www.programmeppi.org/en/les-projets/</p>	

⁶⁹ Email communication with PPI Secretariat during the development of this report.

Table 15: Terrafund for AFR100

Terrafund for AFR100	
	
Target group	Non-profit community organizations and for-profit businesses
Geographic scope	<ul style="list-style-type: none"> • AFR100
Thematic areas	<ul style="list-style-type: none"> • Forest Landscape Restoration
General Information	<p>A consortium of WRI, One Tree Planted, and Realize Impact is organizing the call for proposals and the selection of projects out of all applications. In the first phase, 100 organizations and businesses will be funded to contribute to the UN Decade and the AFR100 goal of restoring 100 million ha in Africa.</p> <p>All 100 projects of the first phase have been selected, but a new round of call for proposals is planned and expected for 2023.</p>
Type of funding	Private
Funded by	Group of donors (including: Bezos Earth Fund, Facebook, Good Energies Foundation, Lyda Hill Philanthropies, DOEN Foundation, AKO Foundation, and Caterpillar Foundation).
Scope of funding	<p>USD 50,000 to USD 500,000</p> <p>(growth-stage projects and enterprises can apply for USD 250,000 to USD 500,000)</p> <p>In total, the first phase will pay out USD 15 million.</p>
Instrument	Grants and loans
Requirements & eligibility criteria	<p><u>For applicants:</u></p> <ul style="list-style-type: none"> • Eligible are non-profit, or community organizations and private sector operators • Extensive experience with the local communities is required <p><u>For the content of the application:</u></p> <ul style="list-style-type: none"> • Project application must be in English or French <p><u>Application process</u></p> <ul style="list-style-type: none"> • 2-stage process: <ol style="list-style-type: none"> 1. Expression of interest (and concept notes) 2. Full proposal • The description of the first call for proposals (for the first 100 organizations) is available online

	<p><u>For the project implementation</u></p> <ul style="list-style-type: none"> • Organizations need to be willing to share information, methodologies and lessons learned with the consortium • Only specific tree planting techniques are accepted (see list) and no single-species projects • Monitoring and Evaluation: <ul style="list-style-type: none"> ○ Mandatory baseline, quarterly and final progress reports through the TerraMatch platform ○ WRI will use remote sensing or field visits at the beginning and the end of the project to verify tree planting survival rates ○ Additional methodologies like 3D modeling, drones, camera traps and acoustic monitoring for biodiversity, and phone on-ground surveys for socioeconomic indicators might be used by the consortium partners as well
<p>Additional criteria affecting the likelihood of receiving funding</p>	<ul style="list-style-type: none"> • There were over 3,200 applications from restoration implementers for the first phase of funding from TerraFund for AFR100. Of the 3,200 organizations, 459 were invited to submit full applications. Of those 459 applications 100 were selected. • Criteria for the selection of projects: <ul style="list-style-type: none"> ○ Organization: well-run organizations with an existing track record have a higher likelihood of accessing funds. ○ Scalability ○ Replicability ○ Environmental impact (on soil, water, carbon storage, biodiversity) ○ Social impact ○ Profitability (for enterprises) • In the first phase, 80 community projects and 20 businesses were chosen
<p>Relevance of fund</p>	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>Intermediary organization</p> </div> <div style="text-align: center;">  <p>Local organization</p> </div> </div>
<p>Link and source</p>	<p>https://www.africa.terramatch.org/</p>

5. Conclusions and recommendations

To make significant progress towards the ambitious objectives of the Bonn Challenge and the UN Decade on Ecosystem Restoration, it is important to connect local actors to existing funding sources. The analysis has shown that on top of the commonly known financing gap for ecosystem restoration activities, local non-profit organizations often face additional challenges when seeking to access funding, e.g., due to their limited fiduciary and administrative capabilities or simply the limited availability of suitable funding instruments for non-profit organizations. Recommendations for enhancing potential access to funding for ecosystem restoration are included below. These are targeted at local non-profit restoration implementers, funders, and development partners⁷⁰.

The selection of relevant funding sources for local restoration implementers should ultimately be informed by the concrete profile of the non-profit organization and the restoration activity to be implemented. For precise recommendations, organizations must be categorized based on their profile, their location, capacities, their implementing track record and other characteristics. However, smaller local non-profit organizations have a higher likelihood of accessing funding if they align to programmatic funding from national environmental funds (such as the examples presented of FONERWA, p.50 and FIAES, p.44) and periodically check the funding priorities of targeted funding sources such as GEF SGP, p.26, IKI SGP, p.20, and PPI, p.53, to assess whether opportunities to raise funds exist.

Local restoration implementers should familiarize themselves with their existing national restoration funding infrastructure. Since most funding for ecosystem restoration originates from international or national sources, local organizations are often disconnected from important funding actors or lack the capacities to comply with eligibility criteria. Consequently, local organizations need to familiarize and where possible connect through intermediaries with the relevant funding infrastructure in the respective countries and regions. The analysis has shown some examples of the intermediary structure, for example through national environmental funds (e.g., FIAES in El Salvador, p.44). Alternatively, larger INGOs (e.g., WWF) can act as intermediary funders.

Local restoration implementers should invest some time in becoming familiar with the “language of the donor” as well as with the eligibility criteria of donor and the application process.⁷¹ Responding to calls for proposals can be a resource intensive process. The competition for published calls for proposals is usually high, and developing proposals requires specific skills and resources or even the support of external expertise.

Local restoration implementers and intermediary funds can enhance their possibilities of accessing restoration funds by partnering with INGOs, UN Agencies, and other development partners. Access to funding of a few international funding mechanisms, such as the GEF, p.23, Adaptation Fund, and GCF is restricted to accredited organizations such as UN agencies, large INGOs, and other development partners such as GIZ. For local restoration implementers it is a good strategy for accessing programmatic restoration funding to partner with accredited organizations and complement their efforts by providing highly localized knowledge and implementation capacity.

Results-based finance instruments, such as carbon finance from voluntary carbon market projects can support and supplement local restoration implementation efforts, diversify income sources, and provide a longer-term funding stream than one-off grants. However, the requirements of participating in carbon finance projects tend to be high (high technical capacities required, long-term contracts, relatively high costs associated to the generation of Verified Emissions Reductions) and there remain several uncertainties

⁷⁰ We use development partners to refer to multilateral and bilateral development and aid organizations and agencies.

⁷¹ Good resources exist to help understand and navigate the process of proposal writing. See for instance, the toolkit for climate finance readiness which includes a comprehensive checklist for the preparation of proposals: [Toolkit to Enhance Access \(unfccc.int\)](https://unfccc.int/toolkit-to-enhance-access).

over how countries will supervise or regulate the participation of projects in voluntary carbon markets. To cover upfront costs, a pooling of funding sources through, for example, grants or other types of upfront concessional finance is often necessary. As such, potential opportunities should be carefully assessed, and contrasted with alternative grant-based mechanisms such as tree planting organizations such as Plant-for-the-Planet.

Matchmaking platforms offer good opportunities for local restoration implementers to develop an understanding of the funding landscape and position their work for funding. A range of matchmaking platforms (e.g., [TerraMatch](#) or [XILVA](#)) exist or are being developed (e.g., the UN Decade Digital Hub as part of the [UN Decade](#)) to collect information about available funds and actors.⁷² Other matchmaking programs, such as the Restoration Factory, provide mentoring and project design support to restoration implementers, although these tend to be focused on projects seeking to be commercially viable.

Development partners seeking to advance restoration in Central America and Africa should continue developing the capacities of national environmental funds. National environmental funds can play a key role as intermediaries between donors, projects, and other larger funding organizations and non-profits with the capacity to restore ecosystems at the local level. National environmental funds can also act as aggregators of different local restoration focused organizations for designing large scale restoration programs with limited transaction costs that can be more appealing to donors. A good example of this approach is the current Fondo de Desarrollo Verde (see Appendix 7.3) an IKI-funded project through which GIZ is channeling funding for restoration through national funds (such as FIAES in El Salvador) to local organizations in Central America and the Caribbean⁷³ (SICA region). In Rwanda, the national fund FONERWA, p.50, is already channeling funding from the GCF for climate resilience including through ecosystem restoration.

Development partners should continue fostering knowledge exchanges and the creation of networks amongst local restoration implementers on issues related to access to funding. Cooperation amongst (non-profit) organizations can help to exchange information on available funding opportunities, lessons learnt from previous application processes and for regional agenda setting. Cooperation can also increase the visibility of these organizations towards potential funders and the positioning in the sector. In a similar way, the regional cooperation between national (intermediary) funds through networks like, for example, [RED LAC](#) in Latin America and the Caribbean can enhance synergies between approaches used by national funds in the different countries.

Development partners can indirectly continue to support local restoration implementers by building an economic case for ecosystem restoration through ecosystem valuation assessments. This can help local non-profits and the wider restoration community better understand the ecosystem services provided and their estimated monetary value when fundraising.⁷⁴

International programs targeted specifically at local non-profit organizations should be continued and further expanded in the future. So-called “small grants” programs (e.g., GEF SGP, p.26, IKI SGP, p.20) that transfer funds from the international level directly to the local organizations hold a lot of potential since they specifically address the bottlenecks of low fiduciary and limited administrative capacities of local organizations, allow for grassroots innovation, and identify scalable approaches. The role of development partners should

⁷² An overview of current grants in the field of Biodiversity offers, for example, the website Terra Viva Grants Directory: <https://terravivagrants.org/category/biodiversity-conservation-wildlife/>.

Additionally, the World Bank publication *Guide to Resources for NGOs and Other Organizations of Civil Society* presents an overview of available information resources and funding actors : [Guide to resources for NGOs and other organizations of civil society \(worldbank.org\)](#).

Another good starting point to get familiar with different types of funding instruments (also next to grants) is the E-learning course publicly available from the Food and Agriculture Organization: [Sustainable financing of Forest and Landscape Restoration: FLR2_en_scorm \(fao.org\)](#).

⁷³ The FDV is active in the SICA region including Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, and the Dominican Republic. The Project is scheduled to terminate in 2023 and no new projects are currently accepted.

⁷⁴ See for instance: www.aboutvalues.net; and teebweb.org.

be to help local non-profits to create capacities to access such funds (e.g., through training on organizational development, accounting practices, management expertise, proposal development, etc.).

The availability of long-term funding will require that organizations seek to diversify their funding streams. While the focus of this assessment was on grants, non-profit organizations can also explore how to leverage grants to mobilize additional sources of funding such as results-based finance or philanthropic investments requiring no return on investment, or eventually private finance seeking limited returns on investment. Development partners can also help to scale up pilot projects into larger investible projects that are then optimally financially self-sustained on the long-term.

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7. Appendix

7.1. Methodological approach

The methodology of the report is depicted in Figure 4. The individual elements will be explained in the following subsections.

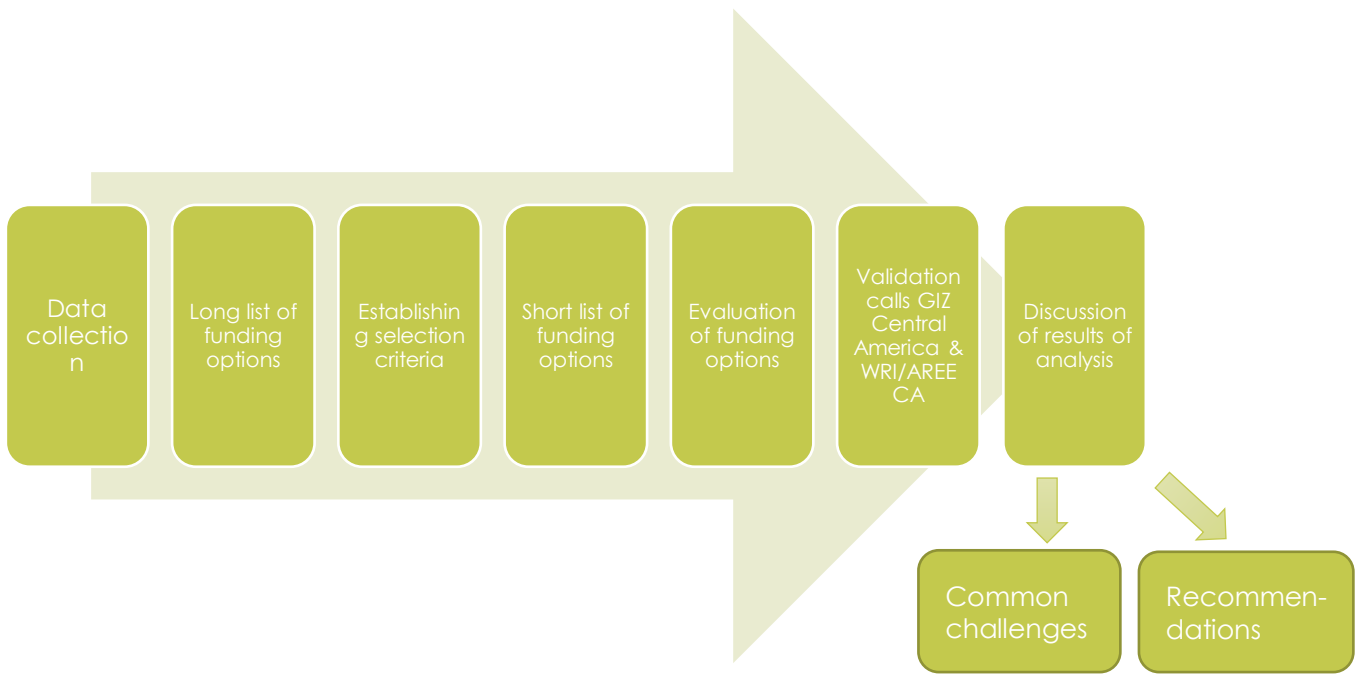


Figure 4: Methodological process

7.1.1. Data collection

Relevant data for the creation of this report has been identified through a combination of desk research and leveraging unique land use's internal resources, its network and information and validation calls. This process allowed to extend the list of funding sources that has been provided by the GIZ DEER team at the beginning of the project. As part of the data collection international, regional, and national funding sources have been collected.

7.1.2. Selection process of funding options for analysis

As visualized in Figure 4, the collected data has been analyzed through various consecutive steps.

7.1.2.1. Creation of a long-list of funding options

As a first step, a long-list with funding sources was compiled and categorized. The presented funding sources consist of different types of financial instruments, e.g. grants, loans or equity. Funding sources presented in the long-list are not yet tailored to the stakeholders of this report. Please refer to Section 7.2 for the table containing the long-list.

7.1.2.2. Evaluation criteria

In order to evaluate which funding options are relevant for the stakeholders of this report, small local non-profit organizations in Central America and Africa, a set of evaluation criteria has been established. The evaluation criteria were chosen in coordination with the GIZ DEER team and based on the objective to evaluate the suitability of funding sources for the target group.

Chosen criteria:

1. Basic information on funding source
2. Type of funding instrument (e.g., grant/loans)
3. Geographic scope
4. Requirements: For applicants/for the content of applications/for the implementation
5. Application process
6. Probability of receiving funding

7.1.2.3. Evaluation and creation of the short-list of funding options for small non-profit organizations

The previously determined criteria guided the prioritization of a selection of funding options that seemed most suitable for the chosen stakeholders of this report. The selection of funding options is based on desk research of available information and previous experiences of the unique land use team. Additionally, two validation calls were organized with GIZ team members from the [FDV/REDD+ Landscape project](#) in Central America and World Resource Institute team members from [the AREECA project](#) in Africa. After having reviewed the short-list of funding options, general challenges that local non-profit organizations are experiencing when accessing funding sources, as well as a selection of recommendations have been deducted from the results of the analysis.

7.2. Comprehensive list of funding options for ecosystem restoration implementers

Table 16: Comprehensive collection of funding options

NAME OF FUNDING OPTION	SCOPE	LINK
Adaptation Fund	Global	https://www.adaptation-fund.org/
Adaption Fund Climate Innovation Accelerator (AFCIA) Small Grants	Global	https://www.adaptation-undp.org/smallgrantaggregator/
Africa Climate Change Fund	Regional (Africa)	https://www.afdb.org/en/topics-and-sectors/initiatives-partnerships/africa-climate-change-fund
African Conservation Foundation	Regional (Africa)	https://africanconservation.org/projects/
African Development Fund (ADF)	Regional (Africa)	https://adf.afdb.org/
Andes Amazon Fund	Regional (Latin America)	https://www.andesamazonfund.org/impact/grantees/
Arcadia	Global	https://www.arcadiahfund.org.uk/
Bezos Earth Fund	Global	https://www.bezosearthfund.org/our-programs#link1
Biopama	Global	https://action.biopama.org/open-calls/
Climate Investment Funds (CIF)	Global	https://www.climateinvestmentfunds.org/
ClimateWorks Foundation	Global	https://www.climateworks.org/
Comisión de Acción Social Menonita (CASM)	National (Honduras, Central America)	https://casm.hn/
David and Lucile Packard Foundation	Global	https://www.packard.org/
Dedicated Grant Mechanism for Indigenous Peoples and Local Communities	Global	https://www.dgmglobal.org/home
Dominican Institute of Integral Development (IDDI)	National (Dominican Republic, Caribbean)	https://www.dominicanasolidaria.org/organizacion/instituto-dominicano-de-desarrollo-integral-iddi/
Ecosia	Global	https://ecosia.zendesk.com/hc/enus/articles/360015464279-How-to-become-a-treeplanting-partner
Equator Initiative	Global	https://www.equatorinitiative.org/
Fondo de Desarrollo Verde	Regional (Central America)	https://fondodesarrolloverde.org/
Fondo de Inversión Ambiental (FIAES)	National (El Salvador,	https://www.fiaes.org/sv/en_US/




	Central America)	
Fondo Nacional para el Medio Ambiente y Recursos Naturales (MARENA)	National (Dominican Republic, Caribbean)	https://www.fondomarena.gob.do/
Fondo of CA	National (Guatemala, Central America)	https://fondofcaguatemala.org/
Ford Foundation	Global	https://www.fordfoundation.org/
Forest Investor Club	Global	https://www.state.gov/forest-investor-club-establishment-at-cop26/
Foundation for Environment and Development in Cameroon (FEDEC)	National (Cameroon, Africa)	https://fedec.cm/en/presentation/
FUNBAM - Fundación Banco Ambiental	National (Costa Rica, Central America)	https://funbam.org/
Fundación Avina	Regional (Primarily Latin America, but also Africa)	https://www.avina.net/
Fundación Natura (Panama)	National (Panama, Central America)	https://naturapanama.org/
Fundecooperacion para el Desarrollo Sostanible	National (Costa Rica, Central America)	https://fundecooperacion.org/en/
Global EbA Fund	Global	https://globalebafund.org/
Global Environment Facility (GEF)	Global	https://www.thegef.org/
Global Environment Facility (GEF) Small Grants Programme	Global	https://www.sgp.undp.org/
Global Greengrants Fund	Global	https://www.greengrants.org/where-we-work/
Good Energies Foundation	Global	https://www.goodenergies.org/what-we-do/forests/
Gordon and Betty Moore Foundation	Global	https://www.moore.org/
Green Climate Fund (GCF)	Global	https://www.greenclimate.fund/
International Climate Initiative (IKI) Small Grants Programme	Global	https://iki-small-grants.de/
Interamerican Foundation	Regional (Latin America and the Caribbean)	https://www.iaf.gov/es/solicite-fondos/#elegibilidad

International Development Finance Club (IDFC)	Global	https://www.idfc.org/
International Tree Foundation (Community Tree Planting Programme)	Global	https://www.internationaltreefoundation.org/
International Union for Conservation of Nature and Natural Resources (IUCN)	Global	https://www.iucn.org/our-work/supporting-conservation-action
Land Accelerator	Global	https://www.wri.org/initiatives/land-accelerator
Land Degradation Neutrality (LDN) Fund	Global	https://www.unccd.int/land-and-life/land-degradation-neutrality/impact-investment-fund-land-degradation-neutrality
Landscape Finance Lab	Global	https://www.landscapefinancelab.org/
Landscape Resilience Funds (LRF)	Global	https://landscaperesiliencefund.org/
Legacy Landscapes Fund	Global	https://legacylandscapes.org/
Livelihoods Funds (including Livelihoods Venture)	Global	https://livelihoods.eu/
Margaret A. Cargill Foundation	Global	https://www.macphilanthropies.org/about/ourapproach/
Mirova	Global	https://www.mirova.com/en
National Economic Empowerment Fund Limited (NEEF)	National (Malawi, Africa)	http://www.neef.mw/
National Environment Trust Fund (NETFUND)	National (Kenya, Africa)	https://www.netfund.go.ke/
National Forest Financing Fund (FONAFIFO)	National (Costa Rica, Central America)	https://www.fonafifo.go.cr/en/
National Fund for Environment – FONERWA Rwanda	National (Rwanda, Africa)	http://fonerwa.org/who-we-are
Nature+ Accelerator Fund	Global	https://www.iucn.org/theme/nature-based-solutions/initiatives/nbs-finance-mechanisms-and-funds/nature-accelerator-fund
One Tree Planted	Global	https://onetreepanted.org/collections/africa/products/afr100
People's Postcode Lottery Trusts	Global	https://www.postcodelottery.info/charities/trusts/
Permian Global	Global	https://permianglobal.com/
Plant-for-the-Planet	Global	https://www.plant-for-the-planet.org/
Protected Areas Conservation Trust (PACT)	National (Belize, Central America)	https://www.pactbelize.org/
Rob and Melani Walton Foundation (in partnership with Conservation International)	Global	https://rmwaltonfoundation.org/partner-with-us/

Small-Scale Initiatives Program (PPI)	Regional (Africa)	https://www.programmeppi.org/en/
Terra Bella Fund	Global	https://www.terraglobalcapital.com/terra-bella-colombia-fund-0
Terra Match	Global	https://www.wri.org/initiatives/terramatch ; https://www.terramatch.org/
Terraformation	Global	https://www.terraformation.com/
TerrAfrica	Regional (Africa)	https://www.nepad.org/programme/terrafrica
TerraFund for AFR100	Regional (Africa)	https://www.africa.terramatch.org/
Terrasos	National (Colombia)	https://en.terrasos.co/
Trees for All	Global	https://treesforall.nl/en/
Utviklingsfondet - The Development Fund	Global	https://www.utviklingsfondet.no/
Veolia Foundation	Global	https://www.fondation.veolia.com/en/nos-domaines-dinterventions/our-mission-act-planet
WWF Education for Nature (EfN) Restoration Grants	Global	https://www.worldwildlife.org/projects/reforestation-grants

7.3. Information on the Green Development Fund (FDV, acronym in Spanish)

Table 17 Green Development Fund (FDV)

Green Development Fund (FDV)		
Target group	Intermediary national environmental funds	
Geographic scope	<ul style="list-style-type: none"> • Central America and the Caribbean (SICA region) • Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Dominican Republic 	
Thematic areas	<ul style="list-style-type: none"> • Ecosystem restoration activities at the landscape level (within the financial mechanism component) 	
General Information	Regional program to enhance the adaptive capacity to the effects of climate change in the SICA region and to contribute to a sustainable and resilient development using an ecosystem and landscape restoration approach. One of the components focuses on “financial mechanisms” and provides resources for restoration projects and aims at enhancing public-private partnerships. The financial resources are channeled through national financial institutions within the countries.	
Type of funding	Public	
Funded by	European Union and the BMUV through the IKI Implemented by GIZ and the Central American Commission on Environment and Development (CCAD, acronym in Spanish) within the project FDV/REDD+ Landscape	
Scope of funding	The program under which this fund was developed is closing in 2023. No more funding will be available under the program.	
Instrument	Grants	
Requirements & eligibility criteria	The program under which this fund was developed is closing in 2023. No more funding will be available under the program.	
Additional criteria affecting the likelihood of receiving funding	The program under which this fund was developed is closing in 2023. No more funding will be available under the program.	
Relevance of fund	 Intermediary organization	 Local organization

Link and source

<https://fondodesarrolloverde.org/en/>

7.4. Summary of Q&A sessions of the “Restoration Academy” related to funding options

7.4.1. Central America

- **Date:** 20.10.2022 at 17.00 CEST
- **Topic of session:** Obtaining funding (I)
- **Participating organizations:**
(In alphabetical order)
 - Belize Forest Department
 - Central American Commission on Environment and Development (CCAD)
 - Fundación para el Desarrollo Socioeconómico y Restauración Ambiental (FUNDESYRAM), El Salvador
 - Fundación para la Conservación de los Recursos Naturales y Ambiente en Guatemala (FCG)
 - Pro Eco Azuero, Panama
 - Sistema Nacional de áreas de Conservación (SINAC), Costa Rica
 - Women's Association of Barra de Santiago (AMBAS), El Salvador
- **Organizer/ Convener:**
 - GIZ DEER and FDV/REDD+ Landscape projects
- **Speaker:**
 - Unique land use GmbH

Summary of the session

The session started with welcoming remarks by the **GIZ DEER** team introducing the participants to the 5th session of the Restoration Academy with the topic “Obtaining funding (I)”. The welcoming remarks were followed by a presentation by unique land use on “Ecosystem restoration funding options for non-profit organizations”, for which the participants were invited to answer a series of “ice-breaking questions” (see below) to gain an understanding of their previous experiences of accessing funding and writing funding proposals. The presentation continued with the importance of ecosystem restoration for international global objectives, the role of local level organizations to tackle ongoing climate and biodiversity challenges, the prevailing financing gap for ecosystem restoration activities, the general funding landscape, as well as the different types of instruments that are available for non-profit organizations. The presentation moved ahead with an explanation of the funding channels through which local level organizations can receive funding. After asking the participants about the type of funding they are currently using (public/international/through intermediary funder/other; see below), the presentation gave a quick overview on the results of this report and on three examples of funding sources (GEF small grants, Global EbA Fund, Trees for All). The presentation ended with three discussion questions that opened a Q&A session where participants shared their experiences in terms of accessing funding from different sources (results see below).

Documentation of participant inputs:

- **Ice breaker questions:**

1. Q: Has your organization developed funding proposals in the last 2 years for the implementation of ecosystem restoration projects?
 - a. Yes (3)
 - b. No
 - c. Don't know
2. Q: Was your organization successful in applying for such funding?
 - a. Yes (2)
 - b. No
 - c. Don't know (1)
3. Q: Does your organization plan to apply for funding to implement ecosystem restoration projects?
 - a. Yes (3)
 - b. No
 - c. Don't know (1)
4. What are the financial needs of your organization? (For which part of a/your project does your organization require funding?)
 - a. Administration and management systems of the organization (1)
 - b. Implementation of activities (3)
 - c. Human resources (1)
 - d. Other

- **Type of funding of participants:**

1. Which funding window has my organization used so far?
 - a. Public funding
 - b. International funding (2)
 - c. Funding from an intermediary funder (1)
 - d. Other (2)

- **Guiding questions followed by open discussion:**

- What other sources or providers of funding are you considering to fund/finance your ecosystem and landscape restoration projects and activities?
- What are some of the challenges your organization has faced when trying to obtain grant or other concessional funding?
- What kind of support would your organization need as part of its resource mobilization strategy for the implementation of restoration projects?

➔ **Input 1 (SINAC, Costa Rica):**

- SINAC highlighted the role of environmental compensation as an additional source of finance that can be used for environmental restoration.

- SINAC has used the national environmental compensation mechanism of Costa Rica to fund some of their FLR projects.
- The mechanism works as follows: when infrastructure projects deemed of national interest require logging of trees or other environmental damage, environmental compensations are paid out to finance SINAC projects. Infrastructure interventions include, for example, construction of electricity transmission line or the construction of roads.

➔ **Input 2** (FUNDESYRAM, El Salvador):

- FUNDESYRAM is implementing projects in the coffee sector in El Salvador and has used a variety of funding sources to secure the long-term sustainability of their projects. Funders include, for example, FIAES and GIZ.
- Their experience shows:
 - Pilot projects need follow-up investments. It takes a long-time for restoration projects to deliver the desired results. FUNDESYRAM has a long-term strategy around which it tries to secure funding.
 - FLR projects require the diversification of funding due to the long-time frame of projects. Sometimes it can be challenging to secure co-financing for the projects.
 - Relevant (funding and political) stakeholders need to be motivated and convinced by the importance of the projects (agenda setting).
 - Choice of indicators for projects are important to show the project impacts to funders and stakeholders. For example, the proven impact of coffee projects on water infiltration and water reserves has led to a national water law in El Salvador that is now funding further projects.
 - A holistic value chain approach helps to mobilize and motivate investments (especially business-oriented investments and investments by coffee producers).
 - For further diversification they are also seeking to mobilize private investments for their projects.

7.4.2. Africa

- **Date:** 31.01.2023 at 13.00 CET
- **Topic of session:** Find your funding (I)
- **Participating organizations:**
(In alphabetical order)
 - AFarmers Media, Kenya
 - Center for Applied Systems Analysis / GLFx Lilongwe, Malawi
 - Center for Inclusive & Sustainable Development (CISD), Rwanda
 - Department of Environment, Kajiado County, Kenya
 - Forestry Office, Ntcheu District, Malawi
 - Future4ALL, Malawi

- Kenya Forest Service
 - Kenya Forestry Research Institute (KEFRI)
 - Konso Development Association (KDA), Ethiopia
 - Kwale County Natural Resources Network (KCNRN), Kenya
 - Ministry of Environment, Rwanda
 - National Alliance of Community Forest Associations (NACOFA), Kenya
 - South Coast Family Forest Owners Association (SCOFOA), Kenya
 - The Initiative for Climate Action and Development (ICAD), Malawi
 - Vita Impact, Ethiopia
 - World Resources Institute (WRI), USA
 - Youth Action for Environmental Management (YAEM), Malawi
- **Organizer/ Convener:**
 - GIZ DEER and AREECA projects
 - **Speakers:**
 - Parides Ecological and Training Consultancy
 - WRI
 - Unique land use GmbH

Summary of the session

The session started with welcoming remarks by the **GIZ AREECA** and the **GIZ DEER** team introducing the participants to the 6th session of the Restoration Academy with the topic “Find your funding (I)”. The welcoming remarks were followed by a presentation by Parides Ecological and Training Consultancy outlining the content of a series of capacity development sessions to be offered to Restoration Academy participants on project development and resource mobilization. This was followed by a presentation from unique land use on “ecosystem restoration funding options for non-profit organizations”. The presentation highlighted the prevailing financing gap for ecosystem restoration activities, the general funding landscape, as well as the different types of instruments that are available for non-profit organizations. The presentation moved ahead with an explanation of the funding channels through which local level organizations can access funding. Next, the presentation gave a quick overview on the results of this report and of four examples of funding sources (GEF small grants, Global EbA Fund, Small-Scale Initiatives Program, Trees for All). The presentation ended with a Q&A session and two discussion questions that encouraged participants to share their experiences in terms of accessing funding from different sources and what type of support they would need for mobilizing resources for restoration (see results below). After a presentation by the World Resources Institute on **Terrafund**, a program of the **AFR100 initiative**, focusing on the lessons learnt from the first phase of **Terrafund** investments, the session ended with interactive group discussions following a World Cafe methodology.

Documentation of participant inputs throughout the session:

- **How much experience do you have in developing funding proposals?**
 - I took the lead in developing a funding proposal (1)
 - I contributed to a project proposal (2)

- I was involved a little bit (1)
- I do not have much experience in proposal development yet (5)

- **Q&A after Presentation:**

- Q: “Proposal development in time consuming and require experts. Are there readiness funds available to assist CBOs to get consultants to develop the proposal”
 - A: It is a gap. Some matchmaking organizations try to connect funders and projects on the ground; and some of these also provide project development support through mentors or grants for project development
 - Example: **Restoration factory**; incubator for eco-entrepreneurs
 - International and multilateral funding mechanisms tend to have their own project development facilities; however, an application to these facilities already requires a relatively detailed proposal
- Q: How extensively are organizations/ institutions accessing funds through payment for ecosystem services?
 - A: Limited experience in Africa but there are some examples in Central America, for instance in Costa Rica where farmer organizations can develop sustainable agriculture projects and be eligible for a program of recognition of environmental benefits by the Ministry of Agriculture.
- A further comment was shared through the chat referred to the need to build a business case for restoration for the private sector, an issue that was not addressed in the report.

- **Chatburst:**

What other sources or providers of funding are you considering in your fundraising strategies to fund/finance your ecosystem restoration activities?

- Already existing NGOs within our reach
- EU Commission
- Private sector but first needs extensive selling of the idea just to borrow a leaf from today's session. But we are currently engaging them.
- GCF (2x)
- Consortiums
- Plant for the planet small grant
- GEF (3x)
- Global EbA Fund
- GIZ (4x)
- Technical Advisors placements in organization
- German Federal Ministry for Economic Cooperation and Development (BMZ) (via GIZ)

- **Open conversation**

What kind of support would your organization need as part of its resource mobilization strategy for restoration projects?

- Support for the development of a resource mobilization strategy
- Support and capacity building for project proposal development

- **World Café discussions**

Please share with the group which **sources** you are currently funded by, what kind of **challenges** you are experiencing regarding the application for funding and what you do to **overcome** them.

1) Funding sources

- Governmental funding
- GIZ through grant agreements
- Environmental Trust Funds
- World Bank
- GEF / FAO
- IKI
- WWF
- Private foundation in Switzerland
- EU
- CARE

2) Challenges that are currently experienced

- Governmental funding varies over time and remains insufficient
- Funds accessed are often too small relative to the restoration needs
- Delays due to administrative processes are challenging especially in “integrated” projects with several partners as the timing of the different partners varies
- Lack of medium-sized grants and faster payout mechanisms
- Increasing requirements of funders
- There is too much focus on reporting (instead of funding being fully focused on activity implementation)
- Accessibility of funds: funds are now going directly to governments instead of community organizations
- Covid-19 decreased funding availability due to the fact that funding was shifted to other sectors (e.g., health sector)
- Proposal writing is experienced as “fulfilling the needs of the donor” instead of the needs of the organization applying

- 3) Potential solutions to overcome challenges
- Increase cooperation with community-based organizations or INGOs
 - New tree planting programs in which people receive payment for implementing climate-smart activities
 - Working with networks or forming consortiums of organizations when developing proposals
 - Increased capacity building to meet the requirements of funding providers and organizations
 - Increased cooperation with academic institutions
 - Using information and communications technologies (ICT) and new data collection methods for land use projects

7.5. Example of funding flows in selected AREECA countries

The figure below shows different pathways through which funds can reach local restoration implementers.

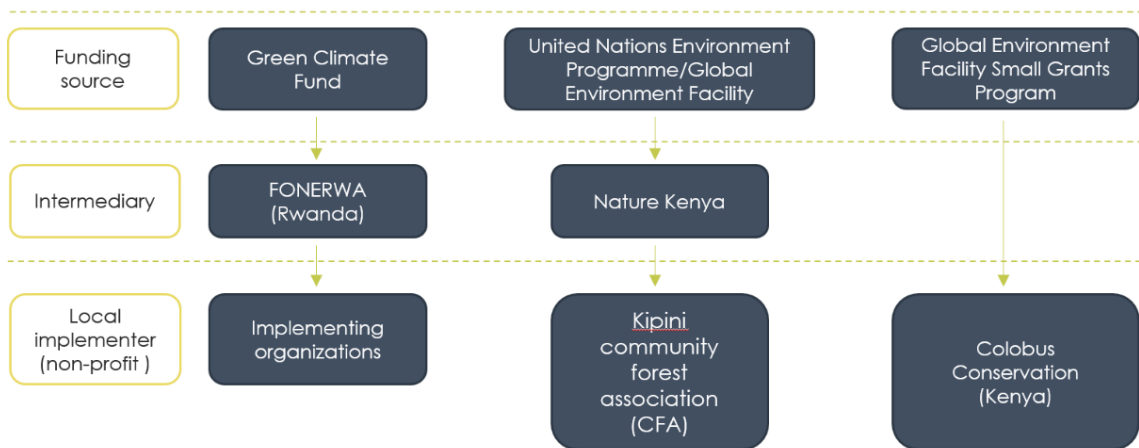


Figure 5 Indicative examples of funding flows in Africa (AREECA countries)

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