## Ministry of Foreign Affairs – (Department for Green Diplomacy and Climate)

## Meeting in the Council for Development Policy on 13 October 2022

Agenda Item No. 6

1. Overall purpose: For discussion and recommendation to the Minister

2. Title: The Multi-Partner Trust Fund for the UN Decade on

Ecosystem Restoration (MPTF) 2022-2025

3. Presentation for Programme

Committee:

8 June 2022

4. Previous Danish support presented to UPR:

No, this is the first presentation to UPR

## Multi-Partner Trust Fund of the UN Decade on Ecosystem Restoration

- Global, regional & national movement for ecosystem restoration
- Increased demand and capability in private sector, public sector and civil society for policy reform, to catalyse investments and to access resources – resulting in restoration action on the ground.
- Restored ecosystems, sustainable ecosystem management and improved livelihoods in target locations, with a view towards catalysing further upscaling
- Results documented and shared, influencing ecosystem restoration activities.

#### Justification for support:

- Widespread ecosystem degradation is a major threat to the Agenda 2030 objectives of ending poverty, conserving biodiversity, combatting climate change, and improving livelihoods.
- The 17 Sustainable Development Goals are unlikely to be met by 2030, unless ecosystem degradation is stopped and reversed.
- An estimated half of the global GDP is dependent on nature.
- Countries have pledged to restore one billion hectares, but it is unclear where that restoration is taking place and in which manner.
- There is a widespread failure of markets and institutions to integrate the value of ecosystems into decision-making.
- Important gaps still exist in finance mobilisation, monitoring and decision-support tools, integration of indigenous and traditional knowledge, and development of policies that support restoration.
- There is currently insufficient political support, technical capacity, and finance available in both the public and private sectors to embark on ecosystem restoration at the required scale.

#### Major risks and challenges:

- Change of government priorities or key management positions in Flagship countries lead to reduced restoration ambitions
- Conflict or unrest in Flagship countries.
- Civil society in Flagship countries inadequately organised to engage in ecosystem restoration-related policy, strategy and implementation processes.
- Private sector in Flagship countries is unwilling to engage and invest in ecosystem restoration.
- Risk mitigation: A risk management strategy with mitigation measures will be developed. Flagship Initiatives must have genderresponsive environmental and social risk management compliant with international standards and will be conditional on strong safeguards policies and decision-making processes.

File No.	2020-31	2020-31821				
Country	Global	Global				
Responsible Unit	GDK					
Sector	Environ	ment and	l climate c	change		
Partner	UN MP	TF Office	e, UNEP,	FAO		
DKK million	2022	2023	2024	2025	Total	
Commitment	70				70	
Projected	30	30	10	-	70	
Duration	4 years					
Previous grants	N/A					
Finance Act code	06.34.01	.75				
Head of unit	Karin Poulsen					
Desk officer	Johanne Brønden					
Reviewed by CFO	YES: Rasmus Tvorup Ewald					
Relevant SDGs						

#### Relevant SDGs

1 Mun  *********  No Poverty	No Hunger	Good Health, Wellbeing	4 that the little of the littl	6 Events  Gender Equality	6 sustains  Clean Water, Sanitation
Affordable Clean Energy	Decent Jobs, Econ. Growth	Industry, Innovation, Infrastructur	Reduced Inequalities	Sustainable Cities, Communities	Responsible Consumption & Production
13 Princi to Climate Action	Life below Water	Life on Land	Peace & Justice, strong Inst.	Partnerships for Goals	

#### **Objectives:**

Reverse current negative trends in degradation and enable restoration and conservation globally.

Environment and climate targeting - Principal objective (100%); Significant objective (50%)

	Climate adaptation	Climate mitigation	Biodiversity	Other green/environment
Indicate 0, 50% or 100%	50%	50%	100%	100%
Total green budget (DKK)	10m	5m	30m	25m

#### Justification for choice of partner:

The United Nations play a key global role vis-à-vis promoting the achievement of the SDGs and the commitments made under the multilateral environmental agreements related to ecosystems, biodiversity and climate change. Within the UN system, UNEP and FAO are the designated lead agencies for ecosystem restoration, UNEP for ecosystem conservation and FAO for promoting sustainable nature-based economic activities. The UN Multi-Partner Trust Fund Office (hosted by UNDP) is a UN centre of expertise on multi-donor and multi-agency finance

#### Summary:

The Danish support for the UN Decade MPTF will focus on supporting and promoting national or regional Flagship Initiatives in countries eligible for development aid. Flagship Initiatives are the first, best, or most promising example of ecosystem restoration, adding value and inspiring others to undertake or accelerate restoration at significant scale. The Flagship Initiatives will be promoted globally, regionally and nationally to unlock broad civil society, private and public sector support. The support will be catalytic, e.g. targeted support to unblock bottlenecks, improve policy and legislative frameworks, address governance issues, enable civil society and at community level, youth initiatives innovative activities, strengthen local restoration movements, and targeted on-the-ground restoration measures.

Budget (engagement as defined in **Note:** Taking DKK-USD exchange rate fluctuations into account, and to secure a permanent Danish seat at the FMD. hoard, minor additional funding may be committed to meet the USD 10m threshold.

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	Engagement 1 – the development project		DKK 69.5m
	Engagement 2 – mid-term review		DKK 0.5m
	Engagement 3 – un-allocated funds		-
	Total		DKK 70m

Ministry of Foreign Affairs of Denmark

# Danish Support for the Multi-Partner Trust Fund of the UN Decade on Ecosystem Restoration 2022-2025

**Project Document** 

Final 25 September 2022

Ref: 2020-31821

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## List of acronyms

CBD United Nations Convention on Biological Diversity

DAC Development Assistance Committee
ERP Enterprise Resource Planning System

FAO Food and Agriculture Organization of the United Nations

FPIC Free, Prior and Informed Consent

FPMIS Field Programme Management Information System

FRR Final Results Report

GDK Green Diplomacy and Climate Unit of MFA

GEF Global Environment Facility

GHG Greenhouse Gas

GRMS Global Resource Management System

IPSAS International Public Sector Accounting Standards
IUCN International Union for Conservation of Nature

LDC Least Developed Country

MEA Multilateral Environmental Agreement
MFA Ministry of Foreign Affairs of Denmark

MoU Memorandum of Understanding

MPTF Multi-partner Trust Fund

ODA Official Development Assistance

OECD Organisation for Economic Co-operation and Development

PAP Process Action Plan

SAA Standard Administrative Arrangement

SDG Sustainable Development Goal

SEAH Sexual Exploitation, Abuse and Harassment

ToC Theory of Change UN United Nations

UN Decade UN Decade on Ecosystem Restoration

UN-REDD United Nations Collaborative Programme on Reducing Emissions from

Deforestation and Forest Degradation in Developing Countries

UNCCD United Nations Convention to Combat Desertification

UNDP United Nations Development Programme
UNEP United Nations Environment Programme

UNFCCC United Nations Framework Convention on Climate Change

WWF World Wide Fund for Nature

#### 2 Introduction

The present document outlines the background, rationale and justification, objectives and management arrangements for development cooperation concerning the Danish Support to the Multi-Partner Trust Fund of the UN Decade on Ecosystem Restoration 2023-2025 (UN Decade MPTF), as agreed between the parties: the United Nations Multi-Partner Trust Fund Office (UN MPTF Office) hosted by the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the Food and Agriculture Organization of the United Nations (FAO), and the Green Diplomacy and Climate (GDK) unit of the Ministry of Foreign Affairs of Denmark (MFA). The project document is an annex to the legal bilateral agreement with the implementing partners and constitutes an integral part hereof together with the documentation specified below.

"The Documentation" refers to the partner documentation for the supported intervention, which are the "Programme Document – Leading the UN Decade on Ecosystem Restoration 2021-2030: A Multi-Partner Trust Fund", and the "MPTF Terms of Reference October 2020".

## 3 Context, strategic considerations, rationale and justification

#### 3.1 Context

An alarming global trend of widespread ecosystem degradation poses an increasing threat to the 2030 Agenda for Sustainable Development's key objectives of ending poverty, conserving biodiversity, combatting climate change, and improving livelihoods for everyone. These objectives, encapsulated in the 17 Sustainable Development Goals (SDGs) are unlikely to be met by 2030, unless ecosystem degradation is stopped. The importance of ecosystem restoration is illustrated by multiple ecosystem benefits, including securing adequate supplies of potable water, contributing to food and nutrition security, sequestering and storing large quantities of carbon and contributing to climate change mitigation, providing habitats and conserving biodiversity, and providing livelihood opportunities by boosting local economies and resilience.

It is estimated that half of the world's GDP is dependent on nature (WEF 2020). However, ecosystem degradation across the world is negatively impacting the well-being of at least 3.2 billion people, costing more than ten pct. of the annual global gross product in loss of biodiversity and ecosystem services. There is an unprecedented rate of decline in ecosystems' health and biodiversity (IPBES 2018). Land use change for agriculture, mining and infrastructure development has led to the complete loss of about ten pct. of global forest cover and the degradation of a further 20 pct. since 1990 (World Resources <u>Institute 2020</u>); and degradation currently affects about 12 million hectares of land annually, leading to large quantities of greenhouse gas emissions (3.6-4.4 Gt CO2) (IPBES 2018), soil erosion, reduced availability of water and adverse effects on local livelihoods. In the case of wetlands, more than 70 pct. of their original extent has been lost over the last century. In many regions, loss of soil fertility, loss of wetlands and desertification are the new reality of the landscape An estimated 40 per cent of the world's oceans have been heavily impacted by pollution, overexploitation of fish stocks (with a third of ocean's commercial fish stocks now overfished), and loss of coastal habitats (Halpern 2008). Such degradation of ecosystems limits livelihood prospects, increases emissions of atmospheric greenhouse gases and limits the supply of ecosystem goods and services that build climate resilience for societies globally. Ding et al. (2018) estimate a loss of USD 6.3 trillion annually.

The root causes of degradation are linked to inequality and the political economy, such as unequal land distribution, insecure land tenure rights, and vested economic and political interests in unsustainable productive systems and extraction of natural resources. While many examples exist of ecosystem restoration on the ground across the world, these are still limited in scale and often not mainstreamed into national policy frameworks. Moreover, a significant gap remains between the required amount of funding for restoring ecosystems and the amount of public funding available, and private sector

investments in ecosystem restoration are still limited. There is currently insufficient political support and technical capacity available in the public and private sectors to embark on ecosystem restoration at the required scale. Important gaps also exist vis-à-vis development of monitoring systems and decision-support tools, integration and documentation of traditional knowledge, coordination of efforts for knowledge dissemination, and development of policies that support restoration.

Women, girls, people living in poverty, rural communities, sexual and gender minorities, and indigenous peoples are among the populations disproportionately struggling and coping with the impacts of ecosystem degradation (CARE-WWF 2021). Poverty is partly a consequence of land degradation and can, in certain circumstances, exacerbate damage to ecosystems. Gender inequality plays a significant role in land degradation-related poverty, since land degradation impacts men and women differently, mainly due to unequal access to land, water, credit, extension services and technology (UNCCD 2011). In developing countries, agriculture is the most important source of income for women (ILO 2016), who bear the brunt of degraded soils, unpredictable rainfall and displacement. Women are responsible 60-80 pct. of food production in developing countries. Although women are often stewards of the environment, for instance lack of secure land rights can increase the likelihood of degradation (Mor 2018), which can in turn expose women and girls to a greater risk of gender-based violence (e.g. when they are forced to travel longer distances to collect fuelwood; Castañeda Camey 2020). Degradation also disproportionately affects indigenous and local communities that depend directly on natural resources for their livelihoods (UNEP 2019b). Indigenous people are stewards of 80 percent of the world's biodiversity. Furthermore, environmental degradation poses risks to the realization of the rights to territorial integrity, cultural self-determination – and the health, safety, and livelihoods – of indigenous peoples (CARE-WWF 2021).

#### 3.2 Rationale and justification

The cost of inaction and continued ecosystem degradation is far greater than the cost of restoration. Investing in ecosystem restoration has proven to generate benefits that are on average ten times the costs of the initial investment, whereas the cost of inaction is at least three times the cost of active ecosystem restoration. Ding et al. (2018) estimate that every dollar invested in forest restoration creates an estimated USD 7–30 in economic benefits. Indeed, based on analyses of existing ecosystem restoration initiatives across a wide range of ecosystems, benefit to cost ratios of between 3 and 75 can be expected, depending on the ecosystem and local socio-economic context (TEEB 2009). Investments in large-scale ecosystem restoration can consequently be a major economic stimulus for national economies. Moreover, it is estimated that nature-based solutions can provide approximately 1/3 of the cost-effective climate change mitigation needed by 2030. Investments in ecosystem restoration could thus provide a fast-track pathway for countries' transformation to low-carbon societies, and provide some time for transformation of major sectors such as transport, housing, industry and food and energy production. However, there is a widespread failure of markets and institutions to integrate the value of ecosystems into decision-making.

To achieve substantial global impacts on water security, carbon sequestration, food security and economic growth of livelihoods, more than USD one trillion of public and private funds need to be dedicated to restoration over the next decade. To date, such funding has not been made available, while unsustainable subsidies for fossil fuels, agriculture, and fishing prevail, totalling trillions of dollars annually. The restoration agenda can help deliver on improved livelihoods, food and water security, international trade, poverty alleviation and human rights in parallel (CPF 2021). However, sustainable restoration requires holistic approaches, engaged and empowered stakeholders, real-world best practice examples to follow, and a strong scientific evidence base to monitor and guide restorative practices.

Established by the United Nations General Assembly resolution <a href="https://undocs.org/en/A/RES/73/284">https://undocs.org/en/A/RES/73/284</a> (1 March 2019), the UN Decade on Ecosystem Restoration

2021-2030 (the UN Decade) is a global rallying call to 'prevent, halt and reverse the degradation of ecosystems worldwide and raise awareness of the importance of successful ecosystem restoration'. The UN Decade addresses the twin challenges of climate change and biodiversity loss, in support of the 2030 Agenda for Sustainable Development and the Paris agreement and designed to inspire a global movement encompassing United Nations Member State governments, private sector and civil society, for preventing, halting and reversing the degradation of ecosystems worldwide.

The Multi-Partner Trust Fund of the UN Decade on Ecosystem Restoration (UN Decade MPTF) was established in 2021 as a financial vehicle to contribute to, and catalyse, the delivery of the mandate of the UN Decade. It focuses on enabling activities and directing support to countries eligible for official development assistance according to the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC).

OECD/DAC has defined six quality criteria, which serve as the reference framework for evaluating international cooperation interventions. They are also a useful framework for the justification of the project, as reflected in the table below.

Table 1: Project justification by OECD DAC criteria

Criterion	Justification
Relevance	The project in particular addressed SDG 15 (Life on Land) but also SDG 14 (Life Below Water) by restoring both terrestrial and freshwater/marine ecosystems. Thereby it also contributes to the delivery of the commitments under CBD and UNCCD, to which Denmark is a signatory. It also contributes to SDG 1 (No Poverty) SDG 2 (Zero Hunger) and SDG 13 (climate action) by improving ecosystem productivity, resilience, and carbon
	sequestration, there also contributing to the commitments under UNFCCC, which Denmark is also a signatory of.
Internal and external coherence	The UN Decade is fully integrated in the l UN system and brings together many of the key global actors on ecosystem restoration within and outside the UN several of which Denmark is also supporting. It is thus anticipated to contribute to enhanced coordination
Effectiveness	and synergy.  The UN Decade provides a clear set of ten principles for ecosystem restoration, which cover both the environmental, economic and social dimensions of sustainable and inclusive development. It focuses on the promotion, upscaling and replication of Flagship Initiatives, which are proven examples of good practice in ecosystem restoration.
Efficiency	The UN Decade MPTF draws upon a well-established and thoroughly tested implementation model, with guidelines and procedures fully in place namely UN MPTF's. It draws upon the mandates and comparatives strengths of UNEP (e.g. environmental expertise, advocacy, knowledge management) and FAO (expertise in productive utilisation of ecosystems, in-country delivery), and mobilises the skills and capacities of a broad range of partners, incl. international organisations, governments, science and research bodies, the private sector and civil society. Denmark has considerable experience with supporting UN MPTFs, UNEP, and FAO. By promoting existing Flagship Initiatives, the UN Decade MPTF taps into already existing structures and delivery mechanisms.
Impact	Through a combination of advocacy, testing and refining good ecosystem restoration practices, institutional and policy support, and making knowledge and information available, it aims at catalysing largescale investments in ecosystem restoration and protection well beyond the financial volume of the UN Decade MPTF itself.
Sustainability	The UN Decade MPTF is envisaged to run for 10 years (two 5-year phases), thereby providing continuity, stability and the possibility for medium-long term planning and exit strategies. It also draws upon, and contributes to further elevating, an increasing global and local awareness and appreciation of the economic and social importance of ecosystem services, as well as of the importance of biodiversity.

#### 3.3 Strategic considerations

The UN Decade and the international architecture for ecosystems restoration, conservation, and management: Environment, including ecosystems, is governed at the global level by a framework of global and regional multilateral environmental agreements (MEAs). At the top level are the three Rio Conventions, the United Nations Convention on Biological Diversity (CBD) the United Nations Convention to Combat Desertification (UNCCD), and the United Nations Framework Convention on Climate Change (UNFCCC). Ecosystems are central to CBD and UNCCD, and nature-based solutions are also an important element of the UNFCCC, e.g. vis-à-vis carbon sequestration in vegetation and the important role of ecosystem services in relation to climate and livelihoods resilience. In addition, there are a number of other MEAs related to ecosystem management, in particular those related to biodiversity (e.g. the Convention on Migratory Species, and the Ramsar Convention on Wetlands), but also those related to chemicals and waste (the Basel, Rotterdam, Stockholm Conventions). Most of the MEAs (except the Ramsar Convention) are framed within the UN System.

Within the UN system, UNEP and FAO are the lead agencies for ecosystems. Governed by the UN Environment Assembly, UNEP is the designated UN agency for the environment, including ecosystems and biodiversity, and UNEP hosts several MEA Secretariats, including CBD. FAO is the designated UN agency for the promotion of sustainable ecosystem-based economic activities, including forestry, fisheries, livestock production, and agriculture. The resolution adopted by the UN General Assembly on March 2019 proclaimed the UN Decade and invited UNEP and FAO to lead and coordinate its implementation. Several other UN agencies (including UNDP) are also involved in ecosystem restoration, conservation, and management, or in aspects hereof, and are collaborating agencies for the UN Decade. As such, the UN Decade is firmly placed within the global architecture governing ecosystem restoration, conservation, and management. The UN Decade also has a number of partners outside the UN family, including key actors, such as the Global Environment Facility (GEF), the International Union for Conservation of Nature (IUCN), and the World Wide Fund for Nature (WWF).

Coordination with other initiatives: The UN Decade is expected to provide a platform for coordination among main international actors (especially those that are partners of the UN Decade) in ecosystem restoration, facilitated by the UN Decade Secretariat. The mechanisms in place to ensure coordination and cross-promotion among UN Decade Partners include: a UN Decade action plan developed in consultation with UN Decade partners to rally them around specific themes and calls for action, quarterly partner calls, Advisory Board meetings, five specialized task forces for technical coordination (see Section 7), mailing lists, newsletters and website for external outreach, and direct engagement with partners at the Flagship Initiative level. The project documents for Flagship Initiatives receiving full support will also include analyses of linkages to other initiatives and organisations and mechanisms for coordination.

Both UNEP and FAO implement several other initiatives of direct relevance to the UN Decade. Through a system of regional and thematic focal points across all relevant UNEP and FAO divisions and regional offices, there is a close thematic linkage between these restoration initiatives and the UN Decade. The UN Decade MPTF will build on, and support, existing effort of UNEP's Advocacy and Youth Unit (e.g. to engage the gaming industry, the global Scout movement and a network of universities and other higher-education units).

Scope for Danish influence on the UN Decade: Denmark will have a seat at the Executive Board of the UN Decade MPTF and will thus participate in the provision of strategic guidance to the UN Decade MPTF, approval of work plans, and the selection of Flagship Initiatives. This gives Denmark an opportunity to promote Danish priorities and interests, such as gender and the inclusion/empowerment of women, human rights, sustainable livelihoods, private sector involvement in restoration, and a geographic focus on least developed countries (LDCs) and Sub-Saharan Africa.

Denmark and Germany, the other donor that so far has firmly committed support for the UN Decade MPTF, are like-minded donors and partners vis-à-vis the "green" agenda and tackling the triple planetary crisis of biodiversity loss, climate change, and pollution. The two countries have similar priorities in relation to the UN Decade MPTF, such as emphasis on the importance of on-the-ground interventions and empowerment of local partners and stakeholders in ODA-eligible countries and are liaising and coordinating their engagement in the UN Decade MPTF.

### 3.4 Links to other Danish engagements

Based on the mapping of the Danish engagement in ecosystem restoration (see annex 1) there is generally good potential for synergies and low risk of duplication.

Denmark is directly supporting a number of UN agencies and other international organisations, which are collaborating agencies or global partners to the UN Decade, including support related to ecosystems. This includes core support for UNEP, FAO, UNDP, the GEF (for which both UNEP and FAO are implementing agencies), the World Bank, and IUCN. Moreover, project support is provided for several of the UN Decade collaborating agencies and partners, including the above and WWF. The scope for achieving synergy is further enhanced by the fact that Denmark is a signatory to all major MEAs. The UN Decade MPTF has strong coordination measures in place, which other engagements supported by Denmark will benefit from; this contributes to reducing the risk of duplication. In addition, Denmark will have a seat at the UN Decade MPTF's Executive Board, which approves the strategic direction, and reviews and approves nominated Flagship Initiatives. The MFA can thereby help preventing duplication with other Danish engagements and can also help ensuring potential synergies are banked upon in practice.

In relation to its participation in the UN Decade MPTF Executive Board, the MFA may draw on the nature-based solutions expert group formed under the MFA's Green Partnership Initiative with Danish NGOs, e.g. for technical sparring and advice on concept notes and project documents for Flagship Initiatives. The nature-based solutions expert group comprises representatives from WWF Denmark, Forests of the World (Verdens Skove), and Care Denmark.

### 3.5 Lessons learned from previous support

Denmark has over the years provided voluntary support to several UNEP and FAO initiatives, in addition to Denmark's core funding as a member state of the two agencies. While the UN Decade MPTF itself is a new financing mechanism, the UN has decades of experience with MPTFs for joint multi-donor and interagency collaboration towards achieving shared objectives. As such, the MPTF is a well-established and thoroughly tested mechanism with clear operational procedures, which are in accordance with international standards. Denmark has since 2004 provided support to 39 different MPTFs with a total contribution to date of USD 452 million (DKK 3.1 billion), mainly with a humanitarian-, peace-building- and governance-related focus. Nonetheless, in 2009-2013, Denmark provided USD 9.9 million (DKK 68 million) for the MPTF for the United Nations Collaborative

Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD), an initiative implemented by UNEP, FAO and UNDP with a focus on preventing deforestation and forest degradation as a means to avoid deforestation-related greenhouse gas emissions. While no longer receiving financial support from Denmark, the UN-REDD initiative is still operational, and widely seen as an example of well-functioning UN interagency collaboration. The UN Decade MPTF builds on the experiences of UN-REDD, utilising a similar structure and delivery model, e.g. with a joint fund secretariat hosted by UNEP, fund administration handled by the UN MPTF Office and a flexible division of labour based on a combination of each agency's technical capacity and experience, existing partnerships, and in-country presence.

The UN Decade strategy, which the MPTF will contribute to deliver, is a result of a broad consultation process involving the public as well as key expert entities and also draws on scientific knowledge. The UN Decade overall and the MPTF are specifically established to draw on existing experiences and best practices in ecosystem restoration, enhancing their profile and visibility, and promoting them as viable options for wider upscaling and replication. The Flagship Initiatives that the UN Decade MPTF will support will be already existing ecosystem restoration initiatives, and good results, practices and lessons are a key selection criteria: *Initial success of restoration: part of nominated area already under successful, measurable, and well-documented restoration* (all selection criteria are presented in Annex 10). The UN Decade MPTF will also draw on UNEP's and FAO's technical expertise and experience. Moreover, through the UN Decade thematic task forces, the UN Decade MPTF will draw on the collective experiences and expertise of the wider UN Decade membership, both in terms of on-the-ground implementation and scientific knowledge, for example vis-à-vis the assessment and selection of proposed Flagship Initiatives.

#### 3.6 Project identification and formulation process

Funds for the UN Decade MPTF were earmarked under the Danish development assistance budget in March 2022, based on a dialogue between UNEP, FAO and GDK (the MFA's thematic focal department for environment and climate change). An overall UN project document for the first five years (2021-2025) of the UN Decade MPTF had already been elaborated by UNEP and FAO and approved by the first Executive Board meeting of the UN Decade MPTF. GDK prepared a process action plan (PAP) outlining the process for the formulation of the Danish support (see Annex 8 for an updated version of the PAP) and mobilised a team of external consultants in late March 2022 to assist the formulation process. A brief draft project document was submitted to the Danida Programme Committee on 17 May 2022 and posted at the Danida Transparency site for public consultation on 23 May - 3 June 2022. No comments were received from the public consultation, but written comments were received from different MFA units before the brief project document was discussed at the Programme Committee meeting on 8 June 2022. The Programme Committee generally found the project well described, consistent, relevant, well aligned with Danish priorities, and ODA eligible. Some of the written comments were also discussed and reiterated as points that could be further elaborated in the full project document, such as 1) the status of donor mobilisation and its implications, 2) delivery of on-the-ground restoration activities, 3) the role of implementing partners, 4) linkages to other initiatives (incl. those supported by Denmark), and 5) inclusion and participation of women and vulnerable groups. All recommendations from the Programme Committee have been addressed in the full Project Document.

#### 3.7 Choice of implementing partners and aid modalities

I 2019, the United Nations General Assembly declared the UN Decade on Ecosystem Restoration, designating UNEP and FAO as lead agencies of the UN Decade, which gives UNEP and FAO considerable clout vis-à-vis convening and bringing together the members of the UN Decade, including UN agencies, multilateral development banks, and NGOs, around a shared ecosystem restoration agenda, incl. active engagement in UN Decade thematic tasks forces. Moreover, being the UN's designated lead agencies for ecosystem restoration, UNEP and FAO are uniquely placed vis-à-vis linking on-the-ground ecosystem restoration lessons to the global discourse (see section 2.3), drawing on a) the relationships of trust both agencies generally enjoy with beneficiary governments, b) the technical knowledge of both agencies, c) FAO's wide network of over 130 countries offices and experience with working directly with end beneficiaries at the community level, and d) UNEP's expertise in advocacy, making knowledge and information available and accessible, and environmental and social safeguards.

Hence, while Denmark's contribution is earmarked for on-the-ground Flagship Initiatives, it is banking on the expected global outreach and influence of the UN Decade.

The Danish grant will be channelled through the UN MPTF Office, which acts as Administrative Agent (fund administrator) for the UN Decade MPTF.

The UN Decade MPTF will deliver support through three modalities<sup>1</sup>:

- 1. **Global support** MPTF Secretariat/Core Team<sup>2</sup> (direct costs) and related tasks, global advocacy, communication, dialogue, and monitoring
- 2. Targeted support for Flagship Initiatives maximum of USD 200,000 per initiative. On demand support can be provided to promote Flagships Initiatives globally and convey lessons to a wider audience. It can also be used for targeted, rapid interventions, such as unblocking major bottlenecks affecting a specific Flagship Initiative or overcome specific obstacles for bringing it to scale, e.g. legislative framework or governance issues.
- 3. Full support for Flagship Initiatives maximum of USD 5 million per initiative. The 'full support' option is still a rather small intervention compared to the overall funding needs of most large-scale restoration efforts. Therefore, the support will consist of strategically selected and catalytic interventions, tailored to the specific context of each Flagship Initiative. The support may include a small grant facility accessible to national/local institutions to enable innovative activities in civil society and at the community level, youth initiatives, dialogues, advocacy, public outreach campaigns and other activities that can strengthen a local restoration movement and related activities. A maximum of USD 100,000 can be provided for each small grant allocation.

In the UN Decade strategy, Flagship Initiatives are defined as follows: A restoration Flagship Initiative of the UN Decade should be the first, best, or most promising example of ecosystem restoration, adding value and embodying the 10 restoration principles and inspiring others to undertake or accelerate restoration at significant scale (the restoration principles are presented in Figure 2). The UN Decade MPTF's financial support for Flagship initiatives will be confined to countries eligible to development aid according to OECD/DAC.

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<sup>&</sup>lt;sup>1</sup> The three main support modalities referred to in the MPTF documentation (5-year programme document and Terms of Reference).

<sup>&</sup>lt;sup>2</sup> Direct costs will be charged to the MPTF by UNEP (maximum 3 pct. of the total UN Decade MPTF amount)

Flagship Initiatives can be regional, multi-country and/or national. In addition to those directly receiving funding support, the experience and lessons from a larger selection of Flagship Initiatives will be promoted in the UN Decade MPTF's communication and awareness-raising.

The supported Flagship Initiatives will be selected based on applications submitted either by UN Member States or by UN Decade partners with endorsement by the governments in the concerned countries. Flagship Initiatives are assessed and selected on the basis of the criteria presented in Annex 10 and comply to the greatest extent possible with the UN Decade's ten principles for ecosystem restoration. The concept notes and programme documents for the individual flagships are expected to provide context-specific analyses, incl. on the impact on women and girls – which in turn will inform the specific interventions within each flagship. The UN Decade MPTF executive board will approve every Flagship Initiative receiving full support and a budget envelope for targeted support. Donors contributing above USD ten million, including Denmark, will have seats on the executive board, and thus participate in, and directly influence, the decision-making and selection of Flagship Initiatives receiving full support. This gives Denmark an opportunity to ensure that Danish priority regions are covered. Both Denmark and Germany have a strong interest in Flagship Initiatives with tangible on-the-ground ecosystem restoration as a significant element.

Based on a call for expressions of interest, the UN Decade MPTF received 73 government-endorsed nominations, which have been reviewed and a shortlist of 23 Flagship Initiatives have been submitted for Executive Board approval for subsequent support consideration and concept note development (the selection process is described in Annex 10). Moreover, to enable an early initiation of Flagship Initiatives, three fast-track Flagship Initiatives have been directly proposed by FAO and UNEP for approval by the executive board: 1) Small Island Developing States – SIDS, 2) Central American Dry Corridor, and 3) The Great Green Wall for Ecosystem Restoration and Peace (linked to the *Great Green Wall of the Sahara and the Sahel* initiative). A full project document has been drafted for the Central American Dry Corridor, whereas concept notes have been prepared for the two other fast-track Flagship Initiatives.

Danish support to the UN Decade MPTF, is primarily earmarked for Flagship Initiatives in countries eligible for development aid according to OECD/DAC (modalities 2 and 3). In addition, Denmark will provide support towards the Secretariat costs (direct costs)<sup>3</sup>. Costs under Modality 1 that go towards "global support" will not be funded by Denmark, but entirely be funded by other donors, including a confirmed contribution from Germany<sup>4</sup>.

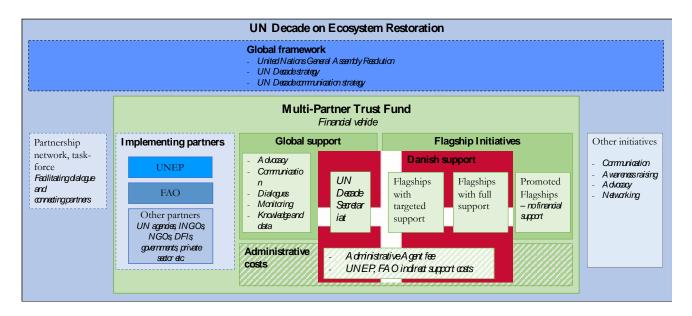
Figure 1 depicts the relationship between the UN Decade, the UN Decade MPTF, and the Danish support.

Figure 1: Relationship between the UN Decade, the UN Decade MPTF, and Danish support

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<sup>&</sup>lt;sup>3</sup> Secretariat costs (direct costs) will be charged to the MPTF by UNEP (maximum 3 pct.)

<sup>&</sup>lt;sup>4</sup> Up to 50 pct. of the total German contribution to the UN Decade MPTF



#### 3.8 Coverage of Danish priorities

The Danish support for the UN Decade MPTF speaks to a number of dimensions in the Danish development cooperation priorities outlined in "the World We Share - Denmark's Strategy for Development Cooperation", by contributing to the fight for climate, nature, and the environment. In particular, it contributes to the Danish objectives of "strengthening action to support climate change adaptation, nature, the environment and resilience in the poorest and most vulnerable countries" and "leaving no one behind", by promoting nature-based solutions and biodiversity conservation, both in terms of preserving natural resources and promoting sustainable use and management of ecosystems, involving civil society and local communities/citizens, including women, youth, and indigenous peoples (e.g. the Central American Dry Corridor Flagship Initiative targets indigenous peoples). The ten UN Decade principles for ecosystem restoration focus on inclusive and holistic restoration approaches and will be at the basis of any direct intervention of the UN Decade MPTF. The linkages between the ten principles and the Danish priorities are presented in Figure 2. In addition to environmental and climate objectives, the restoration agenda also helps delivering improving livelihoods, poverty alleviation, and human rights in an inclusive manner. Since those most dependent on natural resources for their livelihoods are usually the most vulnerable groups, including indigenous peoples and the landless, this contributes to inclusive development and leaving no-one behind. The UN Decade principles include a) the promotion of inclusive and participatory governance, social fairness and equity from the start and throughout the process and outcomes, and b) the incorporation of all types of knowledge and promotes their exchange and integration throughout the process. Inclusion is also reflected in the selection criteria for Flagship Initiatives (see Annex 10). Moreover, the MPTF will be implemented with the core principles of a) ensuring that a gender and equity lens is applied in all work executed, and b) applying a human-rights based approach. All Flagship Initiatives will be required to present evidence of gender-responsive environmental and social risk management (see Section 9), thereby adapting the gender targeting to the context in which the individual Flagship Initiative is located. Furthermore, it is envisaged that the UN Decade will develop a strategy for the inclusion of indigenous peoples, and that the Permanent Forum on Indigenous Issues will join the UN Decade. The UN Decade and the MPTF has the ambition to mobilise a "movement" (governments, private sector, civil society) on restoration

and ecosystem conservation, "holding governments accountable and catalysing political will and restoration initiatives"; this is the focus of the first component of the UN Decade MPTF.

Moreover, the UN Decade MPTF contributes to the Danish objective of "assuming international leadership within reductions, green transition..." by protecting, preserving, and restoring biodiversity, forests, and nature. A contribution is also made to the objective of "creating hope and prospects for the future through green and socially just economic recovery and poverty-oriented development", by supporting the business community's involvement in achieving the SDGs related to environment, climate change, and poverty alleviation. By promoting ecosystem restoration and nature-based solutions, the project will contribute to achieving the internationally agreed targets under a range of multilateral environmental agreements (MEAs) to which Denmark is a signatory, in particular the United Nations Convention on Biological Diversity (CBD), other biodiversity related MEAs, and the United Nations Convention to Combat Desertification (UNCCD), but also the United Nations Framework Convention on Climate Change (UNFCCC). By supporting the implementation of the UN Decade, the project is a tangible manifestation of the Danish commitment to promoting multilateralism and cooperating with the UN.

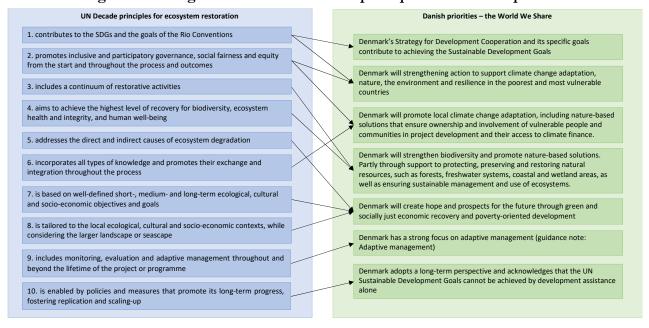


Figure 2: Linkages between UN Decade principles and Danish priorities

Moreover, the support for the UN Decade MPTF contributes to Denmark's ambition to "take leadership in the green transition, contribute to significantly raising global ambitions for the climate, environment and nature, and actively advance the Paris Agreement and sustainable development in line with the SDGs", as expresses in "A Green and Sustainable World – The Danish Government's long-term strategy for global climate action". In particular, the support for the UN Decade MPTF will contribute to a) raising ambitions and accelerating action via internal cooperation achieve synergies across efforts involving agriculture, deforestation, land use, biodiversity, nature-based solutions, and marine environments, and b) efforts to stop the loss of natural areas and promote the use of nature-based solutions.

Targeted on-the-ground interventions as part of the Flagship Initiatives will directly contribute to improving livelihoods, as well as promoting scalable solutions for reversing ecosystem degradation. The communities and individuals depending the most on natural resources and healthy ecosystems are often among the poorest and most vulnerable, including indigenous peoples. Box 1 provides examples of

targeted on-the-ground interventions planned for the first three fast-track Flagship Initiatives. The policy, advocacy and campaigning (national, regional and global) support and expected catalytic effect on restoration of the larger Flagship landscapes will make an indirect contribution for more communities, by improving civil society and private sector participation in ecosystem restoration finance and decision-making, and by raising the Flagship Initiatives' profiles through advocacy efforts, with an aim towards unleash additional support and investments, inspire likeminded initiatives and scale proven solutions. One UN Decade MPTF output is specifically targeting youth engagement, empowerment and education. This is also reflected in the Flagship selection criteria (Annex 10).

UNEP and FAO have strong capacities vis-à-vis environmental and social safeguards. This includes the principles of free prior and informed consent (FPIC). All activities will adhere to UNEP and FAO safeguards and relevant UN policies.

With an explicit focus on ecosystem restoration as a means to conserve biodiversity, sequester carbon and prevent land degradation-related emissions, and enhance the resilience of communities, all four *Rio markers* are significant objectives of the project.

#### Box 1: Examples of targeted on-the-ground interventions

#### The Great Green Wall for Ecosystem Restoration and Peace:

- Small grants and cash for work for restoration activities and livelihood projects supporting restoration (e.g. nurseries, fodder, moringa, acacia gum, fruit trees)
- Small grants and procurement to support the development of restoration friendly enterprises
- Partnerships with emergency programmes to integrate restoration and natural resources management in these programmes while supporting livelihoods of vulnerable population and social cohesion

#### Small Island Developing States – SIDS:

- Small grants for marine and coastal ecosystem restoration/conservation measures through public-private partnerships (tourism, fisheries) in the targeted sites as part of blue economic recovery and growth
- Payment for ecosystem services schemes

#### Central American Dry Corridor:

Small grants for local organizations (cooperatives, producer associations, local NGOs, water user boards, comanagers of protected areas, indigenous peoples) for productive restoration (sustainable management and use of
natural resources) and conservation-focused restoration (e.g. protected areas) initiatives

Technical assistance and capacity building to producers and producer organizations on restoration practices

## 4 Project objective

The development objective (UN Decade MPTF overall objective) of the development cooperation among the parties is to reverse current negative trends in degradation and enable restoration and conservation globally.

The UN Decade MPTF comprises three outcomes. The first outcome is focused on the creation of an empowered public and global movement (encompassing UN Member State governments, the private sector, and civil society) on ecosystem conservation, holding governments accountable, and catalysing political will and restoration initiatives. The Flagship Initiatives will serve as examples of good restoration practices and proof points for the potential gains of restoration. In turn, the global movement and campaign will be leveraged to mobilise additional support for the Flagship Initiatives.

The second outcome concerns the Flagship Initiatives and aims at enhancing the capacities of the public sector, private sectors and civil society actors to engage in, and carry out, policy reform and mobilise investments and identify and implement restoration measures. Moreover, this outcome includes targeted on-the-ground restoration efforts. The third outcome concerns knowledge

management, monitoring and documenting results, and sharing and promoting best ecosystem restoration practices. Outcomes 1 and 3 operate at both the global and Flagship Initiative levels. The Danish grant will support work at Flagship Initiative level under all three outcomes.

UNEP and FAO will work through partnerships, networks, and task forces, including the broader membership of the UN Decade, with the intention of creating ownership across UN Decade stakeholders and programmes; enabling partnerships between individual initiatives for experience sharing; showcasing successful solutions to inspire other restoration leaders to act; making existing knowledge and commitments accessible and transparent to the public; linking implementers and intermediaries of critical initiatives locally and globally; and providing the needed information to governments and civil society to enable action in critical areas.

## 5 Theory of change and key assumptions

Two Theories of Change (ToCs) guide the UN Decade MPTF. As the financing mechanism of the overall UN Decade, the UN Decade MPTF contribute the UN Decade's overall ToC. Furthermore, a specific ToC has been elaborated for the first five-year implementation of the UN Decade MPTF; this ToC corresponds to the UN Decade MPTF Results Framework. Annex 3 contains the diagrams for both ToCs.

**Overall UN Decade ToC:** The UN Decade will address **the problem** that the Sustainable Development Goals (SDGs) in the 2030 Agenda for Sustainable Development will not be achieved without large-scale restoration of degraded ecosystems globally.

The **vision** is that for the health and wellheing of all life on Earth and future generations, the relationship between humans and nature is restored by increasing the area of healthy ecosystems and putting a stop to their loss, fragmentation and degradation.

To contribute to achieving the vision, the UN Decade has three **goals**, namely to: 1) enhanced global, regional, national and local commitments and action to prevent, halt and reverse ecosystem degradation; 2) increased understanding of the multiple benefits of ecosystem restoration; and 3) knowledge of ecosystem restoration is applied in education systems and within all public and private sector decision-making.

To achieve the vision, six **barriers** need to be overcome, namely insufficient: 1) public awareness, 2) political will, 3) legislative and policy environments, 4) technical capacity, 5) financing, and 6) scientific research and knowledge.

The UN Decade will engage in three **pathways** to contribute to overcoming the barriers and achieve the goals and vision:

- 1. Creating a **global movement** through: raising awareness on the benefits of ecosystem restoration: increasing society intent to invest in restoration: showcasing the economic benefits of restoration; embedding restoration in education systems; promoting a values-based imperative for restoration, and financing mechanisms for restoration
- 2. Building **political will** through: assisting societal leaders to champion restoration; facilitating dialogue and collaboration on restoration across sectors; and redirecting subsidies (for fossil fuels, agriculture, forestry, fisheries) to conservation and restoration
- 3. Developing **technical capacity** vis-à-vis: designing, implementing, monitoring and sustaining restoration initiatives; undertaking research; synthesising lessons; integrating indigenous knowledge and traditional practices in restoration initiatives; and applying free, prior, and informed consent in restoration initiatives

**UN Decade MPTF ToC:** The UN Decade MPTF will contribute to achieving four concrete **impacts**, which fall within the overall UN Decade's vision, namely: 1) reduced greenhouse gas emissions from land use and land use change; 2) reduced pressure on threatened species through habitat restoration; 3) improved livelihoods associated with ecosystem restoration; and 4) increased delivery of biodiversity and ecosystem services from restored ecosystems. Encapsulated in the overall UN Decade vision and goal 1, the four impacts will be enabled through to the achievement of the **intermediate state** of a reduced rate of ecosystem degradation and increased scale of ecosystem restoration globally. The UN Decade MPTF will deliver three **outcomes**, which link to the three UND Decade pathways, namely: 1) a **global movement**; 2) increased **restoration capacities** and **capabilities** within Flagship Initiatives; and 3) **results documented and shared**. The change pathway of the UN Decade MPTF ToC is as follows:

- If public, private and civil society stakeholders are supported in mobilisation, restoration best practices are showcased globally, and youth are engaged (outputs 1.1-1.3)
- *then* an empowered public can point out where restoration falls short, hold governments accountable to agreed goals, and identify opportunities for globally concerted restoration (immediate outcome 1)
- *and then* a global movement is established that catalyses restoration initiatives, political will, exchange of knowledge and cross-sectoral collaboration (outcome 1)
- and if (with a Danish financial contribution to Flagship Initiatives) government and institutional policy reform capacities are strengthened, national and regional policy dialogues are held, ecosystem restoration methods and knowledge are developed, training materials are provided, reference data on restoration costs and benefits are available, scalable restoration is piloted within Flagship Initiatives, and public and/or private funding is mobilised (outputs 2.1-2.7)
- *then* private, public sector and civil society can access and share best practices and become more able to adopt restoration measures (immediate outcome 2)
- *and then* there will be increased private, public sector and civil society capacity and capability to reform policy, catalyse investment and access resources, which will result in on-the-ground restoration action within Flagship Initiatives (outcome 2)
- and if (with a Danish financial contribution to Flagship Initiatives) monitoring and reporting frameworks are strengthened and made available, a global community for monitoring is leveraged, annual reports on ecosystem restoration progress are available, case studies and knowledge products are available, and Flagship Initiatives are monitored (outputs 3.1-3.5)
- *then* enabling conditions are created for restoration stakeholders to access consistent and validated data and measure collective action and allocate resources more efficiently (immediate outcome 3)
- *and then* results can be documented and shared and influence ecosystem restoration activities (outcome 3)
- *and then* the rate of ecosystem degradation can be reduced, and the scale of ecosystem restoration increased globally (intermediate state)
- *and then* greenhouse gas emissions from land use and land use change will be reduced, pressure on threatened species will be reduced (through habitat restoration), livelihoods associated with restored ecosystems will be improved, and the delivery of biodiversity and ecosystem services from restore ecosystems will be increased (impacts 1-4)

The main assumptions that will need to hold true for the change to happen: A full list of assumptions underpinning each outcome of the UN Decade MPTF is presented in Annex 3. For the Danish support for the Flagship Initiatives, the main ones are:

- There is fertile ground in many countries and regions for partners and other restoration stakeholders to build on best practices and lessons; thereby scaling up a movement multiple times larger than what could be directly supported by the UN Decade MPTF itself
- A gap exists between positive attitudes on restoration and political pledges on the one hand and conducive policies, investments and empowerment of restoration actors on the other hand
- Better informed citizens, some of whom will become more engaged through personal action, are in turn more likely to hold governments accountable for their restoration commitments and actions
- There will be a gradually increasing recognition of the economic importance of restoration and a growing demand for products and services from restorative systems
- Increased investment in restoration can be mobilized through strengthened enabling conditions, including demonstration of cost-effective best practices, conducive policies and the removal of perverse incentives
- The UN Decade MPTF contributions can improve the enabling conditions for restoration on the ground and enable increased engagement including financial flows by partners and other stakeholders
- Government institutions in developing economies and critical degraded ecosystems are supportive of innovative technical solutions
- A critical number of countries have the political commitment to translate knowledge provided into concrete action for restoration

The main risk factors that may prevent, delay or limit the changes from taking place: The following overall risks to the project have been identified preliminarily (to be further developed by the UN Decade, see Section 9):

#### Contextual risks:

- Conflict or unrest in Flagship Initiative countries
- Change of government priorities in benefitting partner countries lead to reduced ecosystem restoration ambitions and focus
- Private sector in Flagship Initiative countries is unwilling to engage and invest in ecosystem restoration
- Pandemic or epidemic outbreaks in Flagship Initiative countries, regionally or globally
- Natural disasters in Flagship Initiative countries

#### Programmatic risks:

- Potential risk of overlap or duplication with other initiatives implemented by other organisations, especially those outside the UN system
- Donor funding mobilized is insufficient for effective and efficient delivery of UN Decade MPTF outcomes and outputs

#### Institutional risks:

 Change in key management positions in benefitting partner countries lead to reduced ecosystem restoration ambitions and focus

- Staff turnover in Flagship Initiative countries leads to loss of capacities developed and institutional memory
- Civil society in Flagship Initiative countries is inadequately organised to engage in ecosystem restoration-related processes at policy, strategy and implementation levels

## 6 Summary of the results framework

Overall, the UN Decade MPTF is expected to deliver three outcomes:

- Outcome 1: A global movement on ecosystem restoration established that catalyses restoration initiatives, political will, exchange of knowledge, and cross-sectoral collaboration the Danish support will focus on the support to local restoration initiatives through advocacy, coordination and movement building at the national, regional and global levels, within the Flagship Initiatives.
- Outcome 2: Increased capacity and capability in private, public sector and civil society for policy reform, to catalyse investments and to access resources are resulting in restoration actions on the ground and implementation within Flagship Initiatives this outcome will be the main focus of Danish support and includes restored ecosystems, sustainable ecosystem management and improved livelihoods in targeted locations with a view towards catalysing further upscaling.
- Outcome 3: Results documented and shared, through monitoring and reporting of biophysical and socio-economic elements of sustainable ecosystem restoration and influencing activities for ecosystem restoration the Danish support will focus on the monitoring, documenting and communicating results and best practices from the supported Flagship Initiatives.

Table 2: Results framework for the UN Decade MPTF

Project	Multi-Partner Trust Fund of the UN Decade on Ecosystem Restoration					
Project Objective	Reverse current negative trends in degradation and enable conservation and					
	restoration globally					
Outcome 1	A global movement on ecosystem restoration established that catalyzes restoration					
	initiatives, political will, exchange of knowledge, and cross-sectoral collaboration –					
	with a focus on support for and within flagship countries and regions (Flagship					
	Initiative-specific outputs only)					
Outcome indicator 1.1	Number of local stakeholders (from government, private sector, civil society) that					
	have been mobilized into action, with multiplicators tracked on digital platform,					
	individual actions tracked through gamification (see below), and a focus on flagship					
	regions / countries					
Outcome indicator 1.2	Number of people reached through good restoration practices in line with the 10					
	Principles for the UN Decade on Ecosystem Restoration, science and storytelling,					
	with a focus on content related to UN Decade Flagship countries					
Outcome indicator 1.3	Number of young people involved through engagement and capacity building					
	programmes, and number of people reached and impacted by youth initiatives – with					
	focus on flagship regions and countries					
Outcome indicator 1.4	Number of local audiences reached and empowered through national- and regional-					
	level storytelling					
Outcome indicator 1.5	Number of partner organizations and networks, and their reach, that promote the					
	objective of the UN Decade					

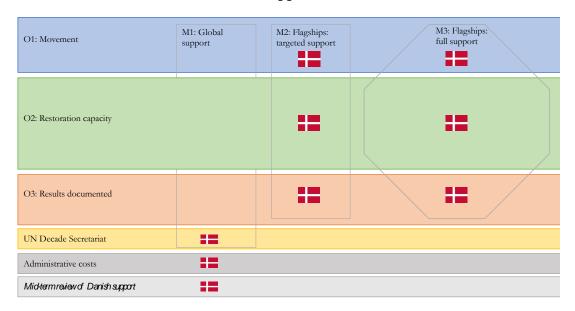
Outcome 2	Increased capacity and capability in private, public sector and civil society for policy reform, to catalyse investments and to access resources are resulting in restoration
Outcome indicator 2.1	actions on the ground and implementation within Flagship Initiatives  Number of partner programmes with on the ground restoration actions being implemented as a consequence of supported Flagship Initiatives
Outcome indicator 2.2	Number of national policy and regulatory reforms and initiatives underway that prevent ecosystem degradation and promote on-site ecosystem restoration within Flagships
Outcome indicator 2.3	Number of cross-governmental and/or cross-sectoral collaborative measures underway benefitting the goals for ecosystem restoration
Outcome indicator 2.4	Volume of funding directly channeled into national and regional ecosystem restoration initiatives
Outcome 3	Results documented and shared, through monitoring and reporting of biophysical and socio-economic elements of sustainable ecosystem restoration and influencing activities for ecosystem restoration (Flagship Initiative-specific outputs only)
Outcome indicator 3.1	Number of stakeholders in government, private sector and civil society measuring their biophysical and socio-economic progress and reporting regularly through the Framework for Ecosystem Restoration (FERM)
Outcome indicator 3.2	Percent annual change in area of local ecosystems measured and reported through the FERM
Outcome indicator 3.3	Volume of annual financial resources to on-the-ground ecosystem restoration reported through the FERM
Outcome indicator 3.4	Number of restoration stakeholders in government, private sector and civil society MPTF produced knowledge products to inform restoration actions and decision making

The full results framework including outcomes, outputs and indicators is presented in Annex 3. Baselines are yet to be established and targets to be specified and will to a large extent depend on the final selection of Flagship Initiatives.

As a guiding principle, interventions are oriented towards supporting and promoting action on the ground. Outcome 2 will exclusively focus on supporting specific Flagship Initiatives with direct involvement and empowerment of local communities in targeted on-the-ground interventions. Outcome 1 will complement this by raising the profile and prominence of successful action within Flagship Initiatives, among others, thus inspiring more support to similar initiatives and practices within the Flagship landscapes and elsewhere. Outcome 1 will raise the global profile of Flagship Initiatives to leverage additional investments, donor and policy support (e.g. through mass media, science-based advocacy campaigns), raise the profile of Flagship Initiatives within countries to increase domestic, enthusiasm, support and accountability (e.g. through national TV, radio, media), and directly connect local implementing organisations and partners to global monitoring, funding, networking and knowledge exchange mechanisms (e.g. those run by UNEP, FAO, and other as UN Decade Partners). Outcome 3 will monitor restoration progress on the ground and provide data and information that justifies investment in upscaled restoration action, assisting countries in applying the global Framework for Ecosystem Restoration (FERM). Thus, the Flagships Initiatives will include elements from all three outcomes. Outcome 3 will support full Flagship Initiatives in institutionalising and operationalising restoration monitoring at the regional and country level, taking into consideration regional and national capacities and contexts. Flagship Initiatives receiving targeted support will under Outcome 3 be provided catalytic technical assistance to ensure access to adequate data for transparent monitoring and

reporting of progress. In addition, Outcomes 1 and 3 also include activities at the global level, but these will not be funded by Denmark (see figure 3 below).

Figure 3: Linkages between UN Decade MPTF components, funding modalities and Danish support



## 7 Inputs/budget

The **Danish support** to the UN Decade MPTF will total DKK 70 million, of which DKK 69.5 million will be transferred to the UN Decade MPTF, covering the period 2022-2025 (see table 3). DKK 500,000 will be retained at the MFA for a Danish mid-term review of the Fund, if possible, conducted jointly with other donors and/or UNEP and FAO. To allow sufficient time for the implementation of activities in each of the selected Flagship Initiatives and to align with the UN Decade MPTF's budgeting cycle, the funds will be disbursed within the first three years of the project, with DKK 30 million disbursed in 2022 and 2023 and DKK 10 million in 2024. In order to ensure that there is sufficient time to generate results on the ground under the Flagship Initiatives it is necessary to frontload the majority of the financing to 2022 and 2023.

89 pct. (DKK 62.1 million) will directly cover activities and outputs under the Flagship Initiatives, through funding Modality 2 and 3. It is not possible to accurately indicate the Danish contribution for either funding Modality, as this will depend on the final selection of Flagship Initiatives receiving targeted support (Modality 2) or full support (Modality 3). Nonetheless, it is anticipated that approximately 25 pct. of the DKK 62.1 million will be allocated to Modality 2 and 75 pct. to Modality 3.

The Danish contribution to Modality 1 will exclusively be for Secretariat direct support costs up to 1,919,659.50, i.e. maximum three pct. of the total Danish transfer to the Fund less Administrative Agent fee and FAO and UNEP indirect support costs, in accordance with standard UN MPTF procedures. The administrative costs (incl. operational support, financial administration and reporting, recruitment, procurement, housing the secretariat) are included as direct costs in the budget under Modality 1.

UN agencies have a standard indirect support cost rate of seven pct. Indirect support costs are defined as costs that support the execution of the delivery of activities but cannot be directly associated to their implementation (e.g. policy, executive direction and management, governance, oversight). The UN MPTF Office (as Administrative Agent) has a standard fee of one pct.

It is not possible to break down the budget per Outcome, as this will ultimately depend on the final design of all funded Flagship Initiatives under Modality 2 and 3, as well as the total amount of funding that UNEP and FAO succeed in mobilising from additional donors. So far, a detailed budget is only available for the fully approved and committed German contribution, and only for August 2022-July 2024. Moreover, the UN Decade budget is structured by Modality, not by Outcome, with the exception of an overall indicative outcome-based budget, which is based on the assumption that USD 50 million are successfully mobilised<sup>5</sup>.

UNEP and FAO are expected to prepare a budget to the level of detail required by Denmark during the inception phase and after final approval of the detailed Flagship Initiative designs.

Taking DKK-USD exchange rate fluctuations into account, in order to secure a permanent Danish seat at the board, additional funding may be committed to meet the USD ten million threshold.

Annex 6 provides the anticipated total UN Decade MPTF budget including German and Danish support, as well as a breakdown of the annual Danish disbursements. The envisaged total budget for the first five years (2021-2025) of the UN Decade MPTF is USD 50 million, and the envisaged ten-year budget for UN Decade MPTF is USD 100 million and it will inter alia encourage the emergence of new private sector investment funds focused on ecosystem restoration. Thus far, Germany supports the UN Decade MPTF with EUR 16 million (USD 16.4 million) for 2021-2025, which, together with the Danish contribution of approximately USD 10 million, corresponds to approximately 53 pct. of the total UN Decade MPTF budget for the period. There is complementarity between the planned Danish support and the German support, since up to 50 pct. of the German funding can be spent on the global activities that Denmark cannot finance.

UNEP and FAO are currently in dialogue with other potentially interested donors, including Finland, which also provided initial support for the inception phase. The above-mentioned percentages for the UN Decade Secretariat, indirect project support costs, and the upper ceiling for UN MPTF Office administration are fixed, irrespective of the amount of donor financing mobilised for the UN Decade MPTF. Denmark will together with Germany engage in mobilising other countries to support the UN Decade MPTF.

Table 3: Danish contribution budget (indicative)

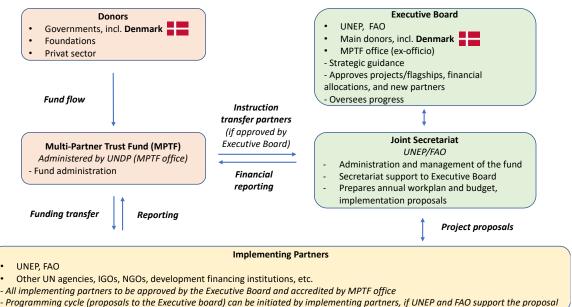
Item	Amount (DKK)
Modality 1: Global support (Secretariat direct costs, max 3 pct. of total grant less	1,919,659.50
Administrative Agent fee and UN Agency indirect support costs)	
Modality 2: Targeted support (25 pct. of support to Flagship Initiatives)	15,517,247.63
Modality 3: Full flagship support (75 pct. of support to Flagship Initiatives)	46,551,742.88
UN agency indirect support costs (7 pct. of total grant less Administrative Agent fee)	4,816,350.00
Administrative Agent fee (1 pct. of total grant)	695,000.00
Total grant disbursed to UN Decade MPTF	69,500,000.00
Mid-term review commissioned by MFA, jointly with other funders if possible	500,000.00
Total	70,000,000.00

<sup>&</sup>lt;sup>5</sup> UN Decade MPTF Project Document

## 8 Institutional and management arrangements

The already established governance arrangements for the UN Decade MPTF are based on standard governance arrangements for pass-through MPTFs and UNSDG best practices, as shown in Figure 2.

Figure 2: UN Decade MPTF management structure



The **Executive Board** is responsible for the overall strategic guidance, including the final selection of Flagship Initiatives for full support, and approval of Flagship Initiative concept notes and project documents, the overall envelope of Flagship Initiatives identified for targeted support, workplans, and budgets. It will meet (at least) twice annually to monitor implementation progress, address major implementation issues, and provide strategic advice. It comprises one representative from each of the two UN organisations (FAO, UNEP), one representative from each donor contributing at least USD ten million, and one donor representative (rotational) for donors contributing smaller amounts, and a representative of the UN MPTF Office (ex-officio). The Executive Board will be chaired by one of the two UN organisations (rotational). Denmark will with a grant of at least USD 10 million have a permanent seat at the Executive Board. Each Flagship Initiative will also have a Steering Committee at the landscape level with similar roles specific to the Flagship Initiative.

#### Box 1: Main functions of the Executive Board

- General oversight and exercising overall accountability of the UN Decade MPTF in accordance with Manual of Operations
- Approve strategic direction of the UN Decade MPTF through a multi-annual investment plan
- Approve risk management strategy and regularly reviewing risk monitoring
- Review and approve proposals/nominations submitted for funding; ensure their conformity with the requirements of the UN Decade MPTF
- Decide the allocation of funds
- Request fund transfers to the Administrative Agent (signed off by a UN member of the Executive Board)
- Review UN Decade MPTF status and oversee the overall progress against the results framework through monitoring, reporting and evaluation

- Review and approve periodic progress reports consolidated by the Administrative Agent and the UN Decade Secretariat based on the progress reports submitted by UNEP and FAO
- Commission mid-term and final independent evaluations
- Approve direct costs related to fund operations supported by the UN Decade Secretariat
- Approve extensions and updates to the Terms of Reference for the UN Decade MPTF, as required
- Approve resource mobilisation strategies
- Convene advisory expertise to provide insight to the Executive Board on ad-hoc basis

The **Joint UN Decade Secretariat** is entrusted with the coordination of the UN Decade MPTF and oversight of all UN Decade MPTF operations. Hosted by UNEP in Nairobi, the Secretariat comprises dedicated staff from the UN Decade core team, with staff from UNEP and FAO, seconded staff (including one staff seconded by Denmark), and short-term advisers. The Secretariat will comprise the following staff: a UN Decade Coordinator, an MPTF Focal Point (secondment funded by Denmark till March 2024), a Partnership Coordinator, a Volunteer Coordinator (UN Volunteer), a Programme Assistant (administrative support), and a Communications Coordinator. The roles and functions of the Secretariat are described in the UN Decade MPTF ToR (see Box 2) and MoU. They will be further detailed in the Manual of Operations, which will be approved by the Executive Board.

#### Box 2: Main roles of the UN Decade Secretariat

- Advise the Executive Board on strategic priorities, programmatic and financial allocations in accordance with the UN Decade MPTF's Manual of Operations
- Provide planning, logistical and operational support to the Executive Board
- Serve as the UN Decade MPTF's central point of contact and liaise with other UN agencies and other
  related initiatives and stakeholders. This includes providing vital information for external partners, as well
  as liaising with existing and potential donors to mobilise necessary financing for the UN Decade MPTF
- As resources become available, provide technical support for programme development and implementation to implementing organisations
- Lead the drafting of the Manual of Operations and risk management strategy in collaboration with UNEP,
   FAO, and the UN MPTF Office
- Organise calls for proposals and convene necessary technical expertise to appraise such proposals/nominations
- Develop and implement resource mobilisation in accordance with approved strategies and in collaboration with staff from UNEP and FAO
- Ensure the monitoring of projects (incl. funded Flagship Initiatives) as well as potential operational risks and overall performance of the UN Decade MPTF (i.e. facilitate monitoring and evaluation, draft risk management strategy)
- Consolidate annual and final narrative reports provided by UNEP and FAO and share with the Executive Board for review as well as with Administrative Agent for preparation of consolidated narrative and financial reports
- Facilitate collaboration and communication between UNEP and FAO to ensure that the UN Decade MPTF's results framework is implemented effectively
- Promote communication, advocacy and political engagement as well as spearheading communications with external partners
- Liaise with the Administrative Agent on fund administration issues, including issues related to project/fund extensions and project/fund closure

Implementation is carried out by UNEP, FAO, and international partners (including both other UN agencies and others), and national partners in the Flagship landscapes. The Flagship Initiatives will be implemented through a partnership approach (following the most appropriate and efficient modalities for implementation identified as per UN agencies rules and regulations), where UNEP and FAO (and potentially other international partners) will provide oversight, capacity development, technical and administrative support, whereas the implementation of activities in the Flagship Initiatives will be carried out by partners, in particular government agencies and civil society organisations.

The **Administrative Agent** function is performed by the UN MPTF Office, hosted by UNDP in New York. It has a Memorandum of Understanding (MoU) with UNEP and FAO and signs Standard Administrative Arrangements (SAAs) with contributing donors. The Administrative Agent executes and coordinate all administrative and management functions, ensures monitoring and control of operational risks, and administers funds in accordance with MPTF regulations, rules, policies, and procedures.

#### Box 3: Main roles of the Administrative Agent (UN MPTF Office)

- Conclude MoU with UNEP and FAO and SAAs with contributing partners
- Support UN Decade MPTF design
- Execute and coordinate all administrative and management functions, including the receipt of grant contributions and piloting of the programming cycle
- Oversee design, development, and maintenance of an integrated platform for programme design, management, and reporting
- Provide advice and recommendations on implementation performance and cash management
- Ensure monitoring and control of operational risks (regularly update the risk monitoring matrix)
- Administer funds in accordance with MPTF regulations, rules, policies, and procedures
- Transfer funds according to directives from the Chair of the Executive Board
- Provide donors with consolidated financial reports

The UN Decade **Advisory Board** will be guiding overall implementation of the Strategy for the UN Decade. It will not be part of the UN Decade MPTF's formal management structure but can provide technical sparring for the UN Decade MPTF. It will provide technical feedback and feed latest knowledge to the Executive Board. Themes covered by the Advisory Board include monitoring, communications and knowledge management, science and best practice, and finance.

Thematic **task forces** connect leading institutions, partners, and other external entities. These task forces focus on critical restoration-related topics and execute joint activities, facilitate dialogue and develop best practices and guidance. The task forces established cover the following topics: Best Practices and Monitoring (both led by FAO), Finance (led by the World Bank), Science (led by IUCN) and Youth (self-organized by Children and Youth Major Group constituencies of UNEP and FAO). A task force on indigenous peoples is being prepared. Additional task forces can be established as needed.

As lead agencies of the UN Decade, UNEP and FAO play a critical role in **coordinating and fostering collaboration** between the various initiatives under the UN Decade implemented by UN Decade partners. To support Flagship Initiatives, UNEP and FAO will seek synergies and coordinate with other funding mechanisms, in particular the GEF-8 Ecosystem Restoration Integrated Programme, the Green Climate Fund's nature-based solutions portfolio and the Global Mechanism of the United Nations Convention to Combat Desertification.

A detailed **Manual of Operations** is under development and will be subject to approval by the Executive Board. It will specify options for engaging with partners, including feasibility criteria and considerations related to transaction costs. The roles and responsibilities of UNEP, FAO and other implementing partners will be further elaborated in the Manual of Operations. As per the standard MoU, the UN agencies follow strict anti-fraud and anti-corruption rules. The partners will also be required to follow anti-fraud and anti-corruption rules. NGO partners and the small-grant recipients will be selected through competitive selection processes in accordance with the provisions of the Manual of Operations.

The standard MoU for MPTFs includes anti-corruption measures and other measures for respecting Danish and UN red lines (child labour; sexual exploitation, abuse and harassment (SEAH); anti-terrorism).

The UN Decade MPTF ToR, the SAA, and the MoU include detailed provisions and procedures for the overall UN Decade MPTF as well as for supported Flagship Initiatives, including:

- Procedures for progress reporting (incl. inception reports, annual progress reports, completion reports)
- Procedures for financial reporting in full alignment with the MoU (incl. annual financial reports,)
- Evaluation and review
- Accounting
- Procurement
- Dialogue and learning strategy
- Risk management strategy (see Section 9)

The provisions in the Manual of Operations will fully adhere to the standard procedures and requirements for all UN MPTFs. The overall reporting for the UN Decade will be submitted to Denmark. Denmark will not require separate technical reporting for the Danish support.

Danish engagement in governance and management: Considering that the UN Decade MPTF management provisions are still in under development, a proactive Danish engagement in the Executive Board and donor coordination (e.g. drawing on Germany's technical capacities) is envisaged. Attention will be paid to: a) ensuring support for quality assurance of the Manual of Operations prior to approval; b) ensuring that detailed reporting requirements are defined (including reporting on flagship initiatives, monitoring of and reporting on results, and capturing the linkage between expenditure and the results framework); c) exploring options for a thorough appraisal process in support of Flagship Initiative assessments (e.g. targeted technical support to the Secretariat); and d) assessing available capacity and determining whether support for additional analytical, financial, and reporting capacity is needed and if so, what form this should take.

#### 8.1 Monitoring, review and evaluation

The joint UN Decade Secretariat, UNEP and FAO will be responsible for reporting on the overall progress of the UN Decade MPTF, including compiling and analysing monitoring and progress information received from the funded Flagship Initiatives. The relevant implementing agencies (e.g. UNEP, FAO) will be responsible for monitoring the progress of each Flagship Initiative.

While reporting will take place at specific junctures in the programme cycle, programmatic monitoring will be a continuous activity carried out by the two agencies. Elements which will be continuously monitored include the results framework and related indicators (under the three Outcomes), the budget, work plans, and the risk management matrix (currently under preparation). The two agencies will use their internal Enterprise Resource Planning Systems (ERP) systems to support the monitoring activities Field Programme Management Information Systems (FPMIS) and Global Resource Management Systems (GRMS) for FAO and Umoja for UNEP.

As per the standard MoU signed by the two agencies, monitoring will always be undertaken in accordance with the UN Decade MPTF ToR. UNEP, FAO and the donor(s) will hold consultations at least annually, as appropriate, to review the status of the Fund. In addition, the Participants and the donor(s) will discuss any substantive revisions to the Fund, and promptly inform each other about any significant circumstances and major risks, which interfere or threaten to interfere with the successful achievement of the outcomes outlined in the ToR, financed in full or in part through contributions from the donor(s).

Outcome 3 of the UN Decade MPTF is also supporting the monitoring of the UN Decade's activities in general and relevant restoration actions, so its results may be also shared, if relevant.

Evaluation of the UN Decade MPTF will be subject to the provisions of the UN evaluation policies for MPTFs and the UN Evaluation Group Standards (<u>UNEG</u>). Both UNEP and FAO have independent evaluation offices, which normally take care of the evaluation function, including mid-term and final evaluations, but it may also be decided that the implementing units of UNEP and FAO commission independent mid-term and/or final reviews instead. Provisions (USD 150,000) for evaluations/reviews commissioned by UNEP and FAO will be included in the overall UN Decade MPTF budget under Modality 1 (in case of any unspent funding, the remaining balance will be reallocated). Box 4 provides a description of the evaluation provisions as per the standard MoU for MPTFs, which has been signed by UNEP and FAO.

#### Box 4: Evaluation provisions of the MoU signed by UNEP and FAO

"Evaluation of the Fund including, as necessary and appropriate, joint evaluation by the Participants, the donor(s), the Host Government (if applicable) and other partners will be undertaken in accordance with the TOR. The Steering Committee and/or Participating UN Organizations will recommend a joint evaluation if there is a need for a broad assessment of results at the level of the Fund or at the level of an outcome within the Fund. The joint evaluation report will be posted on the relevant websites. In addition, the Participants recognize that the donor(s) may, separately or jointly with other partners, take the initiative to evaluate or review their cooperation with the Administrative Agent and the Participating UN Organizations under this Memorandum of Understanding, with a view to determining whether results are being or have been achieved and whether contributions have been used for their intended purposes. The Administrative Agent and the Participating UN Organizations will be informed about such initiatives, will be consulted on the scope and conduct of such evaluations or reviews and will be invited to join. The Participants will upon request assist in providing relevant information within the limits of their regulations, rules, policies and procedures. All costs will be borne by the respective donor, unless otherwise agreed. It is understood by the Participants that such evaluation or review will not constitute a financial, compliance or other audit of the Fund including any programmes, projects or activities funded under this Memorandum of Understanding."

The Green Diplomacy and Climate unit of the Ministry of Foreign Affairs of Denmark shall have the right to carry out any technical or financial supervision mission that is considered necessary to monitor the implementation of the project. This include a planned mid-term review, for which DKK 500,000

are retained by the MFA. The mid-term review will most likely be conducted jointly with other funders and/or UNEP and FAO, unless the MFA finds there is reason to conduct it separately.

After the termination of the project/programme support, the Green Diplomacy and Climate unit of the Ministry of Foreign Affairs of Denmark reserves the right to carry out evaluations in accordance with this article.

## 9 Financial Management, planning and reporting

The Danish support will be disbursed in three tranches. The first tranche of DKK 30 million will be disbursed in December 2022, the second tranche of DKK 30 million in 2023, and the last tranche of DKK 10 million in 2024. The disbursements will be aligned with the financial cycle of the UN Decade MPTF.

Both parties will strive for full alignment of the Danish support to the implementing partner rules and procedures, while respecting sound international principles for financial management and reporting. The reporting and fiduciary requirements for the Danish support are spelled out in the grant agreement (standard SAA) between Denmark and the Administrative Agent (UN MPTF Office) and adhere to Danish requirements. The Standard SAA also adheres to the general rules, regulations and fiduciary requirement that apply for UN MPTFs (Denmark has in the past supported several MPTFs under the same provisions).

The process, the deadlines and the responsibilities for financial reporting are covered in the standard SAAs with donors and the Memorandum of Understanding (MoU) signed by UNEP and FAO. The Manual of Operations for the UN Decade MPTF will include specific financial management provisions for the Flagship Initiatives, including small-grants facilities where relevant (see Section 8).

The UN Decade MPTF will provide financial reporting according to the three modalities: a) global support (not supported by Denmark), b) targeted support for Flagship Initiatives, and c) full support for Flagship Initiatives.

The UN MPTF office will set up a separate project account for each modality, with different and distinct funding allocations. UNEP and FAO will set up an equivalent number of separate accounts in their respective financial systems, which in both cases are compliant with International Public Sector Accounting Standards (IPSAS). The accounts will be segregated from one another and not be "fungible" (no movements of funds between accounts will be allowed). The budgets will be prepared using the UN Harmonized Budget Categories. At the reporting deadlines (as per the MoU), UNEP and FAO will provide separate financial reports for each account and submit annual financial reports to the UN MPTF Office no later than 30 April. The UN MPTF Office will consolidate the annual financial flows and report to the MFA and other donors, providing the separate figures for each of the three project accounts. This will allow to clearly distinguish resource utilised for global support (not funded by Denmark), from those utilised for targeted and full support form Flagship Initiatives.

UNEP and FAO will provide additional information on resource utilisation by Outcome in the narrative reports.

The UN Decade MPTF will be subject to UN external and internal audit procedures as per UN rules and regulations for MPTFs.

#### Box 5: Harmonized Expense Categories for UN system reporting

- 1. Staff and other personnel costs
- 2. Supplies, commodities and materials
- 3. Equipment, vehicles and furniture, including depreciation
- 4. Contractual services
- 5. Travel
- 6. Transfers and grants to counterparts
- 7. General operating and other direct costs
- 8. Indirect support costs

## 10 Risk management

A risk management strategy will be further developed by the UN Decade Secretariat and included in the Manual of Operations. The UN Decade Secretariat will engage a consultant to develop the risk management strategy. It will take into account the nature of risks in relation to the implementation of the UN Decade's Strategy. It will define the UN Decade MPTF's risk tolerance, establish policies in relation to identified risks, and determine the risk treatment through risk mitigation measures or adaptation.

A preliminary set of overall assumptions and risks for the project are identified in Section 4. Based on this, a preliminary risk matrix with the risks identified, risk levels and intensity, and response measures is presented in Annex 4. Other risks may apply to the individual Flagship Initiatives, and a specific risk matrix will be developed for each Flagship Initiative.

Risk monitoring will be done by the UN Decade Secretariat as part of their regular reporting. Key mitigation or adaptation measures taken in accordance with the risk management strategy and their direct influence on achieving the expected results will be highlighted.

In collaboration with FAO, UNEP leads on REDD+ safeguards under the UN-REDD Programme in 64 developing countries. Experience from this work, among others, will inform the risk mitigation and avoidance strategy of the five-year programme. Based on this, support to Flagship Initiatives will be conditional on Flagship Initiatives having strong safeguards policies in place, with corresponding decision-making processes. All Flagship Initiatives will need to present evidence of a) a gender-responsive environmental and social risk management compliant with International Finance Corporation Performance Standards (IFC PS) 1-8 and with relevant national and subnational policies, laws and regulations of target geographies; and b) procedures to implement environmental and social risk management, i.e. how activities within Flagship Initiatives will be screened for risks, and how to implement corresponding planning, monitoring, and reporting.

All activities will adhere to UNEP and FAO safeguards and relevant UN policies.

**Danish engagement in risk management:** Considering that the risk management strategy is yet to be developed and that fund mobilisation is still considerably below target, Denmark will in the Executive Board and in donor coordination paid specific attention to: a) ensuring that a robust risk management strategy is developed and implemented; and b) ensuring that there is a clear prioritisation and implementation strategy in case the funding target is not met (e.g. vis-à-vis UN Decade Secretariat capacity and the ability to finance Flagship Initiatives beyond the fast-track Flagship Initiatives).

#### 11 Closure

The UN Decade MPTF is envisaged to run for ten years (two five-year phases), thereby providing continuity, stability and the possibility for medium-long term exit strategies. It also draws upon, and contributes to further elevating, an increasing global and local awareness and appreciation of the economic and social importance of ecosystem services, as well as of the importance of biodiversity.

An exit/sustainability strategy will be embedded in each Flagship Initiative receiving full support. A completion report will also be prepared for each Flagship Initiative, and the results and lessons learned will be disseminated.

The first five-year period of the UN Decade MPTF will close on 31 December 2025. Within six months after closure of the first five-year period, a narrative completion report will be submitted to the donors, including MFA. Upon completion of operational closure procedures (normally within three months and no later than six months after submission of the narrative report) a certified final financial statement will be submitted to the donors to the UN Decade MPTF, including Denmark. Any unspent funds with interest will be returned to the donors.

GDK will prepare a final results report (FRR) within three months after receipt of the completion report.

The UN Decade MPTF ToR contain provisions for changes to the UN Decade MPTF, e.g. in case the fund mobilisation does not meet expectations sufficiently (see Box 6).

#### Box 6: Provisions for modifications to the UN Decade MPTF

"The EB will be able to modify any of the provisions of the MPTF's Terms of Reference, including the duration of the Fund. The Fund will have an initial duration of five years. Should the Fund not be capitalized within the first two years, the Administrative Agent, after consultation with the EB, reserves the right to close the Fund. Any remaining balance in the Fund's account and separate accounts of the implementing partners after the closure of the Fund will be used for a purpose established by the EB and the resource partners, or it will be reimbursed to the resource partner(s) in proportion to their contribution to the Fund, as decided by the Contributor and the EB"

## Annex 1: Context Analysis

The below context analysis is primarily based on the UN decade MPTF five-year programme.

#### Overall development challenges, opportunities and risks

An alarming global trend of widespread ecosystem degradation poses an increasing threat to the 2030 Agenda for Sustainable Development's key objectives of ending poverty, conserving biodiversity, combatting climate change, and improving livelihoods for everyone. These objectives, encapsulated in the 17 Sustainable Development Goals are unlikely to be met by 2030, unless ecosystem degradation is stopped. The importance of ecosystem restoration is illustrated by multiple ecosystem benefits, including securing adequate supplies of potable water, contributing to food and nutrition security, sequestering and storing large quantities of carbon and contributing to climate change mitigation, providing habitats and conserving biodiversity, and providing livelihood opportunities by boosting local economies.

There is a widespread failure of markets and institutions to integrate the value of ecosystems into decision-making. Because societies have obtained many of their services "free of charge" over a long time, ecosystems are often used unsustainably. The outcome is that the current economic and societal demand for ecosystem services far exceeds ecosystems' ability to supply them. The UN Decade Strategy identifies the following barriers to restoration: Limited awareness across societies globally of the considerable negative effects that ecosystem degradation is having; limited pressure on decision-makers in the public sector to invest in long-term ecosystem restoration initiatives; relative scarcity of and often contradicting legislation, policies, regulations, tax incentives and subsidies; limited technical knowledge and capacity of national governments, local governments, international - and local NGOs, and private companies to design and implement large-scale and high-impact restoration initiatives; relatively limited private sector investments in large-scale and high-impact restoration; and limited long-term research innovation to improve restoration protocols through time.

### Political economy and stakeholder analysis

The root causes of degradation are linked to inequality and the political economy, such as unequal land distribution, insecure land tenure rights, and vested economic and political interests in unsustainable productive systems and extraction of natural resources. Important gaps still exist in finance mobilisation, development of monitoring systems and decision-support tools, integration and documentation of traditional knowledge, coordination of efforts for knowledge dissemination, and development of policies that support restoration. In addition, there is currently insufficient political support, technical capacity and finance available in the public and private sectors to embark on ecosystem restoration at the required scale.

Larger restoration programmes around the world are funded through national governments, development banks, impact investors, the European Union (EU), the Global Environment Facility (GEF) and the Green Climate Fund (GCF). Numerous initiatives are implemented by large NGOs, including the International Union for the Conservation of Nature (IUCN), the World Resources Institute, the Global Landscapes Forum, the World Wide Fund for Nature (WWF), the Nature Conservancy (TNC) and other, smaller global and national civil society organisations. As such, these organisations and their programmes are critical to bringing restoration initiatives to scale. Domestic

funding is also increasingly mobilised for restoration, including in developing countries, such as the watershed restoration programme to secure drinking water for São Paulo in Brazil. Through existing communication and engagement practices, UNEP and FAO will seek synergies and coordinate with other funding mechanisms – specifically, the Global Mechanism of the United Nations Convention to Combat Desertification (UNCCD), the GEF-8 Ecosystem Restoration Integrated Programme and the Green Climate Fund's nature-based solutions portfolio – to support flagship initiatives. Philanthropic and private entities will also pledge support.

#### Fragility, conflict and resilience

Investments in ecosystem restoration can be an element of conflict prevention and migration amplified by climate change and overexploitation of natural resources. Between 50 and 700 million people are predicted to migrate because of land degradation and climate change by 2050 (IPBES 2018). Restoration in vulnerable locations such as arid areas can contribute to improved livelihoods and poverty alleviation by reducing resource scarcity, increasing job opportunities and income generation, especially for youth (IPBES 2018; UNCCD 2018).

#### Human rights, gender, youth and applying a human rights-based approach

Women, girls, people living in poverty, rural communities, sexual and gender minorities, and indigenous peoples are among the populations disproportionately struggling and coping with the impacts of ecosystem degradation (CARE-WWF 2021). Poverty is partly a consequence of land degradation and can, in certain circumstances, exacerbate damage to ecosystems. Gender inequality plays a significant role in land degradation-related poverty, since land degradation impacts men and women differently, mainly due to unequal access to land, water, credit, extension services and technology (UNCCD 2011). In developing countries, agriculture is the most important source of income for women (ILO 2016), who bear the brunt of the impacts of degraded soils, unpredictable rainfall, and displacement. Although women are often stewards of the environment, but lack of secure land rights can increase the likelihood of degradation (Mor 2018), which in turn can expose women and girls to a greater risk of gender-based violence, e.g. when forced to travel longer distances to collect fuelwood (Castañeda Camey 2020). Degradation also disproportionately affects indigenous and local communities that depend directly on natural resources for their livelihoods (UNEP 2019b). Furthermore, environmental degradation poses risks to the realisation of the rights to territorial integrity, cultural self-determination – and the health, safety, and livelihoods – of indigenous peoples (CARE-WWF 2021).

#### Inclusive sustainable growth, climate change and environment

Restoration is a key element of cost-effective nature-based solutions, which potentially can contribute about 30 per cent of the total climate change mitigation needed by 2030 (Griscom et al. 2017). This could involve action to better manage some 2.5 billion hectares of forest, crop and grazing land (restoration and avoided degradation) and restoring over 230 million hectares of natural cover (Griscom et al. 2019). In agricultural ecosystems alone, restoration has the potential to offer one-fifth of the contribution to the climate change mitigation required by 2030 (Griscom et al. 2017; '4 per 1000' Initiative 2018). Restoration and avoiding the conversion of wetland ecosystems, including mangroves, saltmarshes, seagrasses and peatlands, could offer 14 per cent of the nature-based solution to climate change mitigation (Griscom et al. 2017). Moreover, ecosystem restoration can contribute significantly to enhancing the resilience of the poor to the impacts of climate change. Restoration of coastal ecosystems can help communities adapt to climate hazards such as sea level rise, storm surges, and

associated flooding. Growing evidence shows that healthy mangroves can be an effective defense against the destructive impacts of tsunamis and reduce wave heights by 5–30 per cent (Spalding et al. 2014). Restoring coral reefs can have an even more significant impact on reducing wave energy. Ecosystem restoration inland, such as restoration of mountain ecosystems, can also reduce climate-related hazards, such as flooding, soil erosion and landslides linked to the occurrence of extreme rainfall. Forest restoration on slopes can reduce erosion caused by intense rainfall. Finally, ecosystem restoration can help humans adapt to rising temperatures. Restoration of urban green spaces, including parks, can maintain air temperatures 4°C below those of less vegetated areas (Gago et al. 2013).

#### Capacity of public sector, public financial management and corruption

Institutional, financial, technical and human resource capacity constraints are widespread obstacles in the public sector in developing countries vis-à-vis the implementation of ecosystem restoration. Moreover, insufficient policy and regulatory frameworks, and a tendency to work in silos create difficulties with integrating knowledge-based ecosystem considerations in a holistic manner in decision-making across sectors. In addition, insufficient public awareness contribute to limited accountability and lack of political will. In some countries, corruption (e.g. financial benefits from illegal harvesting of timber and other natural resources) hamper ecosystem restoration efforts. Therefore, there is a need for increasing the capacity and capabilities of the public sector, e.g. through policy and institutional reforms.

#### Matching with Danish strengths and interests, engaging Danish actors and seeking synergies

The UN Decade MPTF has strong coordination measures in place (see box), which the Danish supported engagements will benefit from, this contributes to reducing the risk of duplication between the UN Decade MPTF and other Danish engagements. Furthermore, the UN Decade MPTF only supports existing ecosystem restoration flagships. In addition, Denmark has a seat at the UN Decade MPTF's Executive Board, which approves the strategic direction, and review and approve Flagship Initiative proposals/nominations. The MFA can thereby help preventing duplication with other Danish engagements and can also help ensure potential synergies are banked upon in practice.

#### UN Decade coordination measures

The UN Decade MPTF has put measures in place to facilitate coordination and synergy among global stakeholders in ecosystem restoration within and outside the UN. The mechanisms in place include:

- A UN Decade action plan developed in consultation with UN Decade partners to rally around specific themes and calls for action,
- Quarterly partner calls
- Advisory Board meetings
- Five specialised task forces for technical coordination
- Mailing lists, newsletters and website for external outreach
- Direct engagement with partners at the Flagship Initiative level

Based on the mapping of the Danish engagement in ecosystem restoration (see table below) there is generally good potential for synergies and low risk of duplication. The scope for achieving synergy is enhanced by the fact that some of the implementing partners of the Danish support are also UN Decade partners (e.g. the GEF, IUCN, and WRI). Some of the other initiatives and partners supported by Denmark could potentially also serve as vehicles for UN Decade MPTF delivery, e.g., IUCN and

WWF Denmark. Furthermore, the MFA's Green Partnership Initiative have formed a nature-based solutions expert group with Danish NGO's (WWF Denmark, Forests of the World, and Care Denmark) and this could potentially enhance the engagement of the Danish NGOs, as they are expected to be consulted e.g. provide technical sparring and advice on the Flagship Initiative proposals/nominations.

Programme and Project title	Partner	Country/ region	Focus of Danish support	Duration	Budget (mill DKK)	Synergy potential	Duplication risk	Description of potential synergies/duplication
Danish support to the World Resources Institute (WRI)	WRI	Global	On a strong foundation of data and research WRI works on moving political decisions, business strategies, and civil society action in a more sustainable direction in order to build a bridge between scientific institutions and action in practice. The majority of Danish funding is earmarked support to the food and cities components as well as nature-based solutions.	2023-27	200	High	Low	UN Decade partner Several restoration focused initiatives, e.g. AFR100 (not supported by Denmark) WRI complements the UN Decade MPTF by conducting research and making databacked insights publicly available through visual dashboards. This can help organisations to track progress and report on key restoration goals.
Danish Organisation Strategy for the Global Environment Facility and the Least Developed Countries Fund	The GEF	Global	The GEF's mandate is to preserve global environmental benefits, and it serves as finance mechanisms for the three Rio Conventions (CBD, UNFCCC, UNCCD). The GEF's mission is to safeguard the global environment by supporting developing countries in meeting their commitments to multiple environmental conventions and by creating and enhancing partnerships at national, regional, and global scales.	2018-22	450	High	Low	UN Decade partner Through existing communication and engagement practices UNEP and FAO will seek synergies and coordinate with the GEF8 Ecosystem Restoration Integrated Program. Both UNEP and FAO are among the 18 GEF agencies assisting partners in accessing GEF finance, as well as accredited to LDCF
	LDCF	47 LDCs	LDCF is managed by the GEF and addresses the needs of the current 47 least developed countries (LDCs) that are especially vulnerable to the adverse impacts of climate change. The LDCF aims to reduce the vulnerability of			Medium	Low	implementation Being a key contributor to the GEF and LDCF Denmark has several opportunities to promote increased dialogue, synergy and cooperation with the UN

			sectors and resources that are central to development and livelihoods, such as water, agriculture and food security, health, disaster risk management and prevention, infrastructure, and fragile ecosystems. Nature-based adaptation solutions – such as restoring mangrove forests to help protect exposed coastal areas – are another focus of the fund.					Decade MPTF – and contribute to knowledge sharing.
Danish Organisation Strategy for the Green Climate Fund	GCF	Global	Denmark provides core funding for GCF. GCF is the designated funding mechanism of the United Nations Framework Convention on Climate Change (UNFCCC). The aim of Denmark's support to GCF is to reduce greenhouse gas emissions and build resilience and increase the ability to adapt to climate change impacts in developing countries and contribute to making global financial flows consistent with lowemission and climate-resilient development. GCF is investing in ecosystems by supporting large-scale measures that protect, restore and manage ecosystems to enhance adaptation and reduce emissions. In this regard, GCF focuses on two main areas: ecosystem-based management of terrestrial and freshwater ecosystems; and ecosystem-based coastal and marine zone management.	2021-23	800	High	Low	Through existing communication and engagement practices UNEP and FAO will seek synergies and coordinate with GCF's nature-based solutions portfolio.  Both UNEP and FAO are accredited to the Green Climate Fund (GCF) and they can catalyse the use of ecosystem services to achieve a paradigm shift to resilient, green sustainable development.  Being a key contributor to the GCF, Denmark has several opportunities to promote increased dialogue, synergy and cooperation with the UN Decade MPTF – and contribute to knowledge sharing.

UNEP's	UNEP	Global	UNEP's Medium-Term Strategy	2022-25	485.4	High	Low	The UN Decade MPTF is
Medium-			(MTS) 2022-2025 addresses the					co-led by UNEP and hence
Term strategy			three planetary crises: climate					there is potential for
(core			change, nature and biodiversity					synergies. UNEP can
support)			loss, and pollution. In addition to					contribute to political
			financial support, Denmark has					momentum for restoration.
			since 2019 seconded a senior					The new Danish strategy for
			advisor to UNEP's Ecosystems					the cooperation with UNEP
			Division (which is responsible for					aims to strengthen synergies
			developing and implementing the					between core and earmarked
			UN Decade MPTF).					funding to UNEP. To
			As part of its general efforts to					promote synergies and avoid
			ensuring productive and healthy					duplication, Denmark will
			ecosystems within UNEP's overall					work to enhance closer
			mandate (including a focus on					cooperation with other
			deforestation), Denmark will focus					relevant organisations.
			on UNEP's efforts to lead the UN					In collaboration with other
			Decade on ecosystem restoration.					UN agencies (e.g. FAO,
			·					UNDP, WHO), UNEP is
								involved in the conceptual
								and practical work on
								integrating environmental
								objectives in sustainable
								development strategies,
								including poverty reduction,
								capacity building and
								technology support in
								developing countries and
								across the UN.
IUCN-	IUCN	Global	Denmark is providing core and	2020-24	80	High	Low	UN Decade partner and
Denmark			restricted thematic core funding		(11.2			long-term strategic partner of
Framework			for the implementation of IUCN's		earmarked			Denmark
agreement			Programme. The mission of IUCN		for			IUCN will promote
2020-2024			is to influence, encourage and		nature-			implementation of the UN
			assist societies throughout the		based			Decade on Ecosystem
			world to conserve the integrity and		solutions)			Restoration by: championing
			diversity of nature and to ensure					the raising of ambition;
			that any use of natural resources is					advising and assisting

Climate and	WAV/E	Voeve	equitable and ecologically sustainable. Recognise the important role of natural and healthy ecosystems and nature-based solutions.	2022 25	50	High	Low	governments and stakeholders; facilitating engagement, integration, cooperation and synergies among bottom-up communities of action working on restoration of specific ecosystem types; providing assistance to governments and other stakeholders in effectively tracking, monitoring and adaptively managing ecosystem restoration using IUCN and partner tools and knowledge.
Climate and Green Solutions Partnership	WWF	Kenya, Madagascar, Tanzania, Uganda, Myanmar, Nepal, Viet Nam, Brazil and global	The Strategic Partnership focuses on addressing the triple threat of growing social inequality, biodiversity loss and climate change which critical to tackle in order to secure a sustainable world free from poverty.  A focus areas is the conservation of freshwater ecosystems, including in mountain ecosystems, and efforts to halt deforestation and restore forests. It addresses biodiversity loss and promotes fair and equitable benefit sharing derived from biodiversity.	2022-25	annually	High	Low	UN Decade partner In relation to its participation in the UN Decade MPTF Executive Board, the MFA may draw on the nature- based solutions expert group formed under the MFA's Green Partnership Initiative with Danish NGOs, e.g. for technical sparring and advice on concept notes and project documents for Flagship Initiatives. The nature-based solutions expert group comprises representatives from WWF Denmark, Forests of the World (Verdens Skove), and Care Denmark.
Strengthening Civil Society & Indigenous	Forests of the World	Global	Forests of the World's Strategic Partnership aims to preserve forests and biodiversity for the	2022-25	39.2 annually	Medium	Low	In relation to its participation in the UN Decade MPTF Executive Board, the MFA

Peoples for Nature-based and Rights- based solutions			benefit of the global climate and facilitate stable, dignified livelihoods of rural communities and indigenous peoples in and around the forests.  Forests of the World promotes nature-based solutions, developing sustainable land use, e.g. forest management plans, monitoring and defence of forests, as well as the development of climate-adapted agroforestry systems and green value chains.					may draw on the nature-based solutions expert group formed under the MFA's Green Partnership Initiative with Danish NGOs, e.g. for technical sparring and advice on concept notes and project documents for Flagship Initiatives. The nature-based solutions expert group comprises representatives from WWF Denmark, Forests of the World, and Care Denmark.
Various engagements	FAO	Global	Denmark is not providing core support for FAO, but are supporting FAO through various programmes e.g. the creation of green, sustainable, inclusive economic growth and decent jobs (Palestine, 2021-2025), support to Syria and Syria's Neighbourhood (2021-2023)	Various	Various	Low	Low	The UN Decade MPTF is co-led by FAO and hence there is potential for synergies. FAO can contribute to political momentum for restoration. However, there is limited risk of duplication, but also limited opportunities for synergies with the Danish supported engagements, given that the other Danish engagements with FAO do not have a focus on ecosystem-based approaches.
Danish Support to GGGI 2020- 2022	GGGI	Global	GGGI is an intergovernmental organisation established at the United Nations Conference on Sustainable Development in 2012 (Rio+20). Focused on developing countries and emerging economies, GGGI supports close to 40 members to help them transform	2020-22	80	Low	Low	The core funding for GGGI is aimed at promoting synergies through dialogue and lessons sharing between GGGI and other Danish partners with key roles in the system of international climate institutions (e.g.

			their economies to a green growth economic model, through strategies that focus on both poverty reduction, social inclusion, environmental sustainability, and economic growth. Adequate supply of ecosystem services is one of GGGI's focal areas.					UNEP, GCF, C40). The earmarked funds are focused on renewable energy and hence there is limited risk of duplication, but also limited opportunities for synergies at the ground.
Improving access to climate resilient safe water supply and sanitation services in the Sahel and Horn of Africa	African Water Facility	Sahel and Horn of Africa	the Danish support focuses on improving access to water supply and sanitation services and enhanced climate resilience in four countries in the Sahel and Horn of Africa. This included some work on nature-based solutions, which is one of AWFs four core development philosophies and which is applied when relevant e.g. for water source protection.	2021-25	199.5	Low	Low	Limited risk of duplication, but also limited opportunities for synergies, since ecosystem restoration is not a major focus area and limited to localised catchment protection.
Local Climate Adaptive Living (LoCAL) Facility	UNCDF	countries in Africa (DK focus on Uganda and Somalia)	Danish support for the Local Climate Adaptive Living (LoCAL) Facility implemented by the United Nations Capital Development Fund (UNCDF) is currently being programmed, with anticipated contribution of DKK 100 million in 2022-2025. The Facility covers 21 countries in Africa, but the majority of Danish funding will be earmarked for Somalia and Uganda. LoCAL is a mechanism for integrating climate change adaptation into local government planning and budgeting, increasing local awareness and responses to climate change at the local level, including ecosystem-based solutions, and increasing access to	2022-25	100	Low	Low	Limited risk of duplication, but also limited opportunities for synergies. There is some work on restoration e.g in Niger, but this is not directly supported by Denmark)

			adaptation financing for local governments.					
Danish Organisation Strategy for The Nordic Development Fund (NDF) 2021-2025	NDF	Global	NDF is a joined Nordic international finance institution (IFI) focusing on the nexus between climate change and development in developing countries and countries in fragile situations, and with most of its funding flowing to sub-Saharan Africa.  Some support related to ecosystem restoration e.g. for restoring the marine and coastal environment of Somalia and restoring and developing degraded lands in Burkina Faso.	2021-25	48.5 annually	Medium	Low	NDF can be a catalytic convener between Danish supported climate funds, multilateral agencies, research institutions and bilateral projects and institutions. Further, being a key contributor to NDF, Denmark has several opportunities to promote increased dialogue, synergy and cooperation with the UN Decade MPTF – and contribute to knowledge sharing.
Cost extension/ bridging for UNEP DTU Partnership 2018-21 to UNEP CCC	UNEP	Inter- regional	UNEP CCC particularly contributes to delivering UNEP's strategic objective on 'climate stability, where net zero greenhouse gas emissions and resilience in the face of climate change are achieved'. UNEP CCC mainly focuses on energy and climate change. Ecosystem restoration is not a significant focus area, but one target is "countries increasingly advance their national adaptation plans, which integrate ecosystem-based adaptation".  The support for establishing the UNEP CCC is an integrated part of the Danish strategy for	2021-22	10	Low	Low	Limited risk of duplication, but also limited opportunities for synergies, given ecosystem restoration is not a significant focus of UNEP CCC.

2025.				
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# Annex 2: Partner Assessment

The United Nations play a key global role vis-à-vis promoting the achievement of the SDGs and the commitments made under the multilateral environmental agreements related to ecosystems, biodiversity and climate change. The lead agencies of the UN Decade, and the implementing agencies for the UN Decade MPTF, are the United Nations Environment Programme (UNEP) and the Food and Agriculture Organization of the United Nations (FAO). MPTFs are a well-established and thoroughly tested mechanism with clear operational procedures, which are in accordance with international standards.

The programme is (i) underpinned by a UN General Assembly resolution, (ii) defined by the agreed pathways in the UN Decade Strategy, (iii) based on the mandates of UNEP and FAO including UNEP's "United Nations Environment Assembly (UNEA), which includes all UN member-states and (iv) UNEP's mandate for a global environmental policy role with close link to the Rio conventions combined with both organizations' strong convening power and FAO's extensive country representation, and (v) fully harnessing the power of 80+ UN Decade official partners and many more supporters. Altogether, this establishes a unique positioning for UNEP and FAO to take the lead in enabling, incentivizing, and coordinating a comprehensive global programme for restoration, joint learning and action.

Denmark has considerable experience with supporting UN MPTFs, UNEP, and FAO. By promoting existing Flagship Initiatives, the UN Decade MPTF taps into already existing structures and delivery mechanisms.

The UN Decade MPTF builds on the experiences of UN-REDD, utilizing a similar structure and delivery model, e.g. with a joint fund secretariat hosted by UNEP, fund administration handled by the United Nations Development programme MPTF Office (hosted by UNDP). It draws upon the mandates and comparatives strengths of UNEP (e.g. environmental expertise, advocacy, knowledge management) and FAO (expertise in productive utilisation of ecosystems, in-country delivery), and mobilises the skills and capacities of a broad range of partners, incl. international organisations, governments, the private sector and civil society. In collaboration with FAO, UNEP leads on REDD+safeguards under the UN-REDD Programme in 64 developing countries. Experience from this work, among others, will inform the risk mitigation and avoidance strategy of the UN Decade five-year programme.

The below capacity analysis is based on MOPAN assessments<sup>6</sup> of UNEP and FAO, as well as the Danish organizational strategies (UNEP), and interviews with MFA staff.

#### **UNEP**

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<sup>&</sup>lt;sup>6</sup> MOPAN assessments provide a snapshot of four dimensions of organisational effectiveness (strategic management, operational management, relationship management and performance management), and also cover development effectiveness (results). They are based on a review of documents of multilateral organisations, a survey of clients and partners in-country, and interviews and consultations at organisation headquarters and in regional offices.

UNEP is the designated UN agency for the environment, including ecosystems and biodiversity. UNEP focus on responding to three planetary crises: climate change, biodiversity and nature loss, pollution and waste.

UNEP is a strategic partner of Denmark in relation to the Danish focus on the green agenda and climate change. The resort is split between MFA and the Ministry of Environment. While many organisations exist in the field of climate, nature, chemicals and pollution action, UNEP is uniquely positioned in the junction between normative efforts and providing knowledge, including technical assistance, policy advice, and reviewing the global environment. UNEP is the leading global environmental authority and has universal membership that encompasses all 193 UN Member States, which offers opportunities and legitimacy for global agreements, efforts and cooperation. (DK UNEP organizational strategy, 2020)

The MOPAN assessment (2016) found that UNEP is an effective multilateral organisation with comparative advantages in relation to global normative frameworks and leadership on environmental issues. Further, UNEP is providing a robust evidence-base for advocacy and policy dialogue on environmental issues. It has a sound operational model and has in place the appropriate policies, processes and procedures that are expected of a well-functioning multilateral organisation, although greater use of performance data and lessons learned from past interventions would strengthen planning outcomes. Overall, UNEP had achieved a solid level of performance in achieving stated programme objectives and obtaining expected outputs. However, evidence of its results at the project level is somewhat mixed. UNEP has improved the way it integrates cross-cutting issues into operations and project/programme design processes, although evidence of results on cross-cutting outcomes is limited and further strengthening the monitoring of outcomes is needed. It should be noted that UNEP has made progress vis-à-vis results monitoring since the MOPAN assessment was carried out. On the whole, UNEP's interventions for countries and at the country level are assessed as generally positive, and they appear to be aligned with member needs and priorities. However, alignment and integration of UNEP's interventions with the work of other UN agencies, to make best use of its comparative advantage, remains a work in progress. Nonetheless, considering that the UN Decade MPTF is a joint interagency initiative with FAO and supports the overall UN Decade, which included several UN and non-UN organisations, this is less of a concern for the project. The figures below show the findings of the MOPAN assessment.

Denmark appreciates that a process of change is underway in UNEP (new leadership) and that UNEP is currently undergoing reforms, e.g. related to gender mainstreaming, which Denmark is following closely. the Dnaish experience with UNEP is that cross-cutting issues, such as gender and HRBA, have not been sufficiently on the agenda in the past and a cultural change is needed and underway (traditionally, gender has been seen as something that is handled in UNFPA). These areas that Denmark willm also pay particular attention to as a member the UN Decade MPTF's Executive Board. The lack of in-country presence can be perceived as a constraint. However, the Danish position is that UNEP's role is mainly normative, and knowledge related rather than programme delivery (which is the core mandate of UNDP). A network of country offices is thus not needed, but it is important for UNEP to strengthen its collaboration with other UN agencies and work with UN Country Teams, which represent a major opportunity for UNEP to enhance its impact at country and regional level. In the case of the UN Decade MPTF, UNEP will benefit from FAO's network of country offices. As a relatively small organization in the UN system met with high demands from member states, there is a

risk that UNEP's commitments will exceed its capacity to deliver, thus overstretching the organisation. UNEP should thus continue to focus on targeting areas where it has a clear comparative advantage and where it can add value and deliver a meaningful and sustainable impact. Further, UNEP can improve its cooperation with other entities, which is particularly relevant in light of the diverse global climate and environment architecture, in order to efficiently and effectively deliver on the global challenges at hand. The UN Decade MPTF is an example of such cooperation with other organisations, in particular FAO.

# Overview of MOPAN assessment findings

SCORING COLOUR CODES

SCOKING COLOUR CODES	
Highly unsatisfactory (0.00 – 1.00)  Unsatisfactory (1.01 – 2.00)  Satisfactory (2.01 – 3.00)	Highly satisfactory (3.01 – 4.00)
Organisational effectiveness	Operational Management
KPI 1: Organisational architecture and financial framework enables mandate implementation and achievement of expected results	KPI 3: Operating model and human/financial resources support relevance and agility
KPI 2: Structures and mechanisms in place and applied to support the implementation of global frameworks for crosscutting issues at all levels	KPI 4: Organisational systems are cost- and value- conscious and enable financial transparency/accountability
Relationship Management	Performance Management
KPI 5: Operational planning and intervention design tools support relevance and agility (within partnerships)	KPI 7: Strong and transparent results focus, explicitly geared to function
KPI 6: Works in coherent partnerships directed at leveraging and/or ensuring relevance and catalytic use of resources	KPI 8: Evidence-based planning and programming applied
Development Effectiveness	
KPI 9: Achievement of development and humanitarian objectives and results	KPI 11: Results delivered efficiently
KPI 10: Relevance of interventions to needs and priorities of partner countries and beneficiaries	KPI 12: Sustainability of results

#### **FAO**

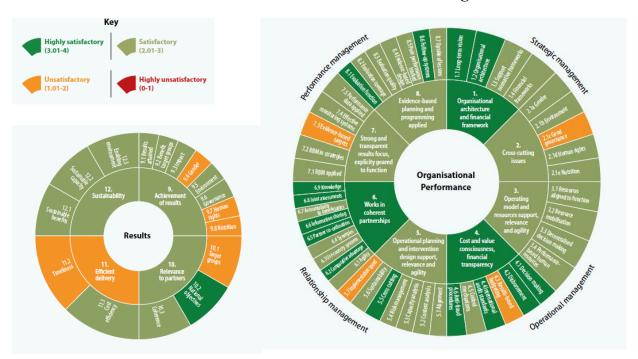
FAO is the designated UN agency for the promotion of sustainable nature-based economic activities, including forestry, fisheries, livestock production, and agriculture. FAO's Strategic Framework focuses on the transformation to more efficient, inclusive, resilient and sustainable agri-food systems for better production, better nutrition, a better environment, and a better life, leaving no one behind.

The MOPAN assessment (2016) found that FAO has strengthened its performance in terms of an enhanced strategic focus; stronger operational management, including management of fiduciary risk; and a stronger commitment to partnerships. FAO has also significantly refocused its strategy by shifting away from a largely technical focus towards five complex, ambitious, multidisciplinary challenges facing its partner countries. FAO is committed to work in a decentralised manner and in partnerships and is highly valued among its partners. Looking ahead, the organisation will require stronger systems and an enhanced ability to manage strategic risk while maintaining agility, in order to take advantage of opportunities to advance its mandate. FAO has yet to find sustainable forms of funding for some of its core activities, such as normative work, that have traditionally relied on core

funding. FAO's approach to measuring results, particularly the normative work, remains work in progress, but such progress has indeed been made since the MOPAN assessment. FAO programmes are generally strong in terms of relevance to national development goals and regional priorities. However, evaluations indicate weaker performance in terms of alignment with the priorities and needs of target groups. Cross-cutting issues such as gender equality, environmental sustainability and human rights are embedded in intervention planning processes, while requirements around governance and climate change are less formalised. FAO can further mainstream these issues, for example by promoting the treatment of gender equality issues in its normative work. Despite investment in integrating gender across programmes, evidence suggests that interventions either still lack gender equality objectives or do not achieve their stated gender equality goals. Gender mainstreaming in FAO has progressed after the MOPAN assessment was carried out. The figures below show the findings of the MOPAN assessment.

Denmark's experience with collaborating with FAO is aligned with the MOPAN assessment. Like other UN organisations, working with FAO is complex, since member states are in charge, which can aheffect the level of ambition level. FAO is technically strong, especially at headquarter level, whereas the capacity of country offices differ. FAO has become more strategic than previously with their projects. However, FAO could have a stronger operational focus, partly because of lack of resources and partly because of a large variety of focus areas; both normative (e.g. setting standards) and technical. FAO is perceived as cost-effective.

## Overview of MOPAN assessment findings



# **Summary of key partner features**

Name of Partner	Core business	Impor- tance	Influe nce	Contribution	Capacity	Exit strategy
MPTF Office (hosted by UNDP)	A UN centre of expertise on multidonor and multiagency finance mechanisms.	High	Low	Fund administrator for the MPTF	Well-established and thoroughly tested mechanism with clear operational procedures, which are in accordance with international standards. Joint financing and donor coordination, however with no technical capacity.	No special requirements after end of project. The UN Decade MPTF is envisaged to run for 10 years (two 5-year phases), thereby providing continuity, stability and the possibility for medium-long term planning and exit strategies.
FAO	Transformation to more efficient, inclusive, resilient and sustainable agrifood systems for better production, better nutrition, a better environment, and a better life, leaving no one behind.	Medium	High	Oversight, technical and administrative support. Promotion of sustainable nature-based economic activities and use its strong convening power and extensive country representation	Global intergovernmental organization. Broad networking capacity with members and other partners and decentralized capabilities including country-presence in most low-income countries. Weaknesses include limited resources and FAO could have a stronger operational focus. Threats include potential competition with other UN agencies, however perceived unlikely to affect the project.	No special requirements after end of project – FAO will continue to pursue objectives related to the project as part of its MTP and building on project results and impact.
UNEP	Leadership and encouraging partnership in caring for the environment by inspiring, informing, and enabling nations and peoples to improve their quality of life without compromising that of future generations.	Medium	High	Oversight, technical and administrative support. Promotion of ecosystem conservation and use its strong convening power.	Neutral and independent technical authority on environmental policy. Provision of the high-level environment policy forum within the UN system, and the focal point for the environment in a wide range of international processes and networks; Strong links to environment ministries, regional and other environmental bodies and with the business and private sector. Experience and leadership working at the science-policy interface, facilitating multi-stakeholder processes, and promoting cooperation. Weaknesses include: small size, limited resources, and centralized. Threats include potential competition with other UN agencies, however, perceived unlikely to effect the project.	No special requirements after end of project – UNEP will continue to pursue objectives related to the project as part of its MTS and building on project results and impact.

# Annex 3: Theory of Change, Scenario and Result Framework

# Theory of Change for the UN Decade

(Source: UN Decade MPTF TOR)

The **problem**: the objectives of the 2030 Agenda for Sustainable Development will not be achieved without large-scale restoration of degraded terrestrial, freshwater & marine ecosystems globally.

The vision: A world where — for the health & wellbeing of all life on earth & that of future generations — we have restored the relationship between humans & nature, by increasing the area of healthy ecosystems, & by putting a stop to their loss, fragmentation & degradation.

#### Goals

- 1. Enhancing global, regional, national & local commitments & actions to prevent, halt & reverse the degradation of ecosystems
- 2. Increasing our understanding of the multiple benefits of successful ecosystem restoration
- Applying knowledge of ecosystem restoration in our education systems & within all public & private sector decision-making

# Barriers to achieving the vision include: Public awareness Political will Legislative & policy Technical capacity Finance Scientific environments

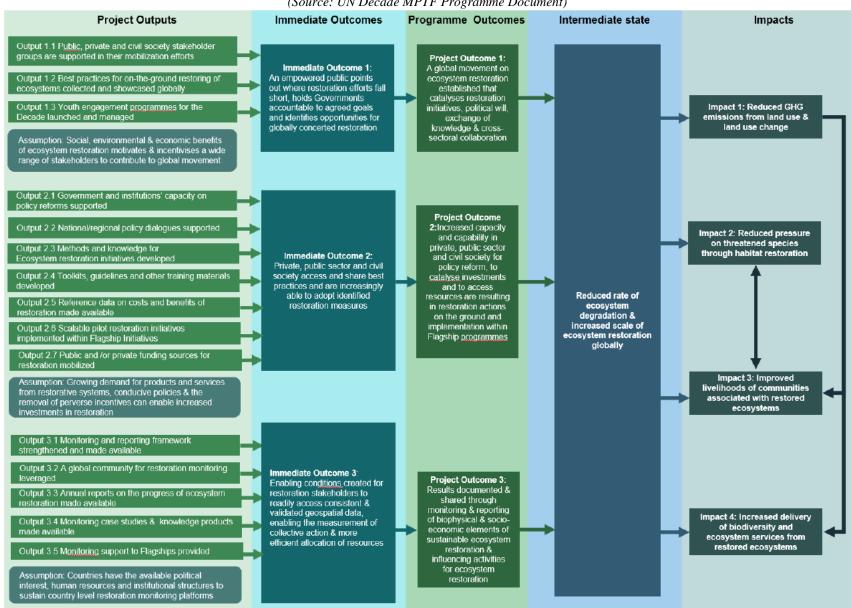
To overcome these barriers & achieve its vision, the Decade will work through three **Pathways**.

#### Political will Global movement Technical capacity Raise awareness of benefits Assist societal leaders Promote & build capacity of ecosystem restoration across sectors on: to champion Increase intent of societies ecosystem Designing, implementing, worldwide to invest in monitoring & sustaining restoration Amend legislative & restoration ecosystem restoration policy frameworks to Shift behaviours to reduce initiatives ecosystem degradation promote restoration Undertaking long-term Showcase economic returns Facilitate crossscientific research on the from restoration in different governmental & implementation & benefits of ecosystem restoration ecosystems cross-sectoral Support a decentralised dialogues & Synthesising lessons learned collaboration on global movement focussed from existing ecosystem restoration initiatives on restoration restoration Redirect fossil fuel, Embed restoration into Integrating indigenous agricultural, forestry education systems globally knowledge & traditional Promote a values-based & fishing subsidies to practices into ecosystem imperative for restoration conservation & restoration initiatives Develop & implement restoration of Applying free, prior & financing mechanisms for informed consent in ecosystems restoration ecosystem restoration initiatives

The Decade on Ecosystem Restoration will foster a global restoration culture in which restoration initiatives start & scale up across the planet.

## Theory of Change for the UN Decade MPTF

(Source: UN Decade MPTF Programme Document)



# Results Framework for the UN Decade MPTF

Project	Multi-Partner Trust Fund of the UN Decade on Ecosystem Restoration
Project Objective	Reverse current negative trends in degradation and enable conservation and
	restoration globally
Outcome 1	A global movement on ecosystem restoration established that catalyzes restoration initiatives, political will, exchange of knowledge, and cross-sectoral collaboration – with a focus on support for and within flagship countries and regions (Flagship Initiative-specific outputs only)
Outcome indicator 1.1	Number of local stakeholders (from government, private sector, civil society) that have been mobilized into action, with multiplicators tracked on digital platform, individual actions tracked through gamification (see below), and a focus on flagship regions / countries
Outcome indicator 1.2	Number of people reached through good restoration practices in line with the 10 Principles for the UN Decade on Ecosystem Restoration, science and storytelling, with a focus on content related to UN Decade Flagship countries
Outcome indicator 1.3	Number of young people involved through engagement and capacity building programmes, and number of people reached and impacted by youth initiatives – with focus on flagship regions and countries
Outcome indicator 1.4	Number of local audiences reached and empowered through national- and regional-level storytelling
Outcome indicator 1.5	Number of partner organizations and networks, and their reach, that promote the objective of the UN Decade
Output 1.1	<b>Mobilization:</b> Selected public, private and civil society stakeholder groups are supported in their mobilization efforts through increased incentives, capacity and collective action for promotion and restoration of ecosystems
Output indicator	Number of local stakeholders (from government, private sector, civil society) that have been mobilized into action
Output 1.2	Science Communication and advocacy: Best practices for on-the-ground restoration of ecosystems collected and showcased globally, to shift perceptions and increase uptake by, support to restoration initiatives
Output 1.2 Output indicator	Science Communication and advocacy: Best practices for on-the-ground restoration of ecosystems collected and showcased globally, to shift perceptions and increase uptake by, support to restoration initiatives  Number of policy processes informed by science-based communication
•	restoration of ecosystems collected and showcased globally, to shift perceptions and increase uptake by, support to restoration initiatives  Number of policy processes informed by science-based communication  Youth engagement programmes for the Decade launched and managed to mobilize support, build momentum and facilitate the global restoration movement, in close collaboration with the UN Decade's youth-led Youth Task Force
Output indicator	restoration of ecosystems collected and showcased globally, to shift perceptions and increase uptake by, support to restoration initiatives  Number of policy processes informed by science-based communication  Youth engagement programmes for the Decade launched and managed to mobilize support, build momentum and facilitate the global restoration movement, in
Output indicator Output 1.3	restoration of ecosystems collected and showcased globally, to shift perceptions and increase uptake by, support to restoration initiatives  Number of policy processes informed by science-based communication  Youth engagement programmes for the Decade launched and managed to mobilize support, build momentum and facilitate the global restoration movement, in close collaboration with the UN Decade's youth-led Youth Task Force
Output indicator Output 1.3 Output indicator	restoration of ecosystems collected and showcased globally, to shift perceptions and increase uptake by, support to restoration initiatives  Number of policy processes informed by science-based communication  Youth engagement programmes for the Decade launched and managed to mobilize support, build momentum and facilitate the global restoration movement, in close collaboration with the UN Decade's youth-led Youth Task Force  Number of people reached by youth-focused content and capacity building  Increased capacity and capability in private, public sector and civil society for policy reform, to catalyse investments and to access resources are resulting in restoration
Output indicator Output 1.3 Output indicator Outcome 2	restoration of ecosystems collected and showcased globally, to shift perceptions and increase uptake by, support to restoration initiatives  Number of policy processes informed by science-based communication  Youth engagement programmes for the Decade launched and managed to mobilize support, build momentum and facilitate the global restoration movement, in close collaboration with the UN Decade's youth-led Youth Task Force  Number of people reached by youth-focused content and capacity building  Increased capacity and capability in private, public sector and civil society for policy reform, to catalyse investments and to access resources are resulting in restoration actions on the ground and implementation within Flagship Initiatives  Number of partner programmes with on the ground restoration actions being
Output indicator Output 1.3 Output indicator Outcome 2 Outcome indicator 2.1	restoration of ecosystems collected and showcased globally, to shift perceptions and increase uptake by, support to restoration initiatives  Number of policy processes informed by science-based communication  Youth engagement programmes for the Decade launched and managed to mobilize support, build momentum and facilitate the global restoration movement, in close collaboration with the UN Decade's youth-led Youth Task Force  Number of people reached by youth-focused content and capacity building  Increased capacity and capability in private, public sector and civil society for policy reform, to catalyse investments and to access resources are resulting in restoration actions on the ground and implementation within Flagship Initiatives  Number of partner programmes with on the ground restoration actions being implemented as a consequence of supported Flagship Initiatives  Number of national policy and regulatory reforms and initiatives underway that prevent ecosystem degradation and promote on-site ecosystem restoration within
Output indicator Output 1.3 Output indicator Outcome 2 Outcome indicator 2.1 Outcome indicator 2.2	restoration of ecosystems collected and showcased globally, to shift perceptions and increase uptake by, support to restoration initiatives  Number of policy processes informed by science-based communication  Youth engagement programmes for the Decade launched and managed to mobilize support, build momentum and facilitate the global restoration movement, in close collaboration with the UN Decade's youth- led Youth Task Force  Number of people reached by youth-focused content and capacity building  Increased capacity and capability in private, public sector and civil society for policy reform, to catalyse investments and to access resources are resulting in restoration actions on the ground and implementation within Flagship Initiatives  Number of partner programmes with on the ground restoration actions being implemented as a consequence of supported Flagship Initiatives  Number of national policy and regulatory reforms and initiatives underway that prevent ecosystem degradation and promote on-site ecosystem restoration within Flagships  Number of cross-governmental and/or cross-sectoral collaborative measures
Output indicator Output 1.3 Output indicator Outcome 2 Outcome indicator 2.1 Outcome indicator 2.2 Outcome indicator 2.3 Outcome indicator 2.4 Output 2.1	restoration of ecosystems collected and showcased globally, to shift perceptions and increase uptake by, support to restoration initiatives  Number of policy processes informed by science-based communication  Youth engagement programmes for the Decade launched and managed to mobilize support, build momentum and facilitate the global restoration movement, in close collaboration with the UN Decade's youth-led Youth Task Force  Number of people reached by youth-focused content and capacity building  Increased capacity and capability in private, public sector and civil society for policy reform, to catalyse investments and to access resources are resulting in restoration actions on the ground and implementation within Flagship Initiatives  Number of partner programmes with on the ground restoration actions being implemented as a consequence of supported Flagship Initiatives  Number of national policy and regulatory reforms and initiatives underway that prevent ecosystem degradation and promote on-site ecosystem restoration within Flagships  Number of cross-governmental and/or cross-sectoral collaborative measures underway benefitting the goals for ecosystem restoration  Volume of funding directly channeled into national and regional ecosystem restoration initiatives  Government and institutions' capacity and capability on policy reforms that promote large-scale sustainable ecosystem restoration supported
Output indicator Output 1.3 Output indicator Outcome 2 Outcome indicator 2.1 Outcome indicator 2.2 Outcome indicator 2.3 Outcome indicator 2.4	restoration of ecosystems collected and showcased globally, to shift perceptions and increase uptake by, support to restoration initiatives  Number of policy processes informed by science-based communication  Youth engagement programmes for the Decade launched and managed to mobilize support, build momentum and facilitate the global restoration movement, in close collaboration with the UN Decade's youth- led Youth Task Force  Number of people reached by youth-focused content and capacity building  Increased capacity and capability in private, public sector and civil society for policy reform, to catalyse investments and to access resources are resulting in restoration actions on the ground and implementation within Flagship Initiatives  Number of partner programmes with on the ground restoration actions being implemented as a consequence of supported Flagship Initiatives  Number of national policy and regulatory reforms and initiatives underway that prevent ecosystem degradation and promote on-site ecosystem restoration within Flagships  Number of cross-governmental and/or cross-sectoral collaborative measures underway benefitting the goals for ecosystem restoration  Volume of funding directly channeled into national and regional ecosystem restoration initiatives  Government and institutions' capacity and capability on policy reforms that promote

Output 2.2	National/regional policy dialogues and/or regional/national inter- sectoral platforms facilitated for on-the- ground restoration action
Output indicator	Number of cross-governmental and/or cross-sectoral collaborative measures underway benefitting the goals of on-the-ground ecosystem restoration
Output 2.3	Methods and knowledge for designing, implementing, sustaining and scaling up ecosystem restoration initiatives developed, disseminated and applied within specific Flagship Initiatives
Output indicator	Number of Decade- labelled good practices
Output 2.4	Toolkits, guidelines and other training materials for SMEs, incubators / business accelerators and investors, developed and delivered through online and in-person events and on-the-ground application supported with targeted technical assistance
Output indicator	Number of entrepreneurs supported in their development and implementation of viable (economically, environmentally, socially) restoration ventures
Output 2.5	Reference data on costs and benefits of ecosystem restoration made available within the framework of The Economics of Ecosystem Restoration initiative
Output indicator	Number of online databases storing data on costs and benefits of ecosystem restoration
Output 2.6	Scalable pilot ecosystem restoration initiatives implemented in selected countries within Flagship Initiatives
Output indicator	Number of initiatives with sustainable economic model implemented (Restoration Market Access Strategy)
Output 2.7	National and international public and /or private funding sources for restoration action mobilized (e.g. Impact Funds, private sector NBS investments, LDNF, GCF etc.)
Output indicator	Volume of funding directly channelled into national and regional ecosystem restoration initiatives investors through (e.g., the Restoration Marketplace)
Output 2.8	Design of Flagship Initiatives
Output indicator	Number of fully designed Flagship Initiatives for MPTF support
Outcome 3	Results documented and shared, through monitoring and reporting of biophysical and socio-economic elements of sustainable ecosystem restoration and influencing activities for ecosystem restoration (Flagship Initiative-specific outputs only)
Outcome indicator 3.1	Number of stakeholders in government, private sector and civil society measuring their biophysical and socio-economic progress and reporting regularly through the Framework for Ecosystem Restoration (FERM)
Outcome indicator 3.2	Percent annual change in area of local ecosystems measured and reported through the FERM
Outcome indicator 3.3	Volume of annual financial resources to on-the-ground ecosystem restoration reported through the FERM
Outcome indicator 3.4	Number of restoration stakeholders in government, private sector and civil society MPTF produced knowledge products to inform restoration actions and decision making
Output 3.1	Monitoring and reporting framework established, strengthened and made available for monitoring on-the- ground restoration – supported by a geospatial dissemination platform, capacity development, science, technology and innovation
Output indicator	Number of stakeholders in government, private sector and civil society measuring their biophysical and socio- economic progress and reporting regularly through FERM
Output 3.2 Output indicator	A global community for restoration monitoring leveraged to enable knowledge exchange and methodological development to overcome ecosystem specific data, monitoring and reporting challenges  Number of key stakeholders from developing economies engaged

Output 3.3	Annual reports on the progress of ecosystem restoration action using biophysical and socio-economic indicators, best-available data, inclusive of global flows of private and public financial investment towards ecosystem restoration produced and made available
Output indicator	Number of critical data and information gaps filled in developing economies
Output 3.4	Monitoring case studies and knowledge products developed and made available on the monitoring of key local ecosystems where data gaps, normative data collection and restoration indicators require further research and development
Output indicator	Number of communication pieces on case studies and knowledge products
Output 3.5	Targeted monitoring support (capacity development / technology transfer) provided to on-the-ground UN Decade Flagship Initiatives
Output indicator	Number of Flagships receiving technical support

# Assumptions for the UN Decade MPTF

#### Outcome 1:

- (i) A plethora of knowledge exists on restoration practices and exemplary initiatives, but uptake of this knowledge is still limited
- (ii) There is fertile ground in many countries and regions for partners and other restoration stakeholders to build on best practices and lessons generated by the programme; thereby scaling up a movement multiple times larger than what could be directly supported by the programme itself
- (iii) A gap exists between positive attitudes on restoration and political pledges on the one hand and conducive policies, investments and empowerment of restoration actors on the other hand, partly because the link between broader restoration goals and actual steps towards implementation, as well as personal choices (in areas where actors have agency) has not yet been widely communicated
- (iv) Better informed citizens, some of whom will become more engaged through personal action, are in turn more likely to hold governments accountable for their restoration commitments and actions.

#### Outcome 2:

- (i) There will be a gradually increasing recognition of the economic importance of restoration reflected in a growing demand for products and services from restorative systems
- (ii) Increased amounts of investment in restoration can be mobilized through a combination of strengthened enabling conditions including demonstration of on-site cost-effective and scalable best practices, conducive policies and the removal of perverse incentive
- (iii) The programme's contributions can improve the enabling conditions for restoration on the ground and enable increased engagement including financial flows by partners and other stakeholders beyond the 5-year programme in order to further expand implementation of ecosystem restoration

#### Outcome 3:

- (i) Global support to FERM remains strong and government institutions in developing economies and critical degraded ecosystems are supportive to innovative technical solutions
- (ii) Countries have the available political interest, human resources and institutional structures to support and sustain a country level restoration monitoring platform beyond the time frame and scope of the MPTF program
- (iii) Sufficient funding will be available to fill restoration monitoring gaps in key ecosystems in the mid- and long term
- (iv) A critical number of countries have the political commitment to translate knowledge provide into concrete action for restoration

Note: "Programme" refers to the UN Decade MPTF, incl. the financial support for Flagship Initiatives

# Annex 4: Risk Management (preliminary matrix)

# Contextual Risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Conflict or unrest in Flagship Initiative countries	Likely (in some countries)	Significant	<ul> <li>Addressing natural resources related drivers of conflict</li> <li>Implementation by local partners with a good understanding of the context and risks</li> <li>Moving to other locations within Flagship landscape</li> </ul>	Conflicts/unrest may increase in magnitude or spread and affect new locations	Many LDCs are fragile or conflict affected, incl. those targeted by the GGW Flagship Initiative
Change of government priorities in benefitting partner countries lead to reduced ecosystem restoration ambitions and focus	Likely (in some countries)	Major	<ul> <li>Policy dialogue</li> <li>Advocacy and awareness raising</li> <li>Capacity development</li> </ul>	Governments balance several, often conflicting, priorities, and short- term economic gains tend to be given priority	The global awareness of the socio-economic importance of ecosystems is growing – countries are committed to action through MEAs, and further motivated by international funding opportunities
Private sector in Flagship Initiative countries is unwilling to engage and invest in ecosystem restoration	Likely	Minor	<ul> <li>Support for policy reform and setting up regulatory incentives</li> <li>Advocacy and awareness raising</li> <li>Capacity development</li> <li>Facilitation of access to finance</li> </ul>	- The private sector is risk adverse, and can thus remain reluctant to engage	<ul> <li>The private sector is highly diverse, and SMEs (incl. farmers and livestock producers) in developing countries are often depending on natural resources</li> <li>The main obstacles to private sector engagement are capacity, financial and legal constraints rather than unwillingness</li> </ul>
Pandemic or epidemic outbreaks in Flagship Initiative	Unlikely	Major	- Use of virtual/remote approaches and social distance measures – building on COVID-19 experience	Pandemics or epidemics are likely to create implementation	Widespread epidemics are fairly rare, pandemics are very rare. Project implementation adapted surprisingly well to COVID-19,

countries, regionally or globally				delays, irrespective of response measures applied	partly thanks to digital technology and the Internet
Natural disasters in Flagship Initiative countries	Likely (in some countries)	Significant	Emergency responses     Ecosystem restoration can     over time enhance resilience     and reduce risk	<ul> <li>Destruction of restoration assets invested in with project support</li> <li>Inability to reach affected areas</li> </ul>	Several LDCs and SIDS are prone to natural disasters, due to the prevalence of hazards (e.g. drought, floods, cyclones, earthquakes) and low response/coping capacity

Programmatic risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Potential risk of overlap or duplication with other initiatives implemented by other organisations, especially those outside the UN system	Likely	Minor	- Engagement in development partner coordination at international, national and local levels	<ul> <li>Mapping of all actors can be difficult</li> <li>Not all actors participate in coordination</li> <li>Development partner coordination can be a challenge for authorities</li> </ul>	Numerous actors are engaged in NRM and ecosystem restoration, incl. government entities at national and local level, multilateral agencies, bilateral donors, international and domestic NGOs
Donor funding mobilized is insufficient for effective and efficient delivery of MPTF outcomes and outputs	Likely	Significant	<ul> <li>Donor mobilisation/fund raising</li> <li>Reduced level of activity (e.g. reducing the number of Flagship Initiatives supported)</li> <li>Closure of MPTF</li> </ul>	<ul> <li>Low costeffectiveness if limited amount of funding is secured</li> <li>Closure or only funding a small number of the proposed Flagship Initiatives</li> </ul>	The UN Decade has so far mobilised two donors covering approx. 55% of the envisaged budget, and while dialogue is ongoing with other donors, firm commitments have not yet been made

	would
	negatively affect
	the reputation
	of the UN
	Decade and lead
	agencies

# Institutional risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Change in key management positions in benefitting partner countries lead to reduced ecosystem restoration ambitions and focus	Unlikely	Major	<ul> <li>Policy dialogue</li> <li>Advocacy and awareness raising</li> <li>Capacity development</li> </ul>	<ul> <li>Implementation delays as relations with new managers are being built</li> <li>New managers may not be committed or effective as champions</li> </ul>	The general awareness of the socio-economic importance of ecosystems is growing – and further motivated by funding opportunities
Staff turnover in Flagship Initiative countries leads to loss of capacities developed and institutional memory	Likely	Minor	<ul> <li>Continuous dialogue with key agencies</li> <li>Awareness raising</li> <li>Regular capacity development</li> </ul>	- New staff may not be committed or effective champions	Developing country governments are often challenged by high staff turnover rates due to financial constraints and low salaries
Civil society in Flagship Initiative countries is inadequately organised to engage in ecosystem restoration-related processes at policy, strategy and implementation levels	Likely (in some countries)	Minor	<ul> <li>Policy dialogue</li> <li>Capacity development</li> </ul>	- Political constraints are difficult to address	Civil society capacity and/or political space to operate is limited in many countries. However, it is still possible to engage in NRM in these countries.

# Annex 5: Budget Details

# Total anticipated UN Decade MPTF budget <u>by outcome</u> (2021-2025), incl. German and Danish contributions

Item	Total	Germany	Danish contribution		on
	USD	USD	USD	DKK	Pct. of total
		(approx.)	(approx.)		
Outcome 1:	9,000,000				
Outcome 2:	26,500,000				
Outcome 3:	9,000,000				
Outcomes total:	44,500,000	14,598,670	8,553,000	62,068,990.51	19%
Secretariat direct costs (3 pct.)	1,500,000	492,000	264,000	1,919,659.50	18%
UN agency indirect support costs (7	3,500,000	1,148,000	664,000	4,816,350.00	
pct.)					19%
Administrative Agent fee (1 pct.)	500,000	164,030	96,000	695,000.00	17%
Total to MPTF	50,000,000	16,403,000	9,567,000	69,500,000	19%
Mid-term review by MFA			69,000	500,000	
Total			9,636,000	70,000,000	

# Danish contribution budget by modality (indicative)

Item	Amount (DKK)
Modality 1: Global support (Secretariat direct costs, max 3 pct. of total grant less	1,919,659.50
Administrative Agent fee and UN Agency indirect support costs)	
Modality 2: Targeted support (25 pct. of support to Flagship Initiatives)	15,517,247.63
Modality 3: Full support (75 pct. of support to Flagship Initiatives)	46,551,742.88
UN agency indirect support costs (7 pct. of total grant less Administrative Agent fee)	4,816,350.00
Administrative Agent fee (1 pct. of total grant)	695,000.00
Total grant disbursed to UN Decade MPTF	69,500,000.00
Mid-term review commissioned by MFA, jointly with other funders if possible	500,000.00
Total	70,000,000.00

# Annual Danish contributions by modality (indicative)

Item	2022	2023	2024	2025	Amount (DKK)
Modality 1: Secretariat direct costs	828,630	828,630	262,400	-	1,919,660
Modality 2: Targeted support	6,698,093	6,698,093	2,121,063	-	15,517,248
Modality 3: Full support	20,094,278	20,094,278	6,363,188	-	46,551,743
UN agency indirect support costs	2,079,000	2,079,000	658,350	-	4,816,350
Administrative Agent fee	300,000	300,000	95,000	-	695,000
Total grant disbursed to MPTF	30,000,000	30,000,000	9,500,000	-	69,500,000
Mid-term review commissioned by MFA	-	-	500,000	-	500,000
Total	30,000,000	30,00,000	10,000,000	-	70,000,000

# Annex 6: List of Supplementary Materials

#	Document / Material	Source
1	Programme document – Leading the UN Decade on Ecosystem Restoration 2021–2030: A Multi-Partner Trust Fund	UNEP and FAO
2	Leading the UN Decade on Ecosystem Restoration 2021–2030 – MPTF Terms of Reference (Oct. 2020)	UNEP and FAO
3	Standard Administrative Arrangement for Un Decade on Ecosystem Restoration Multi-Donor Trust Fund Using Pass-through Fund Management	UN MPTF Office
4	Standard Memorandum of Understanding for Un Decade on Ecosystem Restoration Multi-Donor Trust Fund Using Pass-through Fund Management (Nov. 2019)	UN MPTF Office
4	Summary – 6-Month Inception Phase	UNEP and FAO
6	Flagship concept note: Great Green Wall	FAO, UNEP and UNCCD Secretariat
7	Flagship concept note: Small Island Developing States	UNEP, FAO and UNDESA (UN Dept. of Economic and Social Affairs)
8	Flagship programme document (draft): Promote the restoration of productive ecosystems in the Central American Dry Corridor	FAO
9	The World We Share – Denmark's Strategy for Development Cooperation (Aug. 2021)	MFA
10	A Green and Sustainable World – The Danish Government's long-term strategy for global climate action (Oct. 2020)	MFA and Ministry of Climate, Energy and Utilities

# Annex 7: Plan for Communication of Results

With its public launch around World Environment Day 2021, and based on its soft launch in September 2020, the UN Decade on Ecosystem Restoration has already succeeded in building a highly visible brand and wide-reaching communication channels.

This includes, but is not limited to:

- A fully functioning website attracting over 100,000 views in 2022 alone, providing scientific and communication materials, as well as engagement opportunities across all ecosystems and in six languages: decadeonrestoration.org
- An internal network of communicators bringing together 200+ communication professionals across partner organizations
- A monthly newsletter highlighting restoration work around the world, going out to 20,000+ subscribers
- Global and regional media engagement strategies leading to over 40,000 media articles published on the occasion of the UN Decade's launch
- A social media strategy across platforms and languages, reaching over 600,000,000 worldwide
- 30+ videos and over 100 web stories produced, highlighting restoration best practices and achievements
- 15+ global and national voices and influencers engaged for restoration messaging, including award-winning actor Edward Norton, mountaineer and Netflix-Star Nimsdai Purja, and supermodel and restoration activist Gisele Bündchen

All these platforms and tools will be utilised and further expanded for communicating results of Denmark's contribution to the UN Decade MPTF.

In this respect, UN Decade MPTF funds will be utilised to strategically expand:

- Global communication for the benefit of local implementation (for example by impacting policy, funding, and investment decisions in favour of restoration priority areas)
- Local and regional communication for the benefit of local implementation

Platform / Asset type*	Used to communicate	to (primary audience)	Potential Reach	Status
UN Decade Newsletter & Mailing Lists	<ul> <li>Breaking news</li> <li>Events</li> <li>Best practices</li> <li>Engagement Opportunities</li> <li>Funding opportunities</li> </ul>	<ul> <li>UN Decade partners</li> <li>UN Decade supporters</li> </ul>	50,000	Operational
Web stories	<ul> <li>Local success stories</li> <li>Best practices</li> <li>Calls to action</li> <li>Global developments</li> </ul>	<ul> <li>UNEP, FAO and UN Decade partners' existing audiences (50%+ youth)</li> <li>Media</li> <li>Policymakers</li> </ul>	100,000	Operational
Media Outreach	Local success stories	<ul><li>Media</li><li>Policymakers</li></ul>	100,000,000	Operational

	Calls to action for policy and funding	<ul><li>Civil acciety</li><li>Investors</li></ul>		
Local Media Briefings	<ul> <li>Launches / announcements</li> <li>New scientific findings / knowledge</li> </ul>	<ul><li>Local media</li><li>Local policymakers</li></ul>	500	To launched with Danish support
Local Media Field Trips	<ul> <li>Local success stories</li> <li>Best practices</li> <li>Calls to action for policy and funding</li> </ul>	<ul><li>Local Media</li><li>Local policymakers</li></ul>	100	To be launched with Danish support
Videos (UNEP- produced)	<ul> <li>Local success stories</li> <li>Inspiration / "how-to" guides</li> </ul>	<ul><li>Youth</li><li>Civil society</li></ul>	2,000,000	Operational
Videos & Movies (collaborations with broadcasters, producers, YouTubers, TikTok, Weibo)	<ul> <li>Local success stories</li> <li>Inspiration / "how-to" guides</li> </ul>	<ul><li>Youth</li><li>Civil society</li></ul>	10,000,000	Nascent
UN Decade website	<ul> <li>Launches / announcements</li> <li>Events</li> <li>Local success stories</li> <li>Calls to action</li> <li>Scientific publications</li> </ul>	<ul><li>Civil society</li><li>Youth</li><li>Policymakers</li><li>Media</li></ul>	500,000	Operational
UN Decade Digital Hub	<ul> <li>Showcasing local implementers</li> <li>Best practices</li> <li>Monitoring</li> <li>Funding opportunities</li> </ul>	<ul> <li>Restoration implementers</li> <li>Civil society</li> <li>Youth</li> </ul>	Emhedded in wehsite (see above)	Nascent
Social media (6+ platforms)	<ul> <li>Calls to action</li> <li>Best practices</li> <li>Local success stories</li> <li>New scientific findings / knowledge</li> </ul>	<ul><li>Youth</li><li>Civil society</li></ul>	1,000,000,000	Operational
Street art / murals	Calls to action     Inspiration	<ul><li>Civil society</li><li>Youth</li></ul>	1,000,000	Operational

<sup>\*</sup>Communication platforms and assets are multilingual and published in up to 7 languages. With Danish support, a focus will be put on even more local languages.

# Annex 8: Process Action Plan

Action/product	Deadlines	Responsible/involved Person and unit	Comment/status
Finalisation of project document following PC meeting	June-July	GDK	
Appraisal	July-September	MFA QA Team	
Follow up to appraisal recommendations	September	GDK	
Presentation for the Council for Development Policy (UPR)	13 October	GDK	
Finalisation of project/programme documentation	October	GDK	
Approval by the Minister	November	GDK	
Parliamentary Finance Committee	November	GDK	
Expected timing of commitment	November	GDK and MPTF	
MFA disbursement of 1st tranche of funding to Un Decade MPTF	December	GDK	
UN Decade MPTF submission of annual reports to MFA	2024, 2025	MPTF	
Mid-term review, jointly with other funders if possible	Mid-2024	GDK	
UN Decade MPTF Submission of completion reports to MFA	2026	MPTF	

# Annex 9: Selection Criteria and Process for Flagship Initiatives

### Selection criteria for all Flagship Initiatives

### Geographic: criteria:

- Clearly identifiable geographically, of significant size or scaling potential, and show inspirational demonstration value (for marine/coastal projects, size can be smaller than for terrestrial projects)
- Tailored to local ecological, cultural and socioeconomic contexts, while considering the (public) benefits associated with the larger landscape or seascape

### Probability of success criteria:

- Initial success of restoration: part of nominated area already under successful, measurable, and well-documented restoration
- Well-defined short-, medium-, and long-term ecological, cultural and socio-economic objectives and goals
- A clear pathway for scaling up with an identification of critical barriers to scaling and potential/needed solutions
- Incorporation of multiple types of knowledge and promotion of exchange and integration
- Contribution to the Goals of the Rio Conventions and the Sustainable Development Goals
- Inclusion of monitoring, evaluation and adaptive management throughout (and beyond) the lifetime

### Additional selection criteria for Flagships initiatives receiving targeted support (max USD 200,000)

- Innovative with high learning and demonstration value
- Potential for replicability
- Strong national ownership
- Potential "quick wins" in terms of removing a major bottleneck with a small investment (e.g. increasing political will through increased visibility of the Flagship)
- Added value in terms of leveraging and/or results of 5-year programme involvement and opportunities for UN Decade partners to support the countries
- High probability that seed funding from the 5-year programme will result in larger intervention and/or impactful outreach
- Inclusive and participatory governance with local communities and institutions for long-term impact and effects of livelihoods and ecosystems

### Additional selection for Flagship Initiatives receiving full support (USD 3-5 million)

- High probability of significant results and impact of Flagship Initiative on ecosystem restoration
- Coalition of supporters and stakeholders
- Strong national and local ownership
- Achieve the highest level of recovery for biodiversity, ecosystem health and integrity, climate change mitigation/adaptation, and livelihoods and emergencies
- Identifying and addressing the direct and indirect causes of ecosystem degradation
- Impact on policy changes and measures fostering replication and scaling-up
- Preference given to Flagship Initiatives with cross-border/multi-national potential or impact

### Selection process for Flagship Initiatives

The assessment of nominations is led by the FAO-led Best Practices Task Force and the IUCN-led Science Task Force (five reviewers from each task force). For the 2022 call for proposals the selection process (ongoing) is carried out as follows:

• A call for nominations was made with questions based on the selection criteria above and the ten principles for ecosystem restoration

- 54 nominations were received
- Only the 73 nominations that were government-endorsed were selected for assessment
- The reviewers were divided into two groups, each group reviewed 36-37 nominations
- Nominations that did not have results and activities on the ground were disqualified
- Following the selection criteria above and the ten principles for ecosystem restoration, proposals were assessed in accordance with 12 criteria (see table below)
- Each nomination was assessed according to the 12 questions and given a total score
- 38 nominations receiving a score of 6 or higher were further considered
- 23 nominations were pre-selected to be published as Flagship Initiatives multi-country nominations were prioritised, and for countries that submitted multiple national nominations, only the nomination with the highest score were pre-selected
- The 23 pre-selected nominations were ranked according to size of the area expected to be under restoration by 2030, and then classified into four levels of priority:
  - YES++: a) Nominations that included LDCs, low-income countries and lower middle income countries (OECD/DAC classification); b) multi-national nominations for which at least half of the countries were part of the previous groups
  - YES+: A multi-national nomination with countries within the categories mentioned above, but addressing the same region and type of ecosystem as two of the YES++ nominations (which had a higher totalm score)
  - o YES: Nominations that include upper middle-income countries
  - o NO: countries not ODA-eligible
- The ranking will be submitted to the Executive Board for final selection

#### Assessment criteria – 2022 call

### Section 1. Geographic Criteria (Weight=20%)

Clearly identifiable geographically, of significant size or scaling potential, and show inspirational demonstration value

**Criterion 1.1** Geographic data was provided including geographic coordinates of the area currently under restoration and planned for restoration, as well as the file with the Flagship's Polygon data.

**Criterion 1.2** High scaling potential based on comparison among hectares already restored vs. hectares expected to be restored by 2030. For initiatives already implemented, overall level of ambition was considered.

#### Section 2. Probability of success criteria (Weight=80%)

Initial success of restoration: part of nominated area already under successful, measurable, and well-documented restoration [Principle 4]

**Criterion 2.1** The initiative has measurable benefits on biodiversity, ecosystem health and integrity, ecosystem goods and services, climate change mitigation/adaptation, and human health and well-being. Monitoring systems have clearly shown that objectives and goals are effectively being met, backing up all the achievements reported so far.

Well-defined short-, medium-, and long-term ecological, cultural and socio-economic objectives and goals [Principle 7]

**Criterion 2.2** Short-, medium-, and long-term ecological, cultural and socio-economic objectives and goals are well-defined, realistic and measurable.

A clear pathway for scaling up with an identification of drivers of degradation, critical barriers to scaling and potential/needed solutions [Principle 3 & 5]

**Criterion 2.3** The initiative has effectively identified the main direct and indirect causes of ecosystem degradation, and has addressed them through adequate restorative activities and other measures.

**Criterion 2.4** The initiative clearly identifies barriers of success and outlines effective actions to overcome them/needed solutions.

# Tailored to local ecological, cultural, and socioeconomic contexts while considering the public benefits associated with the larger landscape or seascape [Principle 8]

**Criterion 2.5** The initiative has taken into account the ecological, cultural and socio-economic contexts at both the local and larger landscape or seascape scale.

# Incorporation of multiple types of knowledge and promotion of exchange and integration [Principle 6]

**Criterion 2.6** The initiative has effectively integrated and applied multiple types of knowledge and promoted mutual learning throughout all its phases and decision-making processes.

# Contribution to the Goals of the Rio Conventions and the Sustainable Development Goals [Principle 1]

**Criterion 2.7** The initiative demonstrates synergies with the 3 Rio Conventions and multiple Sustainable Development Goals. The initiative is also part of national commitments to Rio Conventions/Bonn Challenge.

# Inclusion of monitoring, evaluation and adaptive management throughout (and beyond) the lifetime [Principle 9]

**Criterion 2.8** The initiative has a monitoring system in place, including baseline measurements, relevant targets and indicators, and including adaptive management.

# Inclusive and participatory governance with local communities and institutions for long-term impact and effects of livelihoods and ecosystems [Principle 2]

**Criterion 2.9** The initiative has a rights-based, inclusive and participatory governance. Under-represented groups and institutions have been empowered and have received adequate incentives to sustain restoration in the long term.

# Impact on policy changes and measures fostering replication and scaling-up [Principle 10]

**Criterion 2.10** Policy and governance instruments (laws, regulations, policies, strategies and plans) have been effectively integrated to enable long-term sustainability.

# Annex 10: Assessment of UN Decade MPTF According to Danida AMG Standard Questions

- 1) Political, economic, societal and institutional context: Despite the importance and value of ecosystem services and the high costs of ecosystem degradation, the political response as well as public and private investments have been far from sufficient to reverse the trend. The challenges are many and include: a) market failures; b) institutional and technical capacity constraints vis-à-vis integrating knowledge-based ecosystem considerations in a holistic manner in decision-making; c) insufficient public awareness leading to limited accountability and lack of political will; d) inadequate policy, regulatory, and incentive frameworks; and e) vested political and economic interests linked to unsustainable exploitation of natural resources.
- 2) The development problem or issue and the desired transformation: Widespread ecosystem degradation has major economic, social and environmental costs and threaten the achievement of the SDGs. The UN Decade aims to 'prevent, halt and reverse the degradation of ecosystems worldwide and raise awareness of the importance of successful ecosystem restoration'. Being the financial mechanism of the UN Decade, the UN Decade MPTF's objective is to 'Reverse current negative trends in degradation and enable conservation and restoration globally'. The UN Decade MPTF is intended to contribute to four interrelated impacts: 1) reduced greenhouse gas (GHG) emissions from land use and land use change, 2) reduced pressure on threatened species through habitat restoration, 3) improved livelihoods of communities associated with restored ecosystems, and 4) increased delivery of biodiversity and ecosystem services from restored ecosystems. As such, the UN Decade MPTF is expected to contribute directly to the following SDGs: SDG 1 (no poverty), SDG 2 (no hunger), SDG 6 (clean water), SDG 13 (climate action), SDG 14 (life below water), and SDG 15 (life on land).
- 3) The main changes that will need to take place for the transformation to happen: Corresponding with the UN Decade MPTF objective, the expected intermediary state the UN Decade MPTF will contribute to is a 'reduced rate of ecosystem degradation and increased scale of ecosystem restoration globally', which in turn will lead to the four intended impacts. To this end, the UN Decade MPTF will deliver three streams of intermediate and project outcomes. The first stream is focused on the creation of an empowered and interconnected global and local public movement on ecosystem conservation, holding governments accountable and catalysing political will and investments in restoration initiatives. The second stream is enhancing the capacities of the public sector, private sectors and civil society actors to engage in policy reform and mobilise investments and identify and implement restoration measures under the Flagship Initiatives. The third stream concerns knowledge management, monitoring and documenting results, and promoting best ecosystem restoration practices.
- 4) The most important drivers/champions of change: The UN Decade MPTF will target a broad range of stakeholders, including governments and public institutions, the private sector, and civil society. Each of these play an important role as drivers of change. The public sector is responsible for creating an enabling policy, planning, incentive and regulatory environment for ecosystem restoration. The private sector plays an essential role in ensuring that investments are made in ecosystem restoration and economic activities are conducted in a way that do not degrade ecosystems. Civil society plays a critical role in mobilizing and engaging different vulnerable groups as well as holding governments accountable. Communities will be directly engaged in targeted on-the-ground restoration within the Flagship Initiatives.
- **5)** Modalities and instruments Denmark will use to contribute to the change: The UN Decade MPTF will finance: a) knowledge management, advocacy, and communication interventions targeting a broad range of stakeholders at both the global and Flagship level, b) monitoring, documenting and communicating results and lessons from the Flagship Initiatives; and c) policy work, awareness raising, capacity development and targeted on-the-ground restoration efforts in the Flagship Initiatives selected to receive funding. Denmark will provide financing for the selected Flagship Initiatives across all three outcomes.

- **6)** The main conditions in place for the change to happen: Governments across the world have in recent years become increasingly committed to ecosystem restoration, in part due to a growing demand from the public, and part due to an increased awareness an increased understanding of the economic and social importance of healthy ecosystems and the costs of continued ecosystem degradation. The increased momentum for ecosystem restoration is evidenced in the prominence of forests on the agenda for the 26<sup>th</sup> Conference of the Parties (COP 26) of the United Nations Framework Convention on Climate Change (UNFCCC) in Glasgow in November 2021. This was compounded by increasing philanthropic and private sector pledges.
- 7) The main assumptions that will need to hold true for the change to happen: A list of assumptions underpinning each outcome stream is presented in Annex 3.
- 8) The main risk factors that may prevent, delay or limit the changes from taking place: A preliminary risk matrix with mitigation measures is presented in Annex 6. An updated risk matrix will be developed (see Section 9). Individual risk frameworks will be elaborated for Flagship Initiatives receiving full support.

# Annex 11: Summary of appraisal recommendations

Title of Project	Danish support to the Multi-Partner Trust Fund of the UN Decade on Ecosystem Restoration 2022- 2025	
File number/F2 reference	2022-21011	
Appraisal report date	Final 14 <sup>th</sup> September, 2022	
<b>Council for Development Policy meeting</b>	13 October 2022	
date		

# Summary of possible recommendations not followed

All recommendations have been taken into account.

# Overall conclusion of the Appraisal

The (desk) appraisal of the proposed Danish support of DKK 70 million to the Multi-Partner Trust Fund (MPTF) of the UN Decade for Ecosystem Restoration (2022–2025) finds that the need for support is clearly justified, relevant, and well-aligned to Danish strategies and priorities (including the policy objective of increased support for biodiversity conservation). The UN Decade strategy and the MPTF document, upon which the support is based, have undergone a thorough preparatory process. An improved contextual analysis and integration of lessons from similar support would strengthen the justification further. The Theory of Change could also be strengthened, based on existing documentation developed for the UN Decade. The appraisal has some concerns about the technical capacity of the joint UNEP/FAO Secretariat, which is entrusted with coordination and oversight of MPFT Decade operations. Proposed project governance and management structures are adequate. The limited number of donors providing support (so far only Germany and Denmark) does raise some concerns regarding delivery of envisaged results for the first five years of the Decade. Considering these observations, Denmark must be prepared to take an active role in guiding the project through its seat on the Executive Board.

The appraisal noted that Programme Committee observations have been largely addressed in the revised project document.

The overall conclusion of the appraisal is that the proposed project should be recommended for approval with adjustments taking the recommendations presented in the appraisal report into consideration.

Recommendations by the appraisal team	Follow up by the responsible unit	
Recommendation related to the contextual analysis and rationale for support		

**R#1:** Building on the existing documentation developed for the UN Decade, the appraisal recommends strengthening the contextual analysis to include a stronger scientific rationale for ecosystem restoration and providing a clear picture of the scale of the problem and the nature of and priority of ecosystems requiring restoration.

The context section has been revised.

# Recommendation on an improved elaboration of lessons learned

**R#2:** The appraisal recommends including a more elaborate analysis of lessons learned (these could be global lessons or Danish experiences or a combination as relevant) on ecosystem restoration and how these have informed programme development, including the selected implementation modality.

The text has been further elaborated.

It should be noted that the MPTF specifically aims at elevating and promoting existing experiences and best practices, which will be done through the Flagships. As such, the MPTF is not promoting pre-identified ecosystem restoration practices and lessons, as the practices and lessons to be promoted ultimately depend on the Flagships selected.

The selected implementation

The selected implementation modality (UN MPTF's) is a thoroughly tested modality for multi-donor and interagency collaboration; this was already described.

Being a global multi-donor initiative that Denmark is planning to join, Denmark enters into an already developed modality, drawing on global experiences rather than specific Danish experiences.

# **Recommendation on partner capacity**

**R#3:** Denmark should hold discussions with the UN Decade Secretariat and with other donors (Germany) to assess available capacity and determine if support for additional analytical, financial, and reporting capacity is needed and if so, what form this should take.

Reference to Denmark engaging with other donors on this has been added to section 7 (institutional and management arrangements)

# Recommendation on improving the Theory of Change

The UN Decade MPTF is expected to achieve three main outcomes; (1) a global movement able to catalyse ecosystem restoration, (2) increased capacity to catalyse investments and access resources for ecosystem restoration actions on the ground (Flagship Initiatives), and (3) documented and shared results of successful restoration. Achieving these outcomes will entail global support for global advocacy, communications, dialogue and monitoring, etc. to 'build the movement', targeted support (USD 200.000) to 'scalable' flagships to inspire others and accelerate restoration, and full support (up to UDSD 5 million) to selected flagships to encourage innovative activities.

The ToC section has been rewritten, explaining both the overall UN Decade ToC and the MPTF ToC.

**R#4:** Building on the existing documentation developed for the UN Decade, the appraisal recommends strengthening the project Theory of Change to better describe the process of transformational change (how the selected implementation modalities will lead to the expected outcomes). This should include a better description of the overall ToC as well as a better description of how the proposed Danish focus of support on Modalities 2 and 3 will lead to the outcome 2 (also stated as the focus of Danish support).

### Recommendations related to the selection of Flagship Initiatives

Flagship Initiatives are at the core of the UN Decade strategy; with this central role and the high ambitions in terms of replicability and scalability, conceptually strong Flagships will be critical in ensuring both concrete results on the ground and scalable lessons and experiences, and they will need to build on solid and evidence-based foundations. How they are assessed and selected will be an important first step in ensuring scalable results, and the appraisal noted that the first round of Flagship concept notes were not considered to be of sufficient quality for Executive Board approval.

Description of selection process added to Annex 10

**R#5:** The PD should include a more thorough description of the flagship selection process, including the scoring, pre-selection and prioritising process leading to the final MPTF priority short-list.

**R#6:** Building on recommendation # 3 above, Denmark should hold a discussion with the UN Decade Secretariat and other donors, to explore how a thorough appraisal process can be conducted in support of the flagship assessments. This could include, for example, targeted technical assistance support to the Secretariat.

Reference to Denmark engaging with other donors on this has been added to section 7 (institutional and management arrangements)

Recommendation on management		
R#7: Denmark should engage with Germany to ensure support to the quality assurance of the Manual of Operations prior to approval by the Executive Board.  Recommendation on reporting R#8: Denmark should ensure that detailed reporting requirements are defined, including detailed reporting on	Reference to Denmark engaging with other donors on this has been added to section 7 (institutional and management arrangements)  Reference to Denmark promoting this in the Executive Board has	
flagship initiatives and detailed reporting on the linkage between expenditure and the results framework	been added to section 7 (institutional and management arrangements)	
Recommendation on Denmark's role in the Executive Board		
<b>R#9:</b> Denmark should be prepared to play active role on the Executive Board in the coming years.	Reference to a proactive Danish engagement in the Executive Board has been added to section 7 (institutional and management arrangements)	
Recommendation on funding scenarios		
<b>R#10:</b> The Executive Board should ask the UN Decade Secretariat to consider what the implications are for the MPTF expected results and priorities if the basic funding scenario is not achieved.	Reference to Denmark promoting this in the Executive Board has been added to section 9 (risk management)	
Recommendation on risk management		
<b>R#11:</b> The Executive Board should ensure that the responsibility of design, management and implementation of the risk management strategy is well anchored with the joint UN Decade Secretariat and that the Secretariat has the capacity to assume this responsibility	Reference to Denmark promoting this in the Executive Board has been added to section 9 (risk management)	

I hereby confirm that the appraisal team has identified the above-mentioned issues and provided the corresponding recommendations as stated above to be addressed properly in the follow-up to the appraisal.

Signed in...Copenhagen...... on the ...14 September 2022

Hanne Carus

Appraisal Team leader/ELK representative

I hereby confirm that the responsible unit has undertaken the follow-up activities as stated above. In cases where appraisal recommendations have not been accepted, reasons for this are given either in the table or in the notes enclosed.

Signed in.....on the 26 September 2022

Karin Poulsen

Head of Unit/Embassy