RESTORE LOCAL 2023 ANNUAL REPORT

Accelerating locally-led land restoration of Africa's vital landscapes. Prepared by *World Resources Institute*







TABLE OF CONTENTS

INTRODUCTORY LETTER FROM WANJIRA MATHAI

EXECUTIVE SUMMARY

IMPACT BY THE NUMBERS

RESTORE LOCAL: THE AUDACIOUS IDEA

PROGRESS UPDATE JULY 2023-DECEMBER 2023

CHAMPION SPOTLIGHT

LOOKING AHEAD TO 2024

RESTORE LOCAL



A LETTER FROM WANJIRA MATHAI

Dear friends,

As Managing Director for Africa and Global Partnerships at WRI, I am thrilled to present the first-year report on Restore Local.

Restore Local is embarking on a transformative journey with the audacious goal of restoring 2.7 million hectares of land across Africa by the year 2030, contributing to the continental restoration goals set by members of the African Forest Landscape Restoration Initiative, better known as AFR100. This ambitious initiative not only seeks to rejuvenate the land but also to uplift the livelihoods of millions of people. Thanks to the invaluable backing from The Audacious Project, the Bezos Earth Fund and others, Restore Local has successfully delivered critical funding and training to a new cohort of local restoration champions across three key African landscapes: the Lake Kivu & Rusizi River Basin in Burundi, DRC, and Rwanda; the Great Rift Valley of Kenya; and the Ghana Cocoa Belt. With this support we have been able to fund 92 communitybased organizations and small- and medium-sized enterprises that are revitalizing their landscapes while promoting sustainability and creating thousands of jobs. This represents a significant milestone in our journey and will inform our work as we move forward with this groundbreaking project.

We also share our challenges and lessons learned, which allow us to improve our work by learning and adapting to the risks and sometimes harsh circumstances faced by the project, ranging from political instability to currency fluctuations to unpredictable weather and a changing climate.

With your steadfast support, we are transforming the vision of restoration into reality, one hectare at a time. Thank you for believing in the power of local action. We hope you enjoy reading about what incredible impact your contributions are already making!

Warm regards,

Wanjira Mathai

Managing Director, Africa and Global Partnerships World Resources Institute



RESTORE LOCAL

EXECUTIVE SUMMARY

In its first six months, Restore Local has gained tremendous momentum toward the goal of revitalizing Africa's landscapes and creating a viable, thriving sector of the economy around goods and services from restored lands. As a team, we are connecting with thousands of community led organizations to understand and address their core needs: funding, capacity to implement projects and accessible tools to track their own progress.

We have made strategic investments in dozens of local "restoration champions" who are leading the charge to restore land and bring prosperity to their communities. We are initiating dialogues among government agencies to help the public sector facilitate and fund restoration through smart, coordinated policies. And we are innovating with the latest AI and remote sensing technologies to create new methods to accurately monitor and verify restoration efforts.

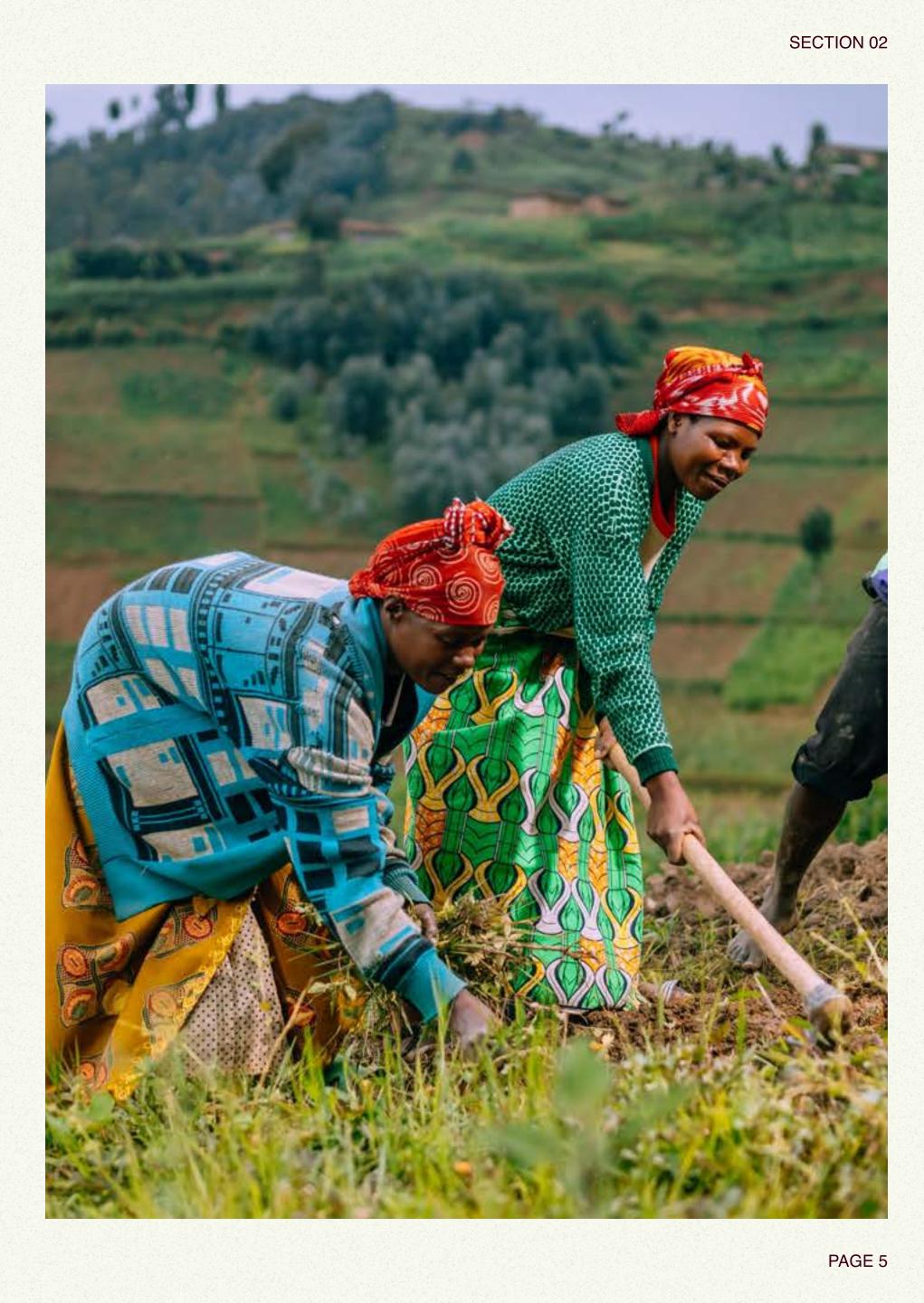
These advances are laying the foundation for Restore Local to jumpstart a restoration movement across the African continent. This first annual report offers a snapshot of the progress achieved from July to December 2023, as well as a glimpse of what is to come in 2024.



EXECUTIVE SUMMARY

In 2024, we will introduce a more holistic capacity development strategy to maximize the growth potential of our champions and build a strong pipeline of investment-ready projects. We will channel more funding towards restoration projects by deepening engagement with private finance actors, like development banks and impact investors. In the public sector, we will work with government officials to design or improve public financial mechanisms for restoration, giving champions even more streams of funding to tap into. And we will finalize and deliver a replicable methodology to monitor and verify the progress of projects in their first three years. Most importantly, we will continue to learn and adapt so that we can more effectively advocate for locally led restoration and better serve our champions as they transform more degraded land into vibrant, productive ecosystems.

'The results from 2023 have built a strong foundation for future success.'



THE RESULTS

IMPACT BY THE NUMBERS

We're measuring our impact using the indicators in the following table. We've made great progress in our first six months, and we're just getting started.

BUSINESSES

46

Capacity

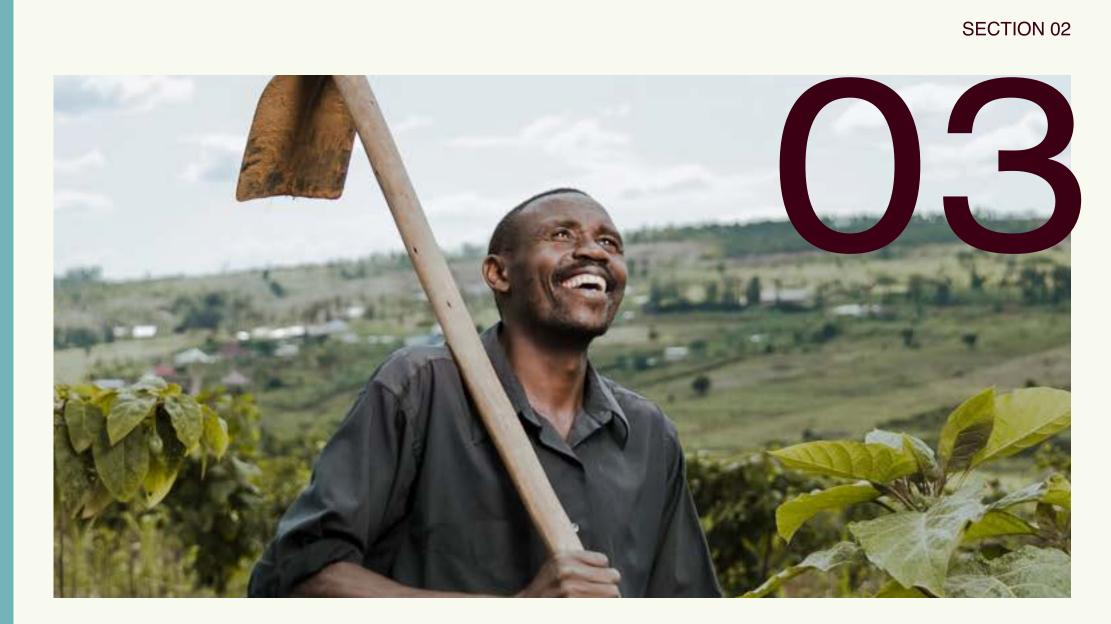
We partnered with two organizations who are leading the way on supporting restoration-focused entrepreneurs, Realize Impact and Barka Fund, to provide 46 businesses from the priority landscapes with critical training and mentorship through our Land Accelerator program.

MILLION INVESTED

18.4

Finance

We invested \$18.4 million into 94 community-based and small- to medium-sized enterprises (SMEs) actively restoring three cornerstone African landscapes. Together, these remarkable projects have the potential to restore 47,000 hectares of land, create more than 52,000 jobs and benefit 580,000 people by 2030.



Policy

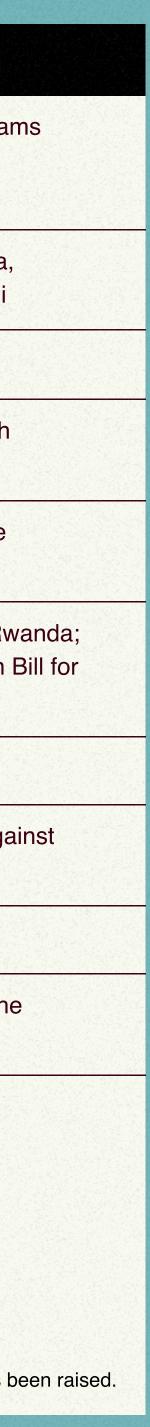
We cultivated relationships with a "who's who" of county, district and national government leaders to begin aligning the public sector behind restoration. Shifting policies and incentives programs so they encourage, not inhibit, restoration will be crucial to scaling these solutions.

Monitoring

With partners like Meta and Michigan State University, we tested innovative techniques, grounded in local realities, to more easily and accurately monitor projects from the moment trees are planted through their maturity. We are developing streamlined monitoring, reporting, & verification (MRV) methods to verify tree counts for projects in their first three years and to calculate carbon estimates from established restoration sites.



| CATEGORY | INDICATOR | STATUS | 6-MONTH PROGRESS (JULY-DEC 2023) | YEAR 1 TARGETS (\$150M*) | NOTES/EVIDENCE | |
|---|--|--|--|-----------------------------------|---|--|
| Develop Capacity | # of projects provided with capacity | On-track | 46 companies | 80 companies | Companies participating in Land Accelerator programs | |
| | | | | | | |
| | # of local capacity-building providers strengthened in anchor and expansion landscapes | On-track | 6 providers | 2 providers | Mt. Kenya Hub, MDF Ghana, Agriprofocus Rwanda, African Agribusiness Academy, MDF DRC, Maliasili | |
| Deploy Finance | # of projects funded by Restore Local | On-track | 94 projects | 100 projects | 78 non-profits, 16 for-profits | |
| | Total grant, loan, and equity funding (USD) to champions from Restore Local | On-track | \$18,413,807 | \$40M | Total amount to 92 champions over 6 years through TerraFund | |
| | % of champions engaged in markets/accessing financing independently | On-track | 17% | 15% | 16/92 projects are accessing market-based finance through TerraFund | |
| Secure Policy | # of government technical assistance requests fulfilled | On-track | 2 requests in progress | 2 requests | Tree seeding and genetic material strategy for Rwa Forest Management and Landscape Restoration Bi Makueni County, Kenya | |
| | # of Policy and Monitoring Accelerator workshops | On-track | 0 workshops | 0 workshops | Planned for Nov. 2024 | |
| Monitor, Report, Verify, and Learn | % of anchor landscape hectarage monitored by Restore Local | On-track | Baseline tree cover data for 100% of the 3 anchor landscapes | 15% | Baseline data created for year 2020 to compare agair project results | |
| | # monitoring tools widely available to champions | On-track | 3 tools | 1 tool | Flority, Greenhouse, TerraMatch | |
| | # of trainings held on monitoring tools | On-track | 4 trainings | 3 trainings | Monitoring tools and protocols were presented at the TerraFund onboarding workshops | |
| Expected Impacts (early signs of change and Audacious project results) | # of hectares brought under restoration | | | | | |
| | # of trees grown | | | | | |
| | # of jobs created | | Initial progress reports from restoration are due on July 31, 2024. We will incluin next wear's report | , 2024. We will include this data | | |
| | # of smallholders/beneficiaries reached | in next year's report. | | | | |
| | Benefits to marginalized groups | * To date, \$150M of Restore Local's \$500m total target for philanthropic funding has | | | | |



RESTORE LOCAL

THE AUDACIOUS IDEA

Africa is the most degraded continent on earth, with nearly <u>65</u>% of its farmable land producing only a fraction of the food it once did. Climate change is worsening the problem, with shifting weather patterns leading to decreased rainfall, prolonged droughts, and intense fires. Restore Local is our audacious idea to create an urgent response to and reverse this trend.







THE AUDACIOUS IDEA

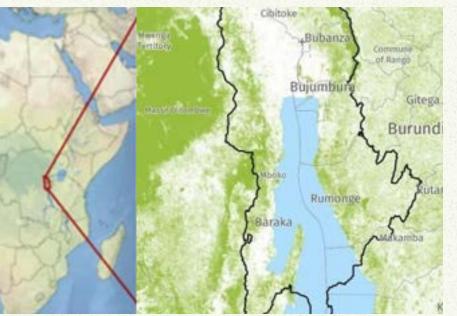
Restore Local's Anchor Landscapes

We will restore Africa's vital landscapes by investing in restoration champions – local organizations who have exhibited an outsized positive impact in their communities. We have identified three initial anchor landscapes for this work based on their overall readiness for restoration activity, the potential for significant benefit, and the presence of key implementing partners.









Lake Kivu & Rusizi River Basin (LKR)

Spanning across Democratic Republic of Congo, Burundi, and Rwanda, the Lake Kivu & Rusizi River Basin consists of a dense system of rivers, lakes and marshlands hosting endangered biodiversity and providing water and food for over 5 million people. Unsustainable farming practices and bare hillsides have led to widespread soil erosion, threatening food security and muddying waterways.

Kenya's Great Rift Valley (GRV)

Iconic Kenyan forests rest on the heights of the country's mountains in the rocky Great Rift Valley. Called "water towers," these trees are the source of 75% of the country's water supply. Unfortunately, Kenya has lost 11% of its natural forest since 2000, the result of growing settlements, uncontrolled logging and the expansion of agricultural land.



The Ghana Cocoa Belt (GCB)

Ghana is the world's second largest exporter of cocoa, generating \$2.2 billion per year. However, between 2001 and 2017, 13% of Ghana's forest cover was lost to illegal cocoa production. Illegal mining has also led to serious land degradation, as has the conversion of forests to agricultural land — the primary driver of deforestation, contributing to soil erosion and loss, reduced agricultural productivity, declining crop yields and economic losses.



THE AUDACIOUS IDEA

A Blueprint to Support Restoration Champions



Develop capacity

Deploy finance

Secure policies

Monitor, report verify & learn

WRI and our partners have developed a blueprint to address four major needs as communicated to us by restoration champions working in each landscape: capacity-building, financing, policy change and monitoring. First, we will demonstrate that the blueprint works by implementing it in our three anchor landscapes. Next, we will design and ready the infrastructure to scale and transition to replicating across additional African landscapes. The blueprint includes:

Developing capacity of restoration champions, so that a strong pipeline of restoration projects is ready to receive funding and deliver impact.

Securing policies from local and national governments that incentivize and fund restoration for health, food security, livelihood and climate benefits. **Deploying finance** directly to restoration champions and helping other financing channels increasingly fund local restoration.

Monitoring, reporting, verifying and learning in accurate and cost-effective ways to analyze and communicate the progress of individual restoration projects and the impact of restoration across the entire landscape.



THE FIRST SIX MONTHS

PROGRESS UPDATE: JULY TO DECEMBER 2023

The following pages provide a detailed update on our progress from 2023 for each major area of Restore Local, as well as the steps we're taking at WRI to better manage our work.



Develop Capacity





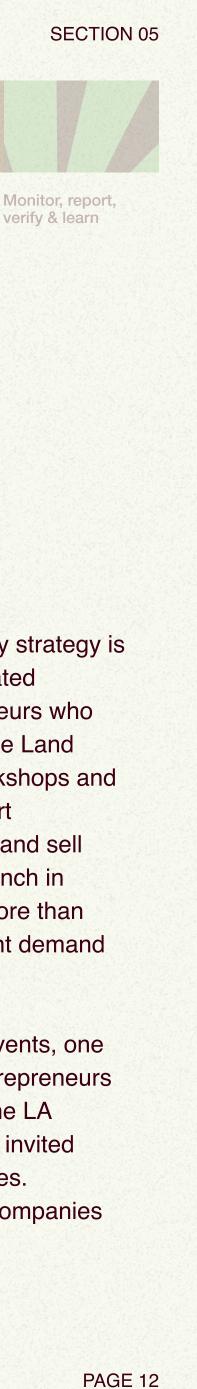
Restore Local's work on capacity building and organizational development aims to meet the range of needs that restoration champions have for technical support across their stages of growth so they can build thriving restoration projects and deliver sustainable impact. In 2023, we focused our efforts on adapting our Land Accelerator program to support restorationfocused entrepreneurs and SMEs in Restore Local's anchor landscapes. As we move into 2024, our Develop Capacity strategy will continue to grow, providing targeted support to additional stakeholders in the pipeline of restoration champions, including community organizations and non-profits.

We have also started working with experienced technical assistance partners, including World Agroforestry (ICRAF), Regeneration, and Maliasili, to support the long-term sustainable expansion of select restoration projects, build the skills of their leaders to ensure their interventions are well designed and help them communicate about their impact to inspire new funders.

Training The Next Cohort of Restoration Champions

A key program in the Restore Local capacity strategy is the Land Accelerator, a first-of-its-kind, curated network and training program for entrepreneurs who restore degraded forests and farmlands. The Land Accelerator holds online and in-person workshops and provides personalized mentorship to support entrepreneurs and SMEs to pitch investors and sell their products more effectively. Since its launch in 2018, the Land Accelerator has received more than 3,400 applications, demonstrating significant demand for this kind of programing.

In 2023, we hosted two Land Accelerator events, one held in Naivasha, Kenya specifically for entrepreneurs operating in the Great Rift Valley, dubbed the LA xGRV, and another regional program which invited applications from all three anchor landscapes. Between the two calls for applications, 46 companies were accepted to the program.



Develop Capacity

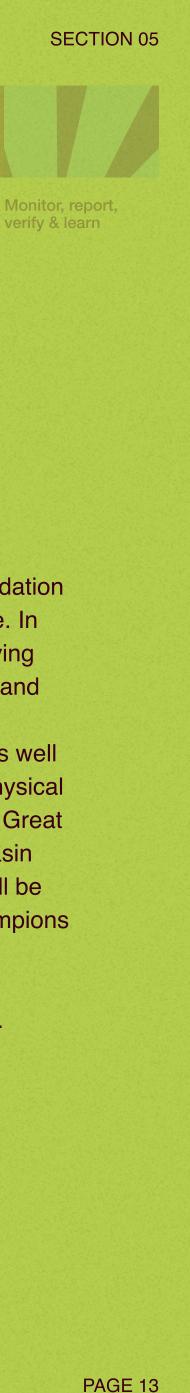
During the events, entrepreneurs received training on preparing financials, strategies, and communications to improve their chances of securing future investments in their businesses. Participants also had the opportunity to network with and learn from world-class mentors from WRI and our partners, as well as other entrepreneurs working within their landscapes' unique context and conditions.

We also invested time in identifying and meeting with local technical partners from all three anchor landscapes who can provide organizational development support to small businesses and entrepreneurs, paying particularly close attention to those with expertise on cross-cutting issues such as food production, gender and social equity. So far, we have entered into agreements with five of these capacity development organizations, identifying who was best positioned to support each landscape and for various stages of growth for the entrepreneurs. These discussions also helped inform the launch of the Land Accelerator Application Hub, a one-stop shop for entrepreneurs interested in applying for Land Accelerator events. This Hub will be used to support the 2024 application for Land Accelerator programs, and again throughout the life of the Restore Local project.



Developing Champions' Capacity on Food Production and Nutrition

Food systems are a primary drivers of ecosystems degradation in Africa. In fact, most of the restoration opportunities in Restore Local's anchor landscapes are found in agricultural lands. As part of our Develop Capacity strategy, we are supporting champions to use restoration practices that contribute to local food and nutrition security (e.g., agroforestry, cover cropping, terracing), and that shift local agricultural practices towards more sustainable production. These elements are critical for the success of restoration efforts in Africa. In 2023, we completed a mapping of degradation hotspots for the Great Rift Valley landscape. In early 2024, we will ground-truth the underlying data for this map, including the "crop-type" and "crop yield" data we've collected for 38 commodities in Kenya (from 2010-2019), as well as the socio-economic indicators and biophysical factors (e.g., soil, elevation, rainfall) for the Great Rift Valley and Lake Kivu & Rusizi River Basin landscapes (from 2000-2019). This data will be used to draft guidelines for restoration champions on planning and implementing restoration projects, with a focus on ensuring positive outcomes and impact on food and nutrition.



Challenges & Opportunities

| Challenges | Solutions |
|---|---|
| Competing demands of restoration champions can lead to delays in implementation (e.g., attending a conference or training seminar vs. working on their projects) Growing list of capacity building demands | We will focus our requests to champions opportunities with the biggest impact, an aim to target champions who are deliver well on their projects and progress reported. Applying focus and building strategic partnerships |
| Opportunities | Impact |
| Develop a holistic capacity building strategy Mature "champions" that could support and inspire new cohorts | Build a robust pipeline of restoration champions ready for investment Orchestrated capacity development su to champions |





ns on nd ering orts

support





Lessons from 2023



policies

Develop capacity

Deploy finance

Lesson: SMEs have different skillsets and face unique challenges compared to nonprofits.

Implication: A blanket approach to building capacity for non-profit organizations and for-profit businesses is ineffective and may ignore their specific needs and roadblocks. For example, we have seen that enterprises need tailored training on raising and managing a variety of types of investment, like debt and

equity, not just traditional grant funding. They also tend to require more handholding to generate geospatial polygons delineating their project boundaries. Instead of pursuing a "one size fits all" strategy, we must conduct thorough research into each type of organization to determine how best to engage them, what technical assistance could improve their work, and which service provider is best suited to address their needs.



Deploy Finance

RESTORE LOCAL

2023



At the core of Restore Local is our commitment to restoration projects that are locally developed and managed. Despite these locally led projects being 6-20x more likely to achieve long-term success and bring environmental and economic benefits for their communities, they are chronically underfunded. <u>TerraFund for AFR100</u> has served as a laboratory for innovations that are helping to fund these restoration champions while building a restoration sector of the economy. This "patient capital" fund, managed in collaboration with One Tree Planted, Realize Impact, and Barka Fund, has connected 194 restoration champions to more than \$33 million in grant, debt, and equity finance since 2021.

The TerraFund program has learned from the 100 champions it funded across 27 African countries in 2021 to develop a robust project vetting and selection process. We have had to innovate, designing assets and processes that did not previously exist in our sector, including: WRI's TerraMatch platform, a bespoke restoration project management, monitoring and reporting system that allows restoration champions to actively interact with us, upload progress and see a dashboard aggregating their progress. Periodically, we release an open call for proposals on TerraMatch so potential or existing restoration champions can ask for the funding and technical assistance they need to restore their land.

A unique financial architecture to efficiently intermediate funding from financial partners directly to local organizations in our anchor landscapes. We provide grants to non-profits and debt finance or catalytic equity finance to enterprises. Every month, enterprises pay back, and 99% of that capital is recycled to other restoration champions. A central investment committee and fund management structure that we govern, underpins this matrix, maximizing efficiency while ensuring that all investments have a measurable impact on people, nature and climate.



Deploy Finance



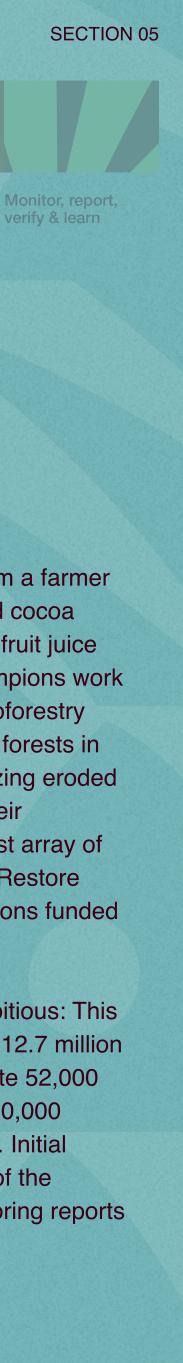
Deploy finance

With funding from The Audacious Project and the Bezos Earth Fund, the team was able to launch its second call for proposals in April 2023. After an extensive communications campaign across the landscapes, the call attracted 601 applications from non-profit organizations and for-profit enterprises.

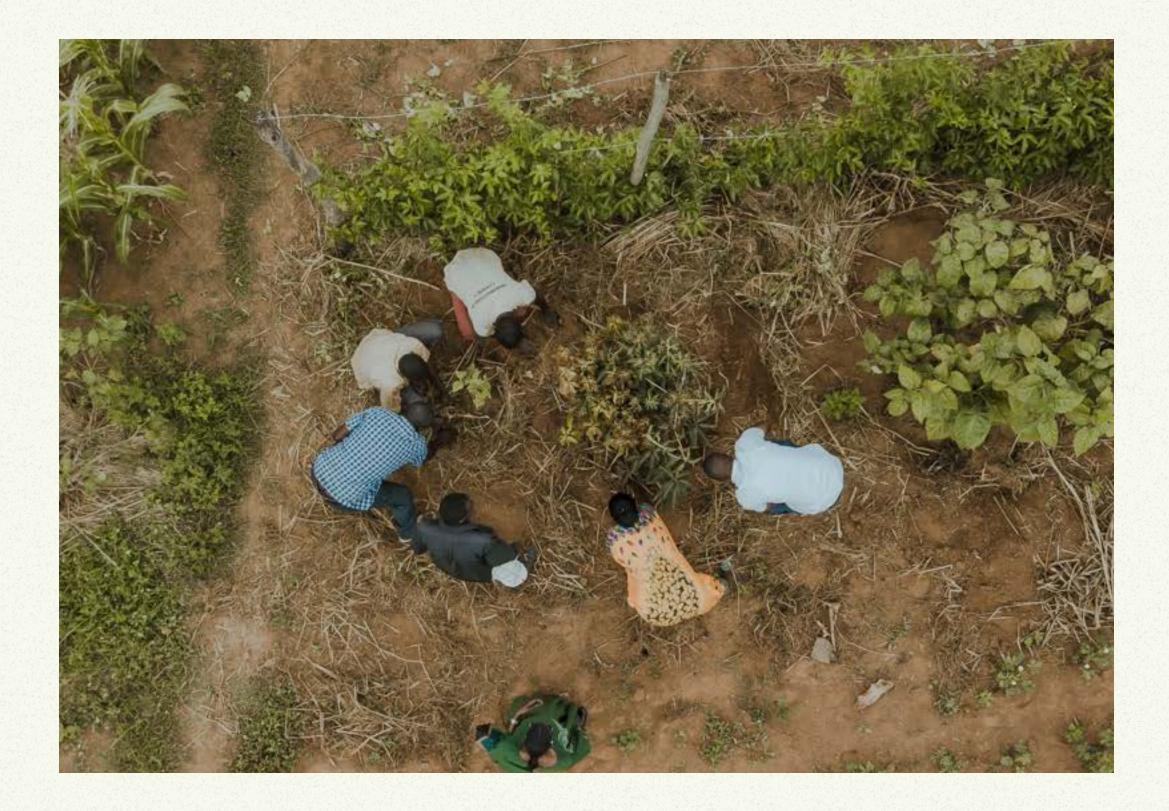
Each application received a full review from an expert in our team or a partner organization, and 305 were invited to submit a more extensive application. After two more independent reviews, an interview process, government engagement sessions, and meetings of the investment committee, 94 organizations in the three landscapes - 78 non-profits and 16 for-profits received a total of \$17.8 million in investment in January 2024. On average, we made 2.5 investments per week throughout 2023.

Who are these champions? They range from a farmer cooperative in Ghana that rehabilitates tired cocoa farms with native trees to a rapidly growing fruit juice processing and export company. Most champions work with farmers to grow trees in high-yield agroforestry systems; others protect and restore natural forests in protected areas; and still others are revitalizing eroded riverbanks with bamboo. The diversity of their experience and vision demonstrates the vast array of opportunity that restoration presents in the Restore Local landscapes. Profiles of all the champions funded by TerraFund can be viewed here.

Most importantly, these champions are ambitious: This new investment cohort is projected to grow 12.7 million trees, restore 47,000 hectares of land, create 52,000 temporary and full-time jobs, and benefit 580,000 people living in these regions through 2030. Initial results will start coming in soon: Members of the second cohort must submit their first monitoring reports by July 31, 2024.



Deploy Finance



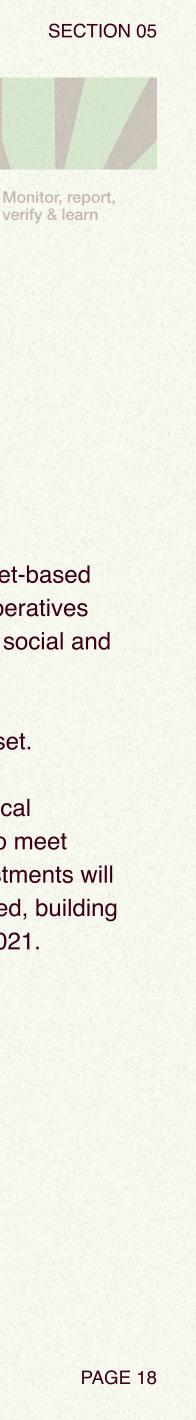


TerraFund's experience tells us that early, in-person interaction and team building sets the foundation for future success and fosters trust among the Restore Local team and our cohort members. In January 2024, all 94 champions gathered for in-person onboarding sessions, where connections between organizations were forged and where expectations for project delivery were set. Nearly 400 individuals joined these electric moments of connection and helped define Restore Local's communications strategy and narrative of change. They <u>celebrated on LinkedIn</u>, spoke with the national media and invited each other to visit their projects. In April and May 2024, the 94 cohort members will reconvene to exchange and learn more about monitoring, reporting and verification, getting them ready to submit inspiring and honest reports in July.

What is next for TerraFund? We have made a commitment to openly communicate about the hardships and triumphs that champions face in the field and show their work to the world. We also are working, in line with the Restore Local vision, to

transition more of these champions to market-based finance, whether by encouraging more cooperatives and enterprises to showcase the enormous social and environmental impact they have within their communities or by encouraging non-profit organizations to think with a business mindset.

By assessing the needs of each Restore Local landscape with the capacity of champions to meet them, the next round of Restore Local investments will prove to be even more impactful and targeted, building off the work that TerraFund first started in 2021.



Challenges & Opportunities

| Challenges | Solutions |
|--|--|
| Localize financial intermediation from the US to Africa Difficult to balance needs of private investment for a return with the long-term nature of restoration Calls for Proposals not as effective with businesses as it is with nonprofits | Design, build a an African NGO Explore new we entrepreneurs Target hybrid baand tree-based revenues from |
| Opportunities | Impact |
| Engage development banks (e.g., Arab Bank for Economic Development in Africa) to capitalize a blended finance fund Design financial instruments with the customer (i.e., restoration champion) in mind | Increase the Customize fir within the lan |



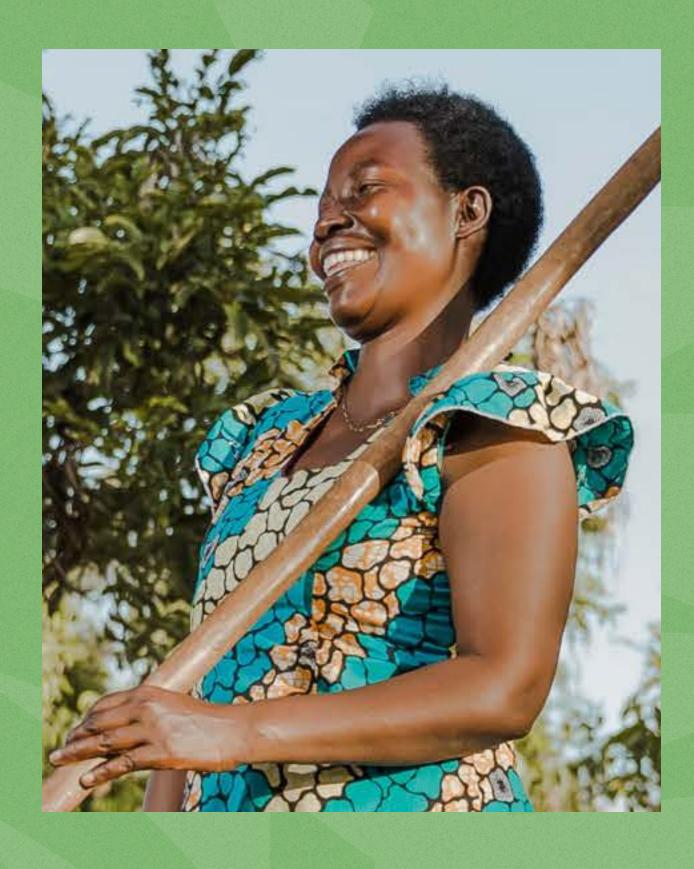
and launch the Vumbuzi Impact Africa (VIA) Foundation, O, to intermediate funds and provide technical assistance

ways of reaching champions, particularly SMEs and s

business models that involve climate smart agriculture ed restoration and support companies that have existing n earlier planting cycles

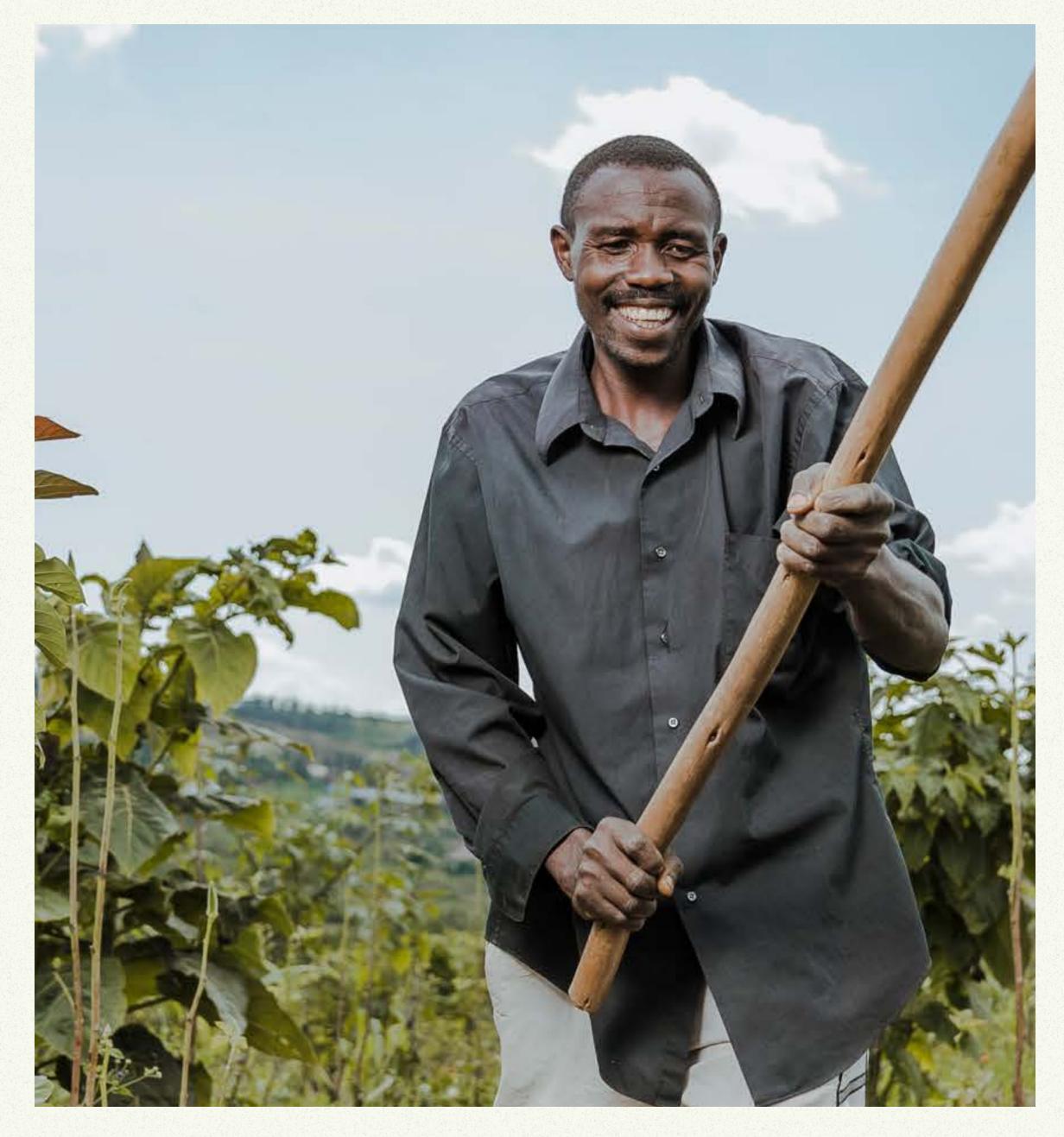
e volume of funding flowing to restoration champions

inancial intermediation for restoration champions ndscapes, lowering costs and improving impact









Lessons from 2023



Develop capacity Deploy finance

Secure policies

Lesson: Restoration champions are our program partners, not our beneficiaries.

Implication: We must take the time to foster personal connections and mutual respect with our project developers and set clear expectations with them. This not only leads to on-time reports but also clearer, more consistent communication. And we must treat champions not just as trainees, but as trainers themselves.

We will intentionally provide opportunities for them to share their own stories and knowledge with others in their community, including other cohort members, to create a strong peer network that can organically spread restoration best practices and inspire new champions.





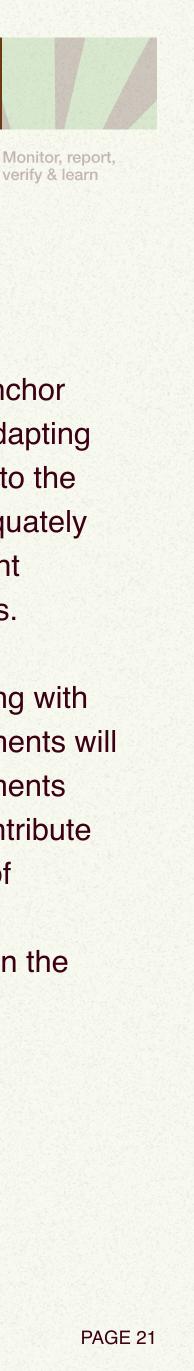




Our work under the Secure Policy pillar builds off the success of our Landscape Policy Accelerator program. This novel program, established in 2019, is designed to help policymakers develop pragmatic, accessible policies that unlock sources of public and private funding that incentivize restoration of forests, agricultural lands, mangroves, and other vital ecosystems. Our program provides policymakers with technical assistance and conducts specialized research to inform critical decision-making processes. This work will build off years of success and lessons learned from our Landscape Policy Accelerators in Latin America, where we created a national restoration plan in Chile, mobilized public investment into restoration in Mexico, and developed a new environmental compensation program policy in El Salvador.

We expect similar results in our anchor landscapes. We have begun by adapting the Landscape Policy Accelerator to the African context, ensuring it is adequately tailored to the needs of government officials and restoration champions.

The partnerships we are developing with sub-national and national governments will create or strengthen policy instruments and public incentives, that can contribute to the large-scale transformation of landscapes and ensure long-term sustainability. Our initial progress in the landscapes is shared below.



SECTION 05

Bottlenecks and Potential Solutions: Frontrunner Counties in Great Rift Valley

Makueni County

Bottleneck: Lack of county-level regulations on forest management and landscape restoration. By not being explicitly included in the county laws, FLR activities will not be budgeted for, regulated or enforced.

Solution: Developing a Sustainable Forest Management and Landscape Restoration Bill, including proposed establishment of an FLR Fund.

Baringo County

Bottleneck: Lack of a framework and technical guidelines for managing rangelands, which are one of the most representative ecosystems in the country, making it difficult to implement FLR.

Solution: Development of a Sustainable Rangelands Management Policy.



Elgeyo Marakwet County

Bottleneck: The county is proactively responding to the call for planting 15 billion trees in Kenya by 2032 by increasing investments in nurseries (doubling production in just the last year) but lacks clear FLR plans to guide strategic and effective implementation at scale.

Solution: (1) Develop the County Forest Landscape Restoration Plan; and (2) a Spencer Line Policy (i.e., delineates crop production below a certain elevation to enable restoration and protection of natural forests in the upper watershed).

Nakuru County

Bottleneck: Lack of county-level forest management regulations, strategies, and funding mechanisms.

Solution: Development of a Sustainable Forest Management and Tree Growing Policy.



Secure Policy

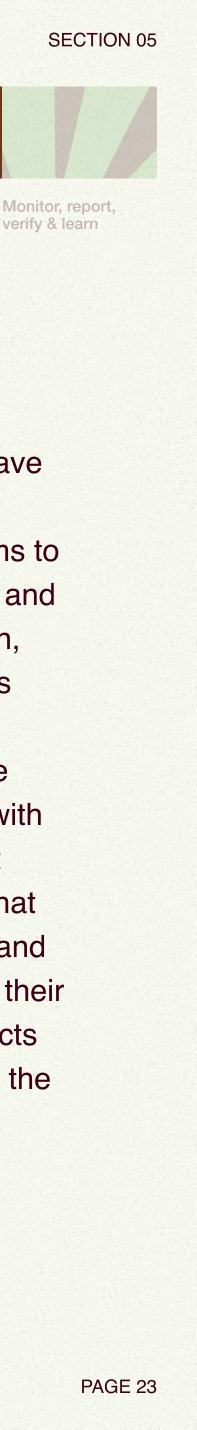
In the Great Rift Valley, which stretches across western Kenya and encompasses thirteen counties, the team selected four counties to focus on during the first year of the project: Baringo, Elgeyo Marakwet, Makueni and Nakuru. These were selected due to existing relationships and significant momentum from the peer-to-peer Policy Accelerator workshop previously held in Makueni county in May 2023, which included participants from the same four counties. During that workshop, we identified specific policy bottlenecks and a roadmap of potential solutions, providing a solid foundation for the work to build on in 2024.

In Lake Kivu & Rusizi River Basin, v have built a team of experts that car represent each country in the LKR Landscape (Rwanda, Burundi, and Democratic Republic of Congo), as current political tensions make it challenging for staff to work across borders. Initial discussions with the governments in each country have helped inform some early prioritization In the Ghana Cocoa Belt, the policy for our policy work, including work is just getting underway. We held a week-long strategic planning meeting supporting the Rwanda Forestry in Accra with the Ghanian Authority with the development of a "tree reproductive material" strategy to **Environmental Protection Agency** (EPA) and other key stakeholders. help them produce enough seeds and seedlings to meet their ambitious restoration targets.



| ve | Despite the challenges of working on | |
|-----|---|--|
| n | an integrated landscape approach in | |
| | LKR, the Policy team will conduct a | |
| the | comprehensive comparative analysis | |
| | across the three landscapes to identify | |
| | opportunities for shifts in policies that | |
| | generate cross-boundary benefits for | |
| | scaling restoration. | |
| | | |

As a result of the workshop, we have identified opportunities to develop public-private financial mechanisms to boost restoration efforts in Ghana and to ensure their long-term operation, maintenance, and monitoring. This work will build off a restoration opportunity assessment, which we conducted in late 2023, together with the government. This assessment identified key degradation areas that are highly suitable for restoration and will help the Ghanian EPA finalize their land-use plans and prioritize districts for restoration interventions within the Cocoa Belt.



Challenges & Opportunities

Challenges

- Landscape restoration is highly complex in its biophysical and sociopolitical dimensions
- Political tensions between countries (e.g., DRC and Rwanda) create difficulties working within cross-boundary landscapes
- Policy design and adjustment processes take a long time to reach their goals

Opportunities

- Transferrable successes and lessons learned in the sister initiative in Latin America and a growing team in landscapes to lead these processes
- Lessons learned from long term engagement in Rwanda and DRC that could inspire similar efforts in Burundi. ABAKIR, a regional structure convening Rwanda, DRC and Burundi
- Mobilize public sector funding through innovative policy instruments and incentives (e.g., restoration funds, subsidized nurseries, extension services)



Solutions

- Partner with governments, who can take a birds-eye view of landscapes and create strategic plans, regulations and norms to enable public and private stakeholders to implement restoration
- Deepen expertise within each country while looking for low-hanging opportunities for crossboundary work (e.g., partnering with the <u>Rusizi Basin water authority</u>)
- Focus on regulations and other quick wins that have significant on-the-ground impact, rather than laws that require drawn-out legislative processes and are far removed from implementation

Impact

- Accelerated shifts in policies by learning from decades of experience in FLR policy design and implementation in LAC (e.g., PES, public-private financial mechanisms, green bonds)
- An enabling environment for landscape restoration in Lake Kivu and Rusizi River basin landscape
- Close the funding gap for restoration champions and support a thriving sector of the economy focused on restoring land





Lessons from 2023

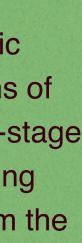


Lesson: More public sector engagement is needed to boost blended-finance options for restoration.

Implication: We have partnered with government agencies from the beginning of Restore Local to secure their buy-in and ensure that resources are deployed where they are needed most. Leveraging these relationships, we aim to strengthen or codesign public policies and financial

mechanisms, such as incentives programs, that can unlock more public funding for restoration. These streams of finance are critical to mitigating early-stage risks from restoration projects, enabling them to secure future investment from the private sector.





Monitor, Report Verify & Learn



Using drones to capture aerial footage to monitor and verify progress on restoration projects



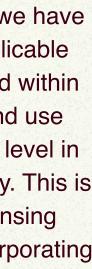
In 2023, we have focused on providing an MRV framework for restoration champions. This framework also ensures that donors and investors receive the information they need to understand the impact their dollars are having and to feel confident in their investments. It tracks progress and the emerging impact of seven key indicators: trees restored, hectares of land under restoration, jobs created, livelihoods benefitted, community engagement and leadership, inclusive finance and market access, and carbon.

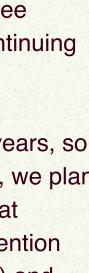
Counting Trees to See the Forest

We are dedicated to accurately monitoring and verifying biophysical progress reported to us by restoration champions, which involves verifying data from early-stage projects, when saplings are not easily captured by satellite imagery, and validating the survival of those trees afterwards. We are accomplishing this in a two-step process:

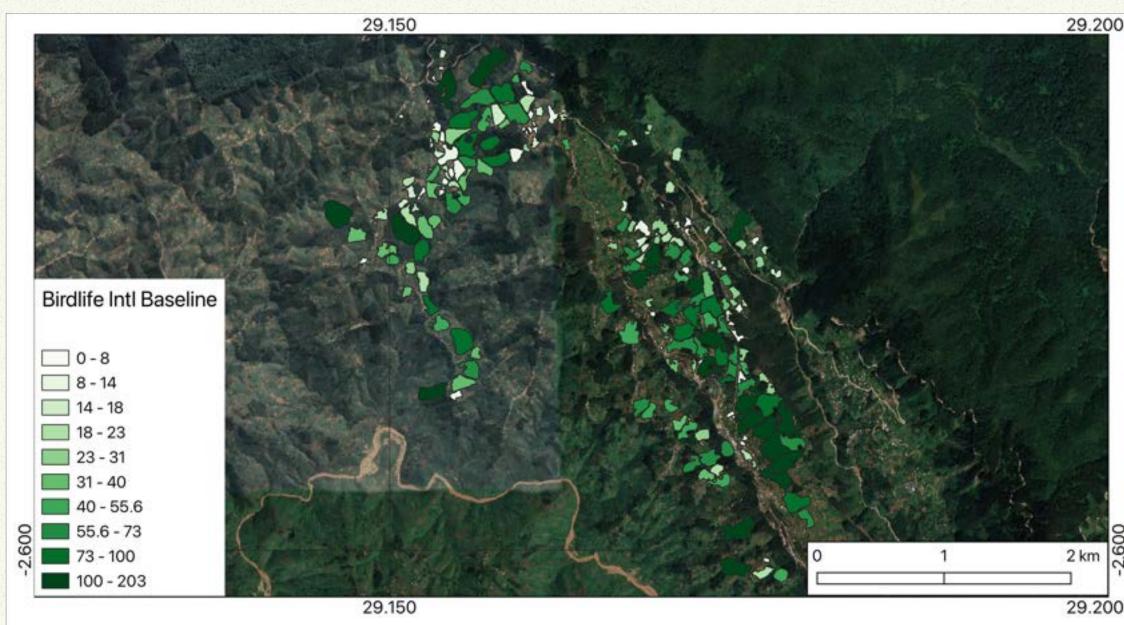
- 1. From years zero to three, we use a protocol we have developed in a credible, sustainable, and replicable way that confirms the number of trees planted within the first two years of the project across all land use types. So far, we are seeing a 90% accuracy level in reported tree counts during a project's infancy. This is being accomplished by using both remote sensing and field verification approaches and by incorporating realistic death rates of the trees.
- 2. From year three on, we use existing satellite methodologies, notably the WRI's Tropical Tree Cover (TTC) dataset, to verify if trees are continuing to grow.

All our funded projects are within the first three years, so we are focusing on the trickier first step. In 2024, we plan to improve this process with a decision matrix that groups early-stage projects by restoration intervention (e.g., agroforestry, assisted natural regeneration) and matches each with a corresponding verification protocol.

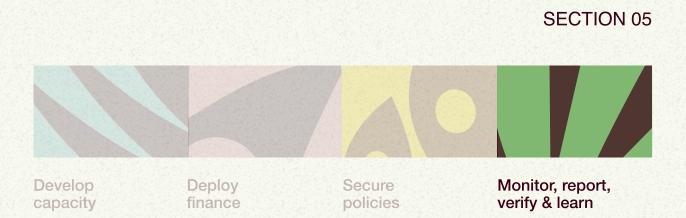




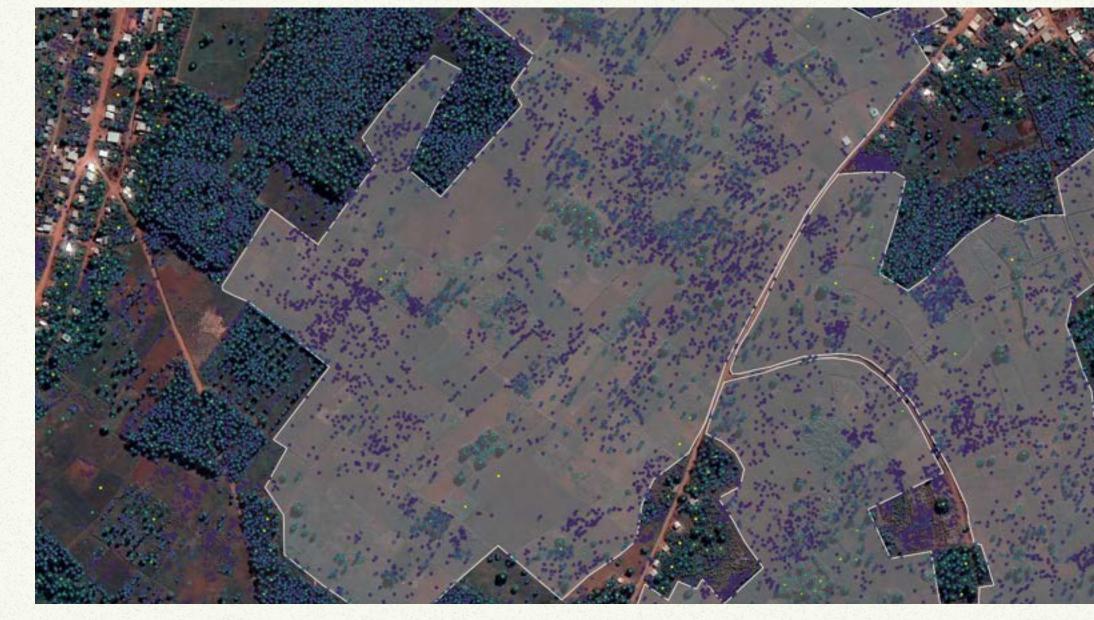
Monitor, Report Verify & Learn



Baseline data for the number of trees on each planting site of Birdlife International's TerraFund project in the Lake Kivu and Rusizi River Basin Landscape. Darker shade of green indicates a higher tree density at the start of the project.



29.200



Leveraging AI to identify trees outside forests using satellite imagery. The white polygon indicates the boundary for a project of ARCOS Network in the Lake Kivu and Rusizi River Basin. Dots represent trees, where yellow represent the largest trees, and blue represents the smallest.





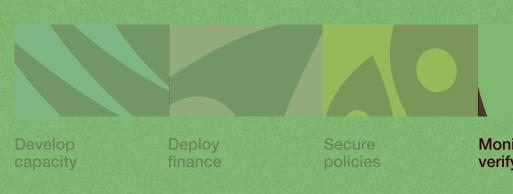
Monitor, Report Verify & Learn

Our Approach to MRV

Our years of experience with MRV has helped shape our approach. Champions wanted clearer definitions and more guidance on how to consistently and accurately report against our indicators, in particular jobs, livelihoods, and community engagement indicators. Questions came up, such as:

- Do temporary and seasonal jobs count? Why do they matter?
- How do we standardize the measurement of benefits yet allow space for unique approaches and storytelling?
- How do we define locally led?

Guided by these questions, the team completed desk reviews of the latest peerreviewed articles, gathered feedback from champions, and interviewed experts to develop new training materials and better define our key terms and concepts. In improving our definitions, we also discovered the lack of a standardized living wage for the restoration industry and have established a research-backed policy for our restoration champions to pay an equitable wage to their staff.





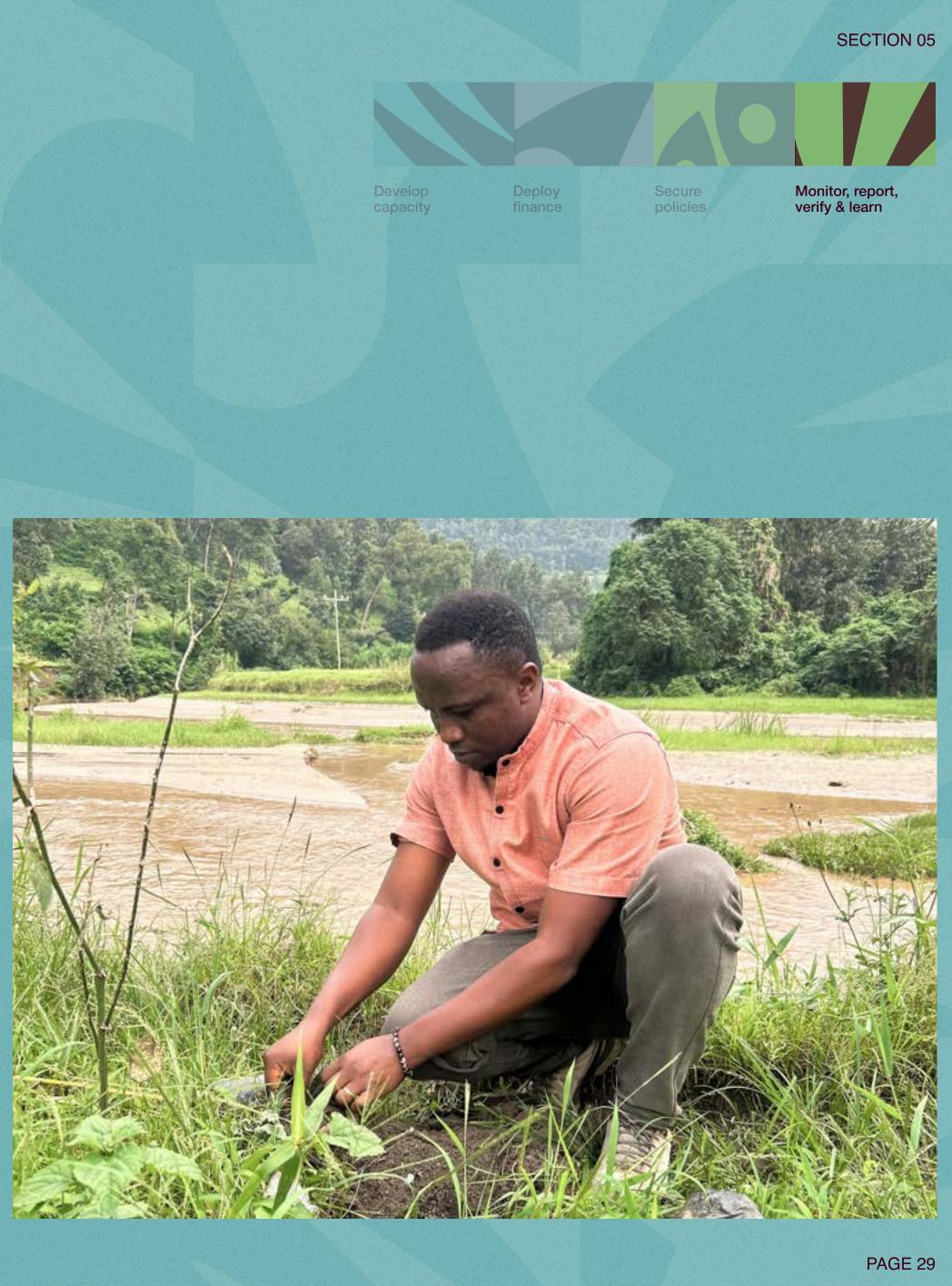


Monitor, Report Verify & Learn

We have worked to improve the efficiency of our data collection and quality assurance processes through automation and other newly available technology. One breakthrough was fine-tuning our solution for champions to create and own their data. More than half of our first cohort of champions struggled with creating a georeferenced boundary for their project, so we worked with a partner to co-develop new features for data collection mobile apps, such as making data editable on their mobile browsers. This improved their accuracy, increased our speed for quality assurance, and ultimately cut down our response time to champions' questions

from 3 months to one day. This mobile app is now part of the onboarding and training for our restoration champions. We also developed and executed code to automate quality assurance of the project boundary files submitted by restoration champions, ensuring that tree, hectare and carbon indicators are derived from the most accurate data. Automation of this process will reduce our staff time, as it corrects thousands of issues like misspellings and errors that are commonly made when restoration champions are drawing project boundary lines.



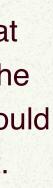


Monitor, Report Verify & Learn

Making the case for carbon

Restore Local strives to prove that locally led, small-scale restoration efforts can meaningfully contribute to climate change mitigation by sequestering carbon. Our ultimate goal is to standardize the measurement and verification of carbon from trees, supporting a robust carbon market and providing new entry points for communities and entrepreneurs to join a restoration sector of the economy. To this end, have begun a partnership with Michigan State University's Global Observatory for Ecosystem Services, an expert in remote sensing

measurement and monitoring of carbon, to undertake research that identifies project characteristics that lead to carbon sequestration and the types of restoration projects that could be a good fit for the carbon market. To date, we have collected field data from 23 restoration champions to form a baseline of carbon stocks at the start of their projects, creating a per-tree carbon map for each project (see images below). In 2024, we will work on a landscape-scale approach, aiming to show the impact of these projects across the entire region.







Challenges & Opportunities

| Challenges | Solutions |
|--|--|
| Capacity challenges for champions to submit accurate data and shapefiles of their project boundaries | Partnering with one of our champions to design features of a web app to collect (and create shapefiles of restoration sites) |
| Lack of open-source, highly accurate remote certification processes for carbon measurement | Develop an automatic, ecosystem-speci carbon sequestration projection for 20-y carbon projects |
| Opportunities | Impact |
| Identifying TerraFund projects that are ideal fits for existing carbon crediting schemes Advances in AI, satellite imagery and other technology | Provides funding to the restoration champion and demonstrates the potent smallholder restoration projects for carl crediting Improving our ability to verify tree coun using remote sensing |



policies

capacity

finance

to co-GPS es

cific -year

ential of arbon

Int





Lessons from 2023

Lesson: Restoration is complicated. We need clear definitions to cut through the noise.

Implication: What is a "local organization"? What counts as a "job"? Defining these seemingly simple terms requires us to make choices that can have significant implications for the projects we choose to fund and the indicators we use to track our progress. WRI and our partners are working to establish clear parameters around common restoration terms to ensure consistency, accuracy and consensus across our projects.

Lesson: Pursuing innovation and product development in tandem is essential for leveraging recent breakthroughs in AI for monitoring a verification of tree planting.

Implication: The technology and computational scale required to ena tree counting from satellite imagery has only existed for the past few ye There is no common toolkit, language or shared understanding of how to implement this technology to monitor portfolio like Restore Local. WRI is bringing together partners in academia and big tech companies, while developing a deeper internal bench on AI, to build a first-of-its-kind

2024

| | system for monitoring and verifying |
|------|---------------------------------------|
| | projects from space. Given the |
| | technology's emerging nature, it is |
| and | crucial to strike a balance between |
| | ongoing innovation, research and the |
| | early communication of data to refine |
| | our understanding of project impacts. |
| able | To this end, we have adopted a |
| | versioned methodology for our |
| ars. | processes, allowing us to share data |
| ge | and insights progressively throughout |
| | our journey of research and |
| or a | development. |
| | |



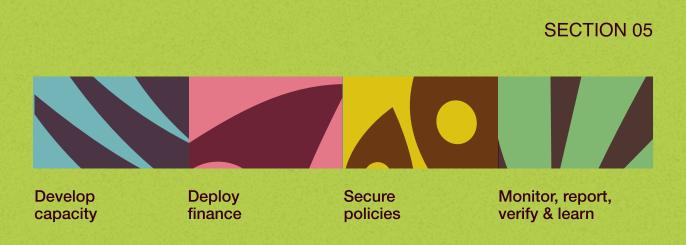
Managing our Work



During the first six months of Restore Local, we have also worked to ensure WRI's organizational capacity to deliver a project of this scale. We have developed a robust governance structure for the project, are incorporating feedback from restoration champions and local stakeholders to refine our implementation strategies and are building strategic partnerships at the regional and landscape levels.

Venture Success with Rippleworks: Designing an Organizational Structure

Our project has benefited significantly from a partnership with Rippleworks Foundation, who invited us to participate in their Venture Success capacity-building program in 2023. The project connected us with a C-suite leader, who helped us design an organizational structure for the project, clarify who makes decisions and develop a change management strategy to guide our team through this reorganization process. As a result of the project, WRI developed new standard



operating procedures around staffing, budgets, workplans and internal coordination, especially between our Global and Africa offices. Especially critical was the design of an updated process to manage hiring new staff, given the rapid growth period that the project team has entered, which ensures consistent review of available resources. capacities and expertise and confirms alignment with the program strategy.

The organizational restructure also led to the development of an internal management group called the Africa Restoration Executive Team (AFRET) to manage Restore Local, improve connection between implementation teams in the three landscapes and support the increasing role of WRI Africa in managing the project.

Addressing Gaps Through Partnership

Much of the progress we have reported in the previous sections could not be accomplished by WRI alone. We continue to see our role as a

"systems orchestrator" as critical to the success of this project, which means identifying and activating partners who have a comparative advantage in filling gaps in Restore Local's strategy. Particularly key to this will be partners who can

support Restore Local's efforts to fund, train and engage an array of actors at the regional, national and subnational levels for each anchor landscape, which would be too much for one organization alone. During the reporting period, we have already identified and established relationships with 20 partners who are filling niches within the landscape, such as Barka Fund, Regeneration and Maliasili who are providing investments, market access and organizational development, or Michigan State University and Meta, who are helping design new methods for carbon accounting.

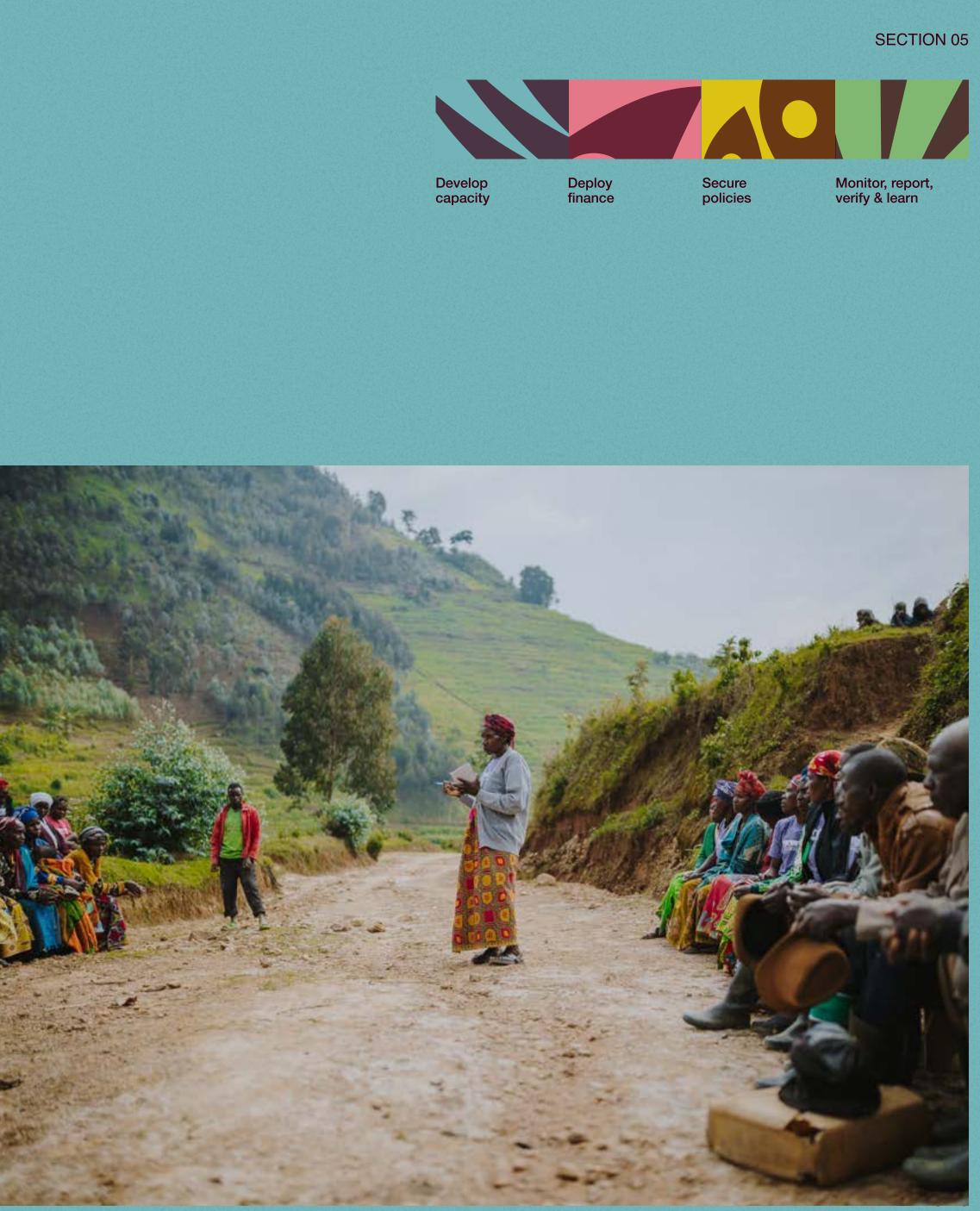
Managing our Work

Playing the Role of A Systems Orchestrator

The components of our blueprint are highly interconnected. We cannot be successful in one of these areas without making progress in another. Our investment in restoration champions is dependent on strong capacity and organizational development producing a sufficient pipeline of projects. Communities and entrepreneurs choosing to work in this sector depend

on the enabling environment created by public sector policies and regulations. And our ability to design, implement and scale this blueprint depends on the necessary infrastructure being ready for a new restoration sector of the economy to succeed. We see a critical role for our organization to play in ensuring connection between these pillars of our work – a role we call "systems orchestration" and expect to play throughout the life of the project.

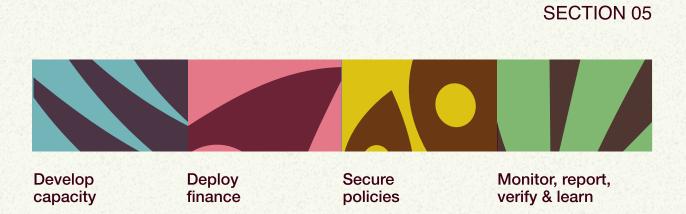




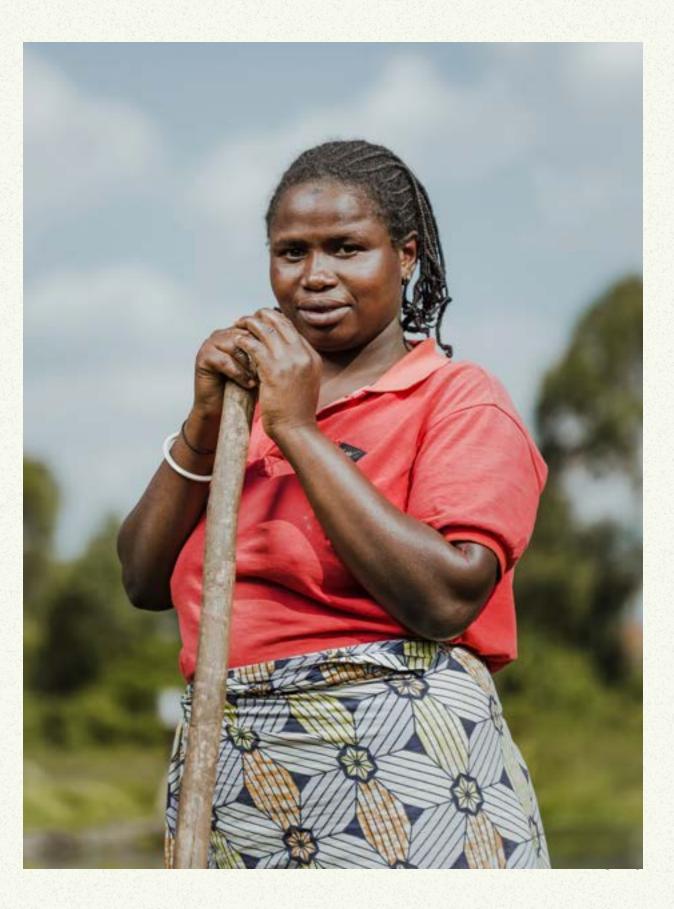
Managing our Work

A Communications Strategy for Scale

One of our newly formed partnerships has been with Havas Africa, a leading global media and creative network, who have committed to helping Restore Local create a relevant, tailor-made media and engagement strategy for each landscape, while ensuring that this strategy can be scaled across all AFR100 countries in the future. Havas Africa will provide us with further support by introducing us to local media houses, radio stations, influencers and other relevant distribution channels to spread Restore Local content. We began this process in late 2023 by conducting a series of co-creation communication workshops with restoration champions. The aim of these sessions was to better understand and define what successful communications can add to the daily lives of those organizations and the communities they work with, with a goal of using their inputs to create a Restore Local brand and identity, narrative, tone-of-voice and language that are aligned with their needs.



The Restore Local communications and engagement strategy, which will be introduced during the 2024 planting seasons in each landscape, will target a wide variety of audiences, including local and national governments, donors, investors and policymakers. Adding value to our champions through communications, engagement and storytelling forms the core of our strategy to disseminate the benefits and opportunities of the Restore Local movement to other stakeholders in each landscape and beyond.



Challenges & Opportunities

| Challenges | Solutions |
|---|---|
| Managing team growth, ensuring proper onboarding and safeguarding of our values and culture | Clarify roles and responsibilities, and increase communications on these topics between the AFRET and new staff |
| Opportunities | Impact |
| Skilled "people managers" on the team to guide this process, helping the team prioritize and focus Documenting protocols and processes to transfer knowledge | Effective implementation and long-term sustainability of the team and work Enable scaling within and beyond the Restore Local landscapes |





PROGRESS UPDATE

Lessons from 2023

Lesson: Forming a vibrant community of practice is as important for replication and scaling as raising finance and building capacity.

Implication: Entrepreneurs, community organizations, government actors, university groups and others are all doing their part to move the restoration agenda forward, but they are not always aware of each other's work. Our Communications team will maintain deliberate, consistent awareness and educational campaigns to bring these groups together, enabling them to share successes and productivefailures, exchange replicable restoration or business models and explore ways to join forces.

Lesson: Touting our achievements can inspire others to invest in restoration, which can help to minimize the funding gap that remains.

Implication: We are proud of the work our partners and champions have accomplished and are immensely grateful to you, our donors, for your

support of this emerging sector. To grow the restoration economy, we must publicize and communicate success early and bring additional donors, investors and implementers onboard. For some, the size of Restore Local at \$100 million gives an impression of being fully funded, healthy and sustained. However, this overlooks the necessity to raise a total of \$500 million in philanthropy and \$2 billion in private finance to meet Restore Local's goals, as well as the nearly \$300 billion funding gap for

restoration worldwide. As such, we are crafting our narrative to at once highlight the success of Restore Local and to emphasize the urgent need for more funding. We seek opportunities to activate new financial actors who are interested in this space, and we enthusiastically encourage our donors to spread the word through their networks.





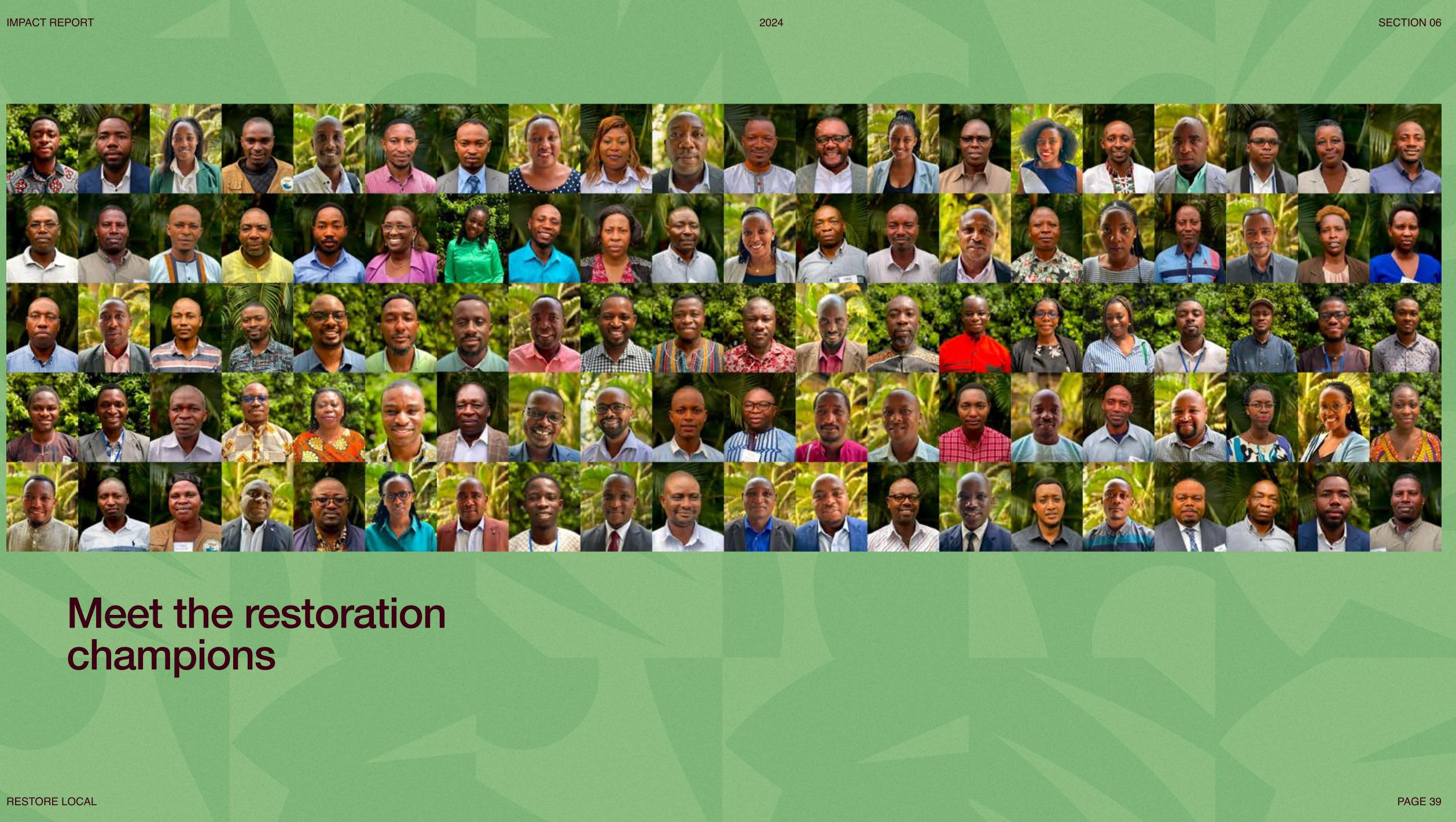
RESTORE LOCAL

CHAMPION SPOTLIGHT

In this chapter, we turn the spotlight on the remarkable achievements of three restoration champions in Restore Local. As we showcase their stories, we celebrate not only their outcomes but also the ripple effects they have created within their respective communities.

RESTORE LOCAL







GreenPot Enterprises





GreenPot Enterprises



Years of drought matched with torrential rains and Since it was founded in 2014, the company has floods and diminishing forest cover have made restored approximately 1,600 hectares of land, Kenya's Great Rift Valley especially vulnerable to planted 750,000 bamboo clusters, and climate change. Communities are trying to adapt empowered 2,000 smallholder farmers. to these conditions by reducing their cattle, sheep and goat herds and introducing breeds that are Key to the company's success are the pitching more resilient to drought. As a result, farm and business development skills developed by productivity and revenues have decreased. To participating in WRI's Land Accelerator, a training address this challenge, GreenPot Enterprises is and mentorship program for ambitious using bamboo to restore degraded landscapes entrepreneurs whose businesses restore land. and bring an alternative money-making The company believes that land restoration can serve as a commercially viable and profitable way opportunity to communities. for communities to earn a living. In partnership GreenPot Enterprises is a high-impact business with Restore Local's TerraFund for AFR100 program, Caroline is establishing a bamboo processing factory in Narok County that will turn the "green gold" produced by its partner farmers through innovative bamboo-based initiatives. The into finished products ready for the market. After breaking ground in 2022, the company's latest nutritional and financial benefits. The species also has a short growth cycle, multiple uses that range TerraFund investment will allow it to start processing its first bamboo this year, a major

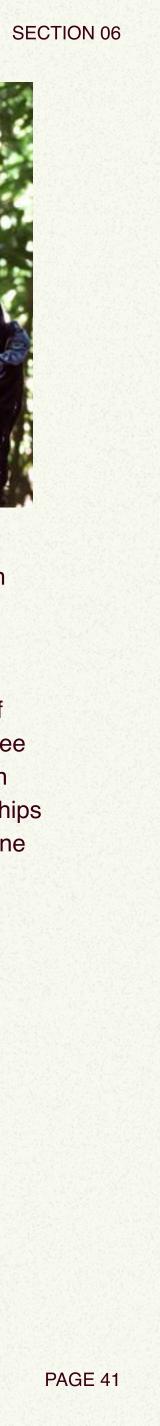
founded by Caroline Kariuki, with a mission to transform communities and conserve nature company chose bamboo for its ecological, from construction to food, fuel and textiles, and is a renewable resource that can be used more sustainably than wood.





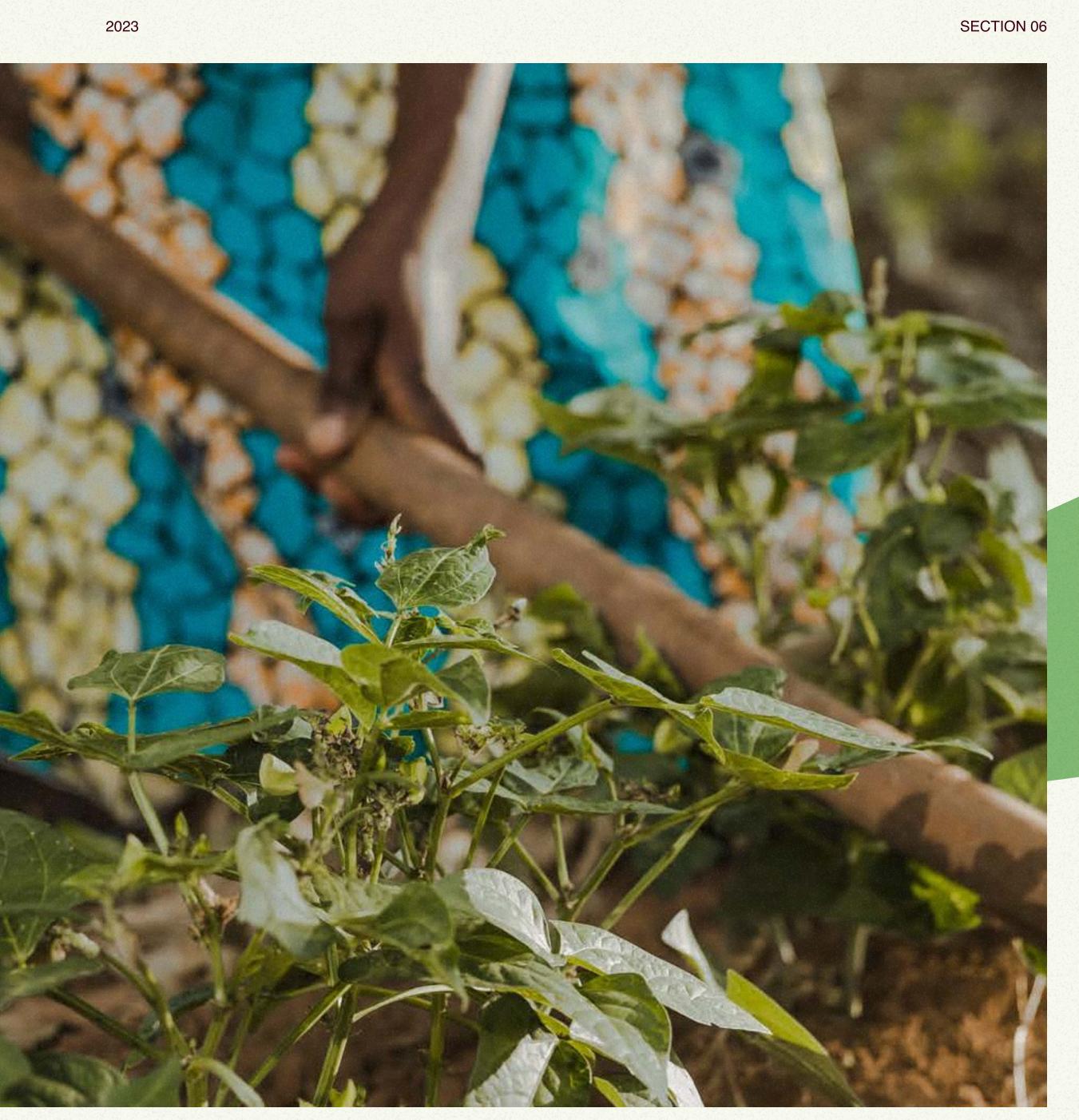
milestone for this innovative company after ten years of growth and struggle.

Their journey continues: By 2035, GreenPot Enterprises aims to restore 40,000 hectares of land and establish five bamboo factories in three different countries. This will lead to more green jobs, increased investment and more partnerships to fast-track landscape restoration in Kenya, one bamboo shoot at a time.



Rwanda Environmental Conservation Organization







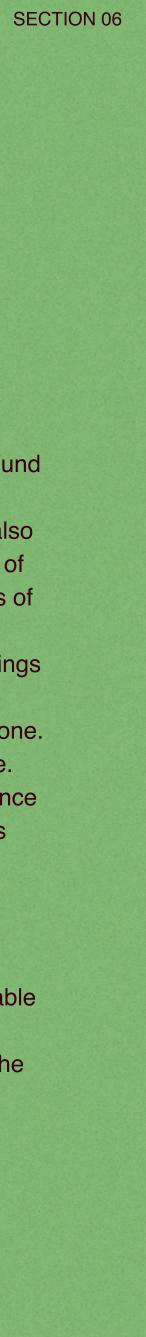
Rwanda Environmental Conservation Organization

Following the 1994 Genocide against the Tutsi, nearly 50,000 hectares of Rwanda's forests were destroyed by refugees and returnees cutting trees for firewood and charcoal. Ever since, illegal logging, charcoal production and unsustainable agricultural practices have damaged national forests.

To reverse that trend, in 2003, a group of students from the National University of Rwanda created the Rwanda Environmental Conservation Organization (RECOR), a non-governmental organization aimed at building sustainable and healthy ecosystems in Rwanda. By mobilizing restoration champions across the country, RECOR grows trees on vulnerable farms in dry areas to help communities resist the impact of climate change. Among the species planted are the avocado, one of Rwanda's most highly valued and exported crops; sisal, which communitiesuse to produce handicrafts like baskets to sell and earn an income: and a variety of native species. RECOR has also been working closely with communities in Bugesera, conducting awareness programs in secondary schools for environmental conservation, planting 176,000 trees, and helping 180 community members learn how to produce and irrigate seedlings.

In 2022, RECOR received a grant from TerraFund for AFR100 to restore the buffer zone of Lake Rumira through agroforestry practices, while also educating smallholder farmers on the benefits of restoration. In an effort to restore 250 hectares of land, 65,000 native tree seedlings are being grown in a nursery. An expected 15,000 seedlings will be added to this nursery to plant in community-owned land and along the buffer zone. This work will create green jobs for 300 people. Thanks to their hard work in the Eastern Province and the support of Restore Local, TerraFund is extending RECOR's grant to expand its work across the Lake Kivu & Rusizi River Basin.

RECOR is proving that community-led conservation is essential in building a sustainable and greener future. Their work is not only regenerating landscapes but also supporting the country's conservation journey. Their motto, "Environment determines tomorrow," clearly communicates this goal.



PAGE 43

Goshen Global Vision, Cocoa Belt, Ghana





Goshen Global Vision, Cocoa Belt, Ghana



The Ghana Cocoa Belt is the second largest producer of cocoa beans worldwide. Across the country, and especially in the west, this important crop is grown on family-run, small farms of 2-3 hectares.

For decades, however, the expansion of cocoa production devastated forests and farmland in western Ghana, destroying biodiversity and leaving farmers with little land for food crops. The long-term sustainability of the cocoa industry depends on a healthy relationship with the natural environment. That is why Goshen Global Vision harnesses the power of restorat on to educate, transform lives and empower communities, especialty women and young people.

Goshen is a non-governmental environmental organization founded by Mary Perpetua Kwakuyi in 2019 that builds resilience by planting native trees, improving farmers' livelihoods and building their skills and capabilities. Over the past four years, Goshen has worked with 7,000 community 2023



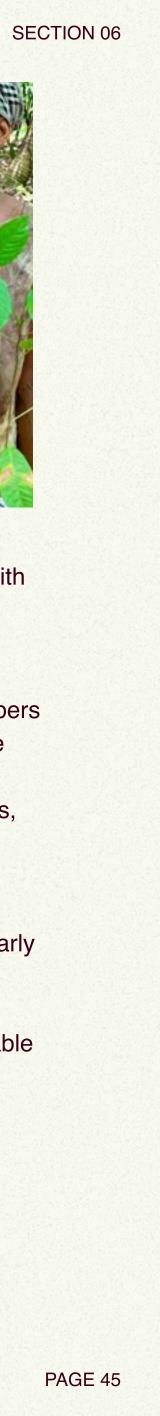
members in 200 localities to establish a network of 7 nurseries that has grown and planted 220,000 trees across 11,500 hectares. Women and young people are the heart of this work: 78% of the almost 10,000 beneficiaries are women, and 86% of them are young people.

Through its partnership with TerraFund for AF R100, Goshen is growing hundreds of thousands of native trees with high economic value, such as African mahogany. These efforts boost the harvests of cocoa farmers and build economic and climate resilience in this vulnerable region. It not only works with farmer cooperatives, but also the government, community leaders, Ghana Cocoa Board and the Forestry Commission to provide farmers with a variety of tree seedlings that can support them economically and help them adapt to climate change.

Core to Goshen's vision is its commitment to monitoring, reporting and verification: Goshen's

young and talented staff has worked closely with TerraFund's technical team to precisely draw boundaries for each of the farms where it is restoring land and takes meticulous notes on the number of trees planted, community members benefittedand jobs created in each area where they work. Their experience has inspired their fellow champions in Ghana to learn these skills, which are key to unlocking more sustainable sources of finance, like the carbon market.

By enhancing the capacity of farmers, particularly worn en and young people, and elevating restoration in the Cocoa Bett, Goshen Global Vision is building a brighter and more sustainable future for all.



CONCLUSION

LOOKING AHEAD TO 2024

Restore Local is not just a project; it is a movement propelled by the dedication and vision of countless individuals and organizations. Your support has been pivotal in catalyzing this momentum for change. Together, we are planting the seeds for a more sustainable and equitable future for Africa.





CONCLUSION

Looking Ahead to 2024

Restore Local has made meaningful strides during its first six months. By investing in communities and their innovative restoration models, we are demonstrating an immense potential for locally led solutions to address land degradation and climate challenges. Research underscores the effectiveness of our approach, showing that locally led restoration efforts are six to twenty times more sustainable than top-down initiatives. The landscape model embraced by Restore Local is not only efficient but also highly valued by our champions. Together, we are effecting tangible change in the lives of communities and the environment they rely on.

We expect some exciting new developments in 2024, which will deepen our engagement in each of Restore Local's main components: capacity, finance, policy and monitoring progress.

Some of the highlights include:

- A holistic capacity development strategy to maximize the growth potential of our champions and build a strong pipeline of investment-ready projects
- Targeted calls for proposals around key commodities and their supply chains (e.g., avocados, coffee, cocoa) to elevate SMEs and entrepreneurs within our anchor landscapes
- An improved policy and government engagement strategy aimed at creating incentives and increasing public sector funding of restoration projects
- The launch of our communications and branding strategy for Restore Local
- Additional staff and expertise in the Ghana Cocoa Belt to support the Government of Ghana in their Restore Local journey



For questions please contact: Wanjira Mathai Managing Director for Africa, WRI wanjira.mathai@wri.org

Sean DeWitt Director of Restoration, WRI <u>sean.dewitt@wri.org</u>

TOGETHER WE GROW





